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NATIONAL BANK OF GREECE S.A.

(incorporated with limited liability in the Hellenic Republic)

€10 billion Global Covered Bond Programme

Under this €10 billion global covered bond programme (the "**Programme**"), National Bank of Greece S.A. (the "**Issuer**", "**NBG**" or the "**Bank**") may from time to time issue bonds (the "**Covered Bonds**") denominated in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below).

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 (as amended) (the "**Luxembourg Act**") on prospectuses for securities to approve this document as a base prospectus (the "**Base Prospectus**"). By approving this base prospectus, the CSSF does not give any undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer in accordance with Article 7(7) of the Luxembourg Act. Application has also been made to the Luxembourg Stock Exchange for Covered Bonds issued under the Programme to be admitted to trading on the Bourse de Luxembourg, which is the Luxembourg Stock Exchange's regulated market (the "**Luxembourg Stock Exchange's regulated market**") for the purposes of Directive 2004/39/EC (the "**Markets in Financial Instruments Directive**") and to be listed on the official list of the Luxembourg Stock Exchange. This document comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC as amended (which includes amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area) (the "**Prospectus Directive**") but is not a base prospectus for the purposes of Section 12(a)(2) or any other provision of or rule under the Securities Act.

References in this Base Prospectus to Covered Bonds being listed and all related references shall mean that such Covered Bonds are intended to be admitted to trading on the Luxembourg Stock Exchange's regulated market and are intended to be listed on the official list of the Luxembourg Stock Exchange's regulated market.

The Programme also permits Covered Bonds to be issued on the basis that they will be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

The maximum aggregate nominal amount of all Covered Bonds from time to time outstanding under the Programme will not exceed €10 billion (or its equivalent in other currencies calculated as described herein). The payment of all amounts due in respect of the Covered Bonds will constitute direct and unconditional obligations of the Issuer, having recourse to assets forming part of the cover pool (the "**Cover Pool**").

The Covered Bonds may be issued on a continuing basis to one or more of the Dealers specified under "*General Description of the Programme*" and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Covered Bonds being (or intended to be) subscribed by more than one Dealer, be to the lead manager of such issue and, in relation to an issue of Covered Bonds subscribed by one Dealer, to such Dealer.

The price and amount of Covered Bonds to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions. Notice of the aggregate nominal amount of Covered Bonds, interest (if any) payable in respect of Covered Bonds, the issue price of Covered Bonds and any other terms and conditions not contained herein which are applicable to each Series or Tranche (as defined under "*Terms and Conditions of the Covered Bonds*") of Covered Bonds will be set out in a separate document specific to that Series or Tranche called the final terms (each, a "**Final Terms**") which, with respect to Covered Bonds to be listed on the official list of the Luxembourg Stock Exchange, will be delivered to the Luxembourg Stock Exchange on or before the date of issue of such Series or Tranche of Covered Bonds.

The rating of certain Series of Covered Bonds to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to a relevant Series of Covered Bonds will be issued by a credit rating agency established in the European Union and registered under Regulation (EU) No 1060/2009 (the "**CRA Regulation**") will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused. The Covered Bonds issued under the Programme will have the rating set out in the applicable Final Terms by Moody's Investors Service Limited or its successor ("**Moody's**"), by Fitch Ratings Limited or its successor ("**Fitch**") and by DBRS Ratings Limited or its successor ("**DBRS**") (or such other ratings that may be agreed by the Rating Agencies from time to time). A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating organisation.

Investing in Covered Bonds issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its obligations in respect of the Covered Bonds are discussed under "*Risk Factors*" below. Investors should review and consider these risk factors carefully before purchasing any Covered Bonds.

Arranger and Dealer

National Bank of Greece S.A.

The date of this Base Prospectus is 6 December 2017.

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The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Series or Tranche of Covered Bonds issued under the Programme and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus and the Final Terms is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Copies of each Final Terms (in the case of Covered Bonds to be admitted to the Luxembourg Stock Exchange) will be available from the registered office of the Issuer and from the specified office of the Paying Agents for the time being in London or in Luxembourg at the office of the Luxembourg Listing Agent.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see the section entitled Documents Incorporated by Reference below). This Base Prospectus shall be read and construed on the basis that such documents are so incorporated and form part of this Base Prospectus.

Each Series (as defined herein) of Covered Bonds may be issued without the prior consent of the holders of any outstanding Covered Bonds (the "**Covered Bondholders**") subject to the terms and conditions set out herein under "*Terms and Conditions of the Covered Bonds*" (the "**Conditions**") as completed by the Final Terms. This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Series of Covered Bonds which is the subject of Final Terms, must be read and construed together with the relevant Final Terms. All Covered Bonds will rank *pari passu* and rateably without any preference or priority among themselves, irrespective of their Series, except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Issuer confirmed to each Dealer named under "*General Description of the Programme*" below that this Base Prospectus contains all information which is (in the context of the Programme, the issue, offering and sale of the Covered Bonds) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue and the offering and sale of the Covered Bonds) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

Neither the Arranger nor any Dealer nor the Trustee nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Covered Bond shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base 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 Base Prospectus, any document incorporated herein by reference and any Final Terms and the offering, sale and delivery of the Covered Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer, and each Dealer to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Covered Bonds and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Covered Bonds, see "*Subscription and Sale*". In particular, Covered Bonds have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, Covered Bonds may not be offered, sold or delivered within the United States or to U.S. persons. Covered Bonds may be offered and sold outside the United States in reliance on Regulation S under the Securities Act ("**Regulation S**").

IMPORTANT – EEA RETAIL INVESTORS: If the Final Terms in respect of any Covered Bonds includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Covered Bonds are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). 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 ("**MiFID II**"); or (ii) a customer within the meaning of Directive 2002/92/EC on insurance mediation ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

Neither this Base Prospectus, any supplement thereto, nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Covered Bonds and should not be considered as a recommendation by the Issuer, the Arranger, any Dealer, the Trustee or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Covered Bonds. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

The maximum aggregate principal amount of Covered Bonds outstanding at any one time under the Programme will not exceed €10 billion (and for this purpose, the principal amount outstanding of any Covered Bonds denominated in another currency shall be converted into euro at the date of the agreement to issue such Covered Bonds (calculated in accordance with the provisions of the Programme Agreement). The maximum aggregate principal amount of Covered Bonds which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Programme Agreement as defined under "*Subscription and Sale*".

In this Base Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area and references to "**€**", "**EUR**" or "**euro**" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union ("**EMU**") pursuant to the Treaty establishing the European Community.

In this Base Prospectus, all references to Greece or to the Greek State are to the Hellenic Republic.

This Base Prospectus has been prepared on the basis that any offer of Covered Bonds in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) as amended (each, a "**Relevant Member State**") will 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 Covered Bonds. Accordingly any person, making or intending to make an offer in that Relevant Member State of Covered Bonds which are the subject of an offering or placement contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Covered Bonds, may only do so in circumstances in which no obligation arises for the Issuer, the Arranger 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 Issuer, the Arranger nor any Dealer has authorised, nor do they authorise, the making of any offer of Covered Bonds in circumstances in which an obligation arises for the Issuer, the Arranger or any Dealer to publish or supplement a prospectus for such offer.

ALTERNATIVE PERFORMANCE MEASURES

This Base Prospectus contains references to certain performance measures which, although not recognized as financial measures under International Financial Reporting Standards as adopted by the European Union ("**IFRS**"), are used by the management of the Issuer to monitor the Group's financial and operating performance. In particular:

(i). **Adjusted loans**. The Group defines "adjusted loans" or "adjusted loans and advances to customers", as loans and advances to customers excluding the amortizing 30 year loan to the Hellenic Republic with a principal amount of €5.4 billion expiring in September 2037. The Group defines "adjusted loans before allowance for impairment" as loans and advances to customers before allowance for impairment on loans and advances to customers and excluding the amortizing 30-year loan to the Hellenic Republic. Adjusted loans amounted to €35,470 million, €39,126 million and €61,481 million as at 31 December 2016, 2015 and 2014, respectively and to €32,781 million as at 30 June 2017. Adjusted loans before allowance for impairment amounted to €46,927 million, €51,969 million and €72,055 million as at 31 December 2016, 2015 and 2014, respectively and to €43,749 million as at 30 June 2017;

(ii). **Common Equity Tier 1 ("CET1") ratio**. The Group defines CET1 ratio as CET1 capital, as defined by Regulation No. 575/2013, and based on the transitional rules over Risk Weighted Assets ("**RWAs**");

(iii). **Loans-to-Deposits Ratio**. The Group defines Loans-to-Deposits Ratio as net adjusted loans and advances to customers over due to customers, at the end of the period;

(iv). **Non-Performing Exposures ("NPE")**. The Group defines NPEs, according to EBA ITS Technical Standards on Forbearance and Non-Performing Exposures, as exposures that satisfy either or both of the following criteria:

a) material exposures which are more than 90 days past due; and

b) 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 of the number of days past due;

(v). **NPE ratio**. The Group defines NPE ratio as NPEs divided by adjusted loans before allowance for impairment at the end of the period;

(vi). **Non-Performing Loans ("NPLs")**. The Group defines NPLs as loans and advances to customers that are in arrears for 90 days or more;

(vii). **90 Days Past Due Ratio**. The Group defines 90 Days Past Due Ratio as Adjusted loans more than 90 days past due divided by adjusted loans before allowance for impairment at the end of the period.

Investors should be aware that:

- these financial measures are not recognised as a measure of performance under IFRS;
- they should not be recognised as an alternative to operating income or net income or any other performance measures recognised as being in accordance with IFRS or any other generally accepted accounting principles; and
- they are used by management to monitor the underlying performance of the business and operations but are not indicative of the historical operating results of the Issuer, nor are they meant to be predictive of future results.

Furthermore, since companies do not all calculate these measures in an identical manner, the Issuer's presentation may not be consistent with similar measures used by other companies. Therefore, undue reliance should not be placed on any such data.

In connection with the issue of any Series or Tranche of Covered Bonds, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over allot such Series or Tranche of Covered Bonds or effect transactions with a view to supporting the market price of the Covered Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) 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 relevant Series of Covered Bonds 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 relevant Series or Tranche of Covered Bonds and 60 days after the date of the allotment of the relevant Series or Tranche of Covered Bonds. Any stabilisation or over allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

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RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations in respect of the Covered Bonds issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with Covered Bonds issued under the Programme are also described below. It is not possible to identify all risks or to determine which risks are most likely to occur, as the Issuer may not be aware of all relevant risks and certain risks which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Covered Bonds issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Covered Bonds may occur for other unknown reasons and the Issuer does not represent that the statements below regarding the risks of holding any Covered Bonds are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. If potential investors are in doubt about the contents of this Base Prospectus they should consult with an appropriate professional adviser to make their own legal, tax, accounting and financial evaluation of the merits and risk of investment in such Covered Bonds.

Prospective investors should read the entire Base Prospectus. Words and expressions defined in the "Terms and Conditions of the Covered Bonds" below or elsewhere in this Base Prospectus have the same meanings in this section. Investing in the Covered Bonds involves certain risks. Prospective investors should consider, among other things, the following:

Factors that may affect the Issuer's ability to fulfil its obligations under Covered Bonds issued under the Programme

The Covered Bonds will be obligations of the Issuer only

The Covered Bonds will be solely obligations of the Issuer and will not be obligations of or guaranteed by the Trustee, the Asset Monitor, the Account Bank, the Agents, the Hedging Counterparties, the Arranger, the Dealer or the Listing Agent (as defined below). No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Covered Bonds shall be accepted by any of the Arranger, the Dealer, the Hedging Counterparties the Trustee, the Agents, the Account Bank, any company in the same group of companies as such entities or any other party to the transaction documents relating to the Programme.

Maintenance of the Cover Pool

Pursuant to the Greek Covered Bond Legislation, the Cover Pool is subject to a number of Statutory Tests set out in the Secondary Covered Bond Legislation. Failure of the Issuer to take prompt remedial action to cure any breach of these tests will result in the Issuer not being able to issue further Covered Bonds and any failure to satisfy the Statutory Tests may have an adverse affect on the ability of the Issuer to meet its payment obligations in respect of the Covered Bonds.

Pursuant to the Servicing and Cash Management Deed after the occurrence of an Issuer Event the Cover Pool is subject to an Amortisation Test. The Amortisation Test is intended to ensure that the

Cover Pool Assets are sufficient to meet the obligations under all Covered Bonds outstanding together with senior expenses that rank in priority or *pari passu* with amounts due on the Covered Bonds. Failure to satisfy the Amortisation Test on any Calculation Date following an Issuer Event will constitute an Event of Default, thereby entitling the Trustee to accelerate the Covered Bonds subject to and in accordance with the Conditions and the Trust Deed.

Factors that may affect the realisable value of the Cover Pool or any part thereof

The realisable value of Loans and their Related Security comprised in the Cover Pool may be reduced by:

(a) default by borrowers (each borrower being, in respect of a Loan Asset, the individual specified as such in the relevant mortgage terms together with each individual (if any) who assumes from time to time an obligation to repay such Loan Asset (the "**Borrower**") in payment of amounts due on their Loans;

(b) changes to the lending criteria of the Issuer; and

(c) possible regulatory changes by the regulatory authorities;

Each of these factors is considered in more detail below. However, it should be noted that the Statutory Tests, the Amortisation Test and the Eligibility Criteria are intended to ensure that there will be an adequate amount of Loan Assets in the Cover Pool to enable the Issuer to repay the Covered Bonds following service of a Notice of Default and accordingly it is expected (but there is no assurance) that the Loan Assets could be realised for sufficient value to enable the Issuer to meet its obligations under the Covered Bonds.

Default by Borrowers in paying amounts due on their Loans

Borrowers may default on their obligations under the Loans in the Cover Pool. Defaults may occur for a variety of reasons. The Loans are affected by credit, liquidity and interest rate risks. Various factors influence mortgage delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic or housing conditions, changes in tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments and government policies. Other factors in Borrowers' individual, personal or financial circumstances may affect the ability of Borrowers to repay the Loans. Loss of earnings, illness, divorce and other similar factors may lead to an increase in delinquencies by and bankruptcies of Borrowers, and could ultimately have an adverse impact on the ability of Borrowers to repay the Loans. In addition, the ability of a Borrower to sell a property given as security for a Loan at a price sufficient to repay the amounts outstanding under that Loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values in general at the time.

Changes to the Lending Criteria of the Issuer

Each of the Loans originated by the Issuer will have been originated in accordance with its Lending Criteria at the time of origination. It is expected that the Issuer's Lending Criteria will generally consider, *inter alia*, type of property, term of loan, age of applicant, the loan-to-value ratio, status of applicant and credit history. The Issuer retains the right to revise its Lending Criteria from time to time but would do so only to the extent that such a change would be acceptable to a reasonable, prudent mortgage lender. If the Lending Criteria change in a manner that affects the creditworthiness of the Loans, that may lead to increased defaults by Borrowers and may affect the realisable value of the Cover Pool, or part thereof, and the ability of the Issuer to make payments under the Covered Bonds.

Risks relating to Subsidised Loans

In the Hellenic Republic subsidies are available to borrowers in respect of interest payments made under residential mortgage loans. The availability and amount of subsidy is determined by reference to the financial and social circumstances of a borrower and are made available from the Greek State and/or the OEK. For the avoidance of doubt, any Subsidised Loans included in the Cover Pool are only euro denominated.

The Issuer receives the subsidised component of interest due under the Subsidised Loans from the OEK, the Greek State or any other applicable Greek State subsidised entity. The OEK will maintain the OEK Savings Account and the Servicer will be authorised to deduct the amount of the subsidy related to the relevant Subsidised Loan from this account and then transfer such amounts to the Collection Account or, following an Issuer Event, to the Transaction Account according to the terms of the Servicing and Cash Management Deed. On the other hand, until such withdrawal from the OEK Savings Account by the Servicer, OEK remains liable to the Issuer for the relevant subsidy. If the OEK Savings Account balance for any given month has not been sufficiently replenished by the OEK in advance of the next month's automated deduction of the subsidy amounts, the remaining balance owing to NBG and to be transferred by the Servicer into the Collection Account or, following an Issuer Event, the Transaction Account will be deducted once additional funds have been deposited by the OEK.

The Greek State will make payments of the subsidised interest amounts to NBG into the NBG BoG Account and then the Servicer shall be authorised to transfer such amounts to the Collection Account or, following an Issuer Event, to the Transaction Account according to the terms of the Servicing and Cash Management Deed. The Servicer will notify the Greek State of the subsidised interest amounts that are payable by them and will undertake to take action necessary to ensure that the Greek State make payment of the subsidised interest amounts that are payable by them.

In respect of any other subsidies provided by a Greek State subsidised entity, the amounts paid by way of subsidy will be transferred by the Servicer into the Collection Account or, following an Issuer Event, to the Transaction Account in accordance with the standard procedures applicable to such entity and the Servicer shall notify the relevant Greek State subsidised entity of the amount of any such subsidy due as soon as possible.

Although the Greek State, the OEK or the relevant Greek State subsidised entity, as appropriate, is required to pay the Subsidised Interest Amounts, the relevant borrowers remain liable to repay the full amount of interest due under their Subsidised Loan. If the Greek State and/or the OEK fails to pay any Subsidised Interest Amounts then the Borrower may be unable to meet payments due under the relevant Subsidised Loan. If the Borrower fails to pay the full amount under the Subsidised Loan, this may have an adverse impact on the funds available for the payments in respect of the Covered Bonds.

The OEK pays subsidised interest amounts under the relevant Subsidised Loans on a monthly basis and up to two months in arrears and the Greek State pays subsidised interest amounts under the relevant Subsidised Loans every six months in arrears. Accordingly, the Issuer will not receive the portion of the interest that is subsidised by the OEK and the Greek State in respect of such Subsidised Loan at the same time as the unsubsidised portion of interest paid by the Borrower. In addition, a Greek State subsidised entity may not pay the subsidy at the same time as unsubsidised amounts are paid by the Borrower.

By virtue of the terms and conditions stated in article 55 of Greek law 4305/2014, it has been allowed for Borrowers to file a petition for the extension of the term of their OEK Subsidised Loans, provided that at the date of such petition the amount of any due payments that remain unpaid does not exceed the aggregate of six monthly instalments. Such petition should also have been filed within six months from the aforementioned Greek law's publication (the Greek law was published in the Government

Gazette 237/A/31.10.2014) (such deadline was extended initially until 31 December 2015 by virtue of Decision no. 19068/819/4.5.2015 of the Minister of Finance (Government Gazette 878/B/19.5.2015), and subsequently until 31 December 2016 by virtue of Decision no. 21559/732/25.5.2016 of the Minister of Finance (Government Gazette 1478/B/25.5.2016).

Under Greek law, the Greek State and OEK will not benefit from sovereign immunity in respect of their obligations. Investors should also note that enforcement of judgments against the Greek State or the OEK may be subject to limitations.

Any changes in Greek law or the administrative practice of the Greek State or the OEK which affect the timing and amount of subsidised interest payable could result in an adverse affect of the ability of the Issuer to make payments in respect of the Covered Bonds.

Sale of Loans and their Related Security following the occurrence of an Issuer Event

Following the occurrence of an Issuer Event, the Servicer will be obliged to sell in whole or in part the Loan Assets in accordance with the Servicing and Cash Management Deed. The proceeds from any such sale will be credited to the Transaction Account and applied in accordance with the Priority of Payments. There is no guarantee that the Servicer will be able to sell in whole or in part the Loan Assets as the Servicer may not be able to find a buyer at the time it is obliged to sell.

The Issuer will have the right to prevent the sale of a Loan Asset to third parties by removing the Loan Asset made subject to sale from the Cover Pool and transferring within ten Athens Business Days from the receipt of the offer letter, to the Transaction Account, an amount equal to the price set forth in such offer letter, subject to the provision of a solvency certificate.

No representations or warranties to be given by the Servicer if Loan Assets are to be sold

Following an Issuer Event, the Servicer will be obliged to sell Loan Assets to third parties (subject in certain circumstances to a right of pre-emption in favour of the Issuer) pursuant to the terms of the Servicing and Cash Management Deed. In respect of any sale of Loan Assets to third parties, however, the Servicer will not be permitted to give representations and warranties or indemnities in respect of those Loan Assets. There is no assurance that the Issuer would give any representations and warranties or indemnities in respect of the Loan Assets. Any representations and warranties previously given by the Issuer in respect of the Loan Assets in the Cover Pool may not have value for a third party purchaser if the Issuer is then insolvent. Accordingly, there is a risk that the realisable value of the Loan Assets could be adversely affected by the lack of representations and warranties or indemnities. See "*Description of the Transaction Documents – The Servicing and Cash Management Deed*".

Reliance on Hedging Counterparties

To provide a hedge against possible variances in the rates of interest payable on the Loans in the Cover Pool (which may, for instance, include discounted rates of interest, fixed rates of interest or rates of interest which track a base rate and other variable rates of interest) and EURIBOR for 1, 3 or 6 month euro deposits, the Issuer may enter into an Interest Rate Swap with the Interest Rate Swap Provider in respect of each Series of Covered Bonds under the Interest Rate Swap Agreement. In addition, to provide a hedge against interest rate, currency and/or other risks in respect of amounts received by the Issuer under the Loans in the Cover Pool and the Interest Rate Swaps and amounts payable by the Issuer under the Covered Bonds, the Issuer may enter into a Covered Bond Swap with a Covered Bond Swap Provider in respect of a Series of Covered Bonds under the Covered Bond Swap Agreement.

If the Issuer fails to make timely payments of amounts due under any Hedging Agreement, then it will have defaulted under that Hedging Agreement. A Hedging Counterparty is only obliged to make payments to the Issuer as long as the Issuer complies with its payment obligations under the relevant Hedging Agreement. If the Hedging Counterparty is not obliged to make payments or if it defaults on its obligations to make payments of amounts in the relevant currency equal to the full amount to be paid to the Issuer on the due date for payment under the relevant Hedging Agreement, the Issuer will be exposed to any changes in the relevant currency exchange rates to Euro and to any changes in the relevant rates of interest. Unless a replacement swap is entered into, the Issuer may have insufficient funds to make payments under the Covered Bonds.

If a Hedging Agreement terminates, then the Issuer (or the Servicer on its behalf) may be obliged to make a termination payment to the relevant Hedging Counterparty. There can be no assurance that the Issuer (or the Servicer on its behalf) will have sufficient funds available to make a termination payment under the relevant Hedging Agreement, nor can there be any assurance that the Issuer will be able to enter into a replacement swap agreement, or if one is entered into, that the credit rating of the replacement swap counterparty will be sufficiently high to prevent a downgrade of the then current ratings of the Covered Bonds by the Rating Agencies.

If the Issuer is obliged to pay a termination payment under any Hedging Agreement, such termination payment will rank ahead of amounts due on the Covered Bonds (in respect of the Interest Rate Swaps) and *pari passu* with amounts due on the Covered Bonds (in respect of the Covered Bond Swaps), except where default by, or downgrade of, the relevant Hedging Counterparty has caused the relevant Swap Agreement to terminate.

Conflicts of Interest

Certain parties to this Transaction act in more than one capacity. The fact that these entities fulfil more than one role could lead to a conflict between the rights and obligations of these entities in one capacity and the rights and obligations of these entities in another capacity. In addition, this could also lead to a conflict between the interests of these entities and the interests of the Covered Bondholders. Any such conflict may adversely affect the ability of the Issuer to make payments of principal and/or interest in respect of the Covered Bonds.

Differences in timings of obligations of the Issuer and the Covered Bond Swap Provider under the Covered Bond Swaps

With respect to each of the Covered Bond Swaps, the Issuer (or the Servicer on its behalf) will, periodically, pay or provide for payment of an amount to each corresponding Covered Bond Swap Provider based on EURIBOR for Euro deposits for the agreed period. The Covered Bond Swap Provider may not be obliged to make corresponding swap payments to the Issuer under a Covered Bond Swap until amounts are due and payable by the Issuer under the Covered Bonds. If a Covered Bond Swap Provider does not meet its payment obligations to the Issuer under the relevant Covered Bond Swap Agreement or such Covered Bond Swap Provider does not make a termination payment that has become due from it to the Issuer under the Covered Bond Swap Agreement, the Issuer may have a larger shortfall in funds with which to make payments under the Covered Bonds than if the Covered Bond Swap Provider's payment obligations coincided with Issuer's payment obligations under the Covered Bond Swap. Hence, the difference in timing between the obligations of the Issuer and the obligations of the Covered Bond Swap Providers under the Covered Bond Swaps may affect the Issuer's ability to make payments with respect to the Covered Bonds. A Covered Bond Swap Provider may be required, pursuant to the terms of the relevant Covered Bond Swap Agreement, to post collateral with the Issuer if the relevant rating of the Covered Bond Swap Provider is downgraded by a Rating Agency below the rating specified in the relevant Covered Bond Swap Agreement.

Change of counterparties

The parties to the Transaction Documents who receive and hold moneys pursuant to the terms of such documents (such as the Account Banks) are required to satisfy certain criteria in order that they can continue to receive and hold moneys.

These criteria include requirements in relation to the short-term, unguaranteed and unsecured credit ratings ascribed to such party by one or more of the Rating Agencies. If the party concerned ceases to satisfy the applicable criteria, including the ratings criteria detailed above, then the rights and obligations of that party (including the right or obligation to receive moneys on behalf of the Issuer) may be required to be transferred to another entity which does satisfy the applicable criteria. In these circumstances, the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the relevant Transaction Document.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction Document may agree to amend or waive certain of the terms of such document, including the applicable criteria, in order to avoid the need for a replacement entity to be appointed. The consent of Covered Bondholders may not be required in relation to such amendments and/or waivers.

Risks Relating to the Hellenic Republic Economic Crisis

Recessionary pressure and uncertainty resulting from the Hellenic Republic's economic crisis have had and will continue to have an adverse impact on the Issuer's business, results of operations and financial condition.

For the six-month period ended 30 June 2017, 93.7% of the Issuer's net interest income from continuing operations and 95.1% of the Issuer's loans and advances to customers before allowance for impairment, were derived from its domestic operations. In addition, the Issuer's holdings of €2.9 billion of Greek government bonds and Greek treasury bills represented, as at 30 June 2017, 4.6% of its total assets excluding non-current assets held for sale and 39.2% of its trading and investment debt securities. Accordingly, the Issuer's financial condition and its results of operations are heavily dependent on macroeconomic and political conditions prevailing in Greece.

Following more than eight years of recession in the period 2008-2016, the still challenging economic and business environment in Greece has had and continues to have significant adverse consequences on the Group. The Greek economy re-entered recession in 2015 -- following a very mild recovery in 2014 -- with real Gross Domestic Product ("GDP", in constant prices) recording an average annual decline of 0.3% year-over-year (year over year) in 2015-2016 (Source: EL.STAT., Annual National Account Press Release, October 2017) mainly due to uncertainty, tight liquidity conditions and the need to implement new fiscal adjustment measures, following the agreement on a new program for financial support in August 2015. In the first semester of 2017 GDP growth entered positive territory (+0.6%, year-over-year, Source: EL.STAT., Quarterly National Accounts, Press Release, March 2017), which, however, fall short of the initial official estimates. Accordingly, the IMF and EU revised downwardly revised their projections of GDP growth for 2017 to 1.7% year over year (Sources: European Commission, Autumn Forecast, November 2017 and IMF, World Economic Outlook, October 2017) compared to original estimates of 2.4% (Sources: European Commission, Winter Forecast, February 2017 and IMF, World Economic Outlook, April 2017). However, the fiscal performance remained solid with Greece exceeding by a significant margin the respective program targets for 2015 and 2016 recording surpluses in primary budget balance of 0.6 and 3.8% of GDP respectively (Sources: EL.STAT., Fiscal data, 2nd notification, October 2017, Ministry of Finance, Draft Budget 2018, October 2017 and NBG estimates) compared to program targets of -0.25% and 0.5% of GDP for the same years (Source: European Commission, Memorandum of Understanding, 19 August 2015). The overperformance continues in 2017 leading to an upward revision of EU Commission estimates for primary budget surplus in FY2017 to 2.0% of GDP (Source: European

Commission, Autumn Forecast, November 2017) compared to a program target of 1.75% of GDP (Source: European Commission, Memorandum of Understanding, 19 August 2015). This fiscal outcome enhances the credibility of the fiscal policy credibility but has taken a larger than initially expected toll on economic activity and slowed the potential pace of improvement in liquidity conditions and private sector's financial position.

A sharp upswing in uncertainty in the first half of 2015, which has been accompanied by an intensifying capital flight that appeared to threaten the membership of the Hellenic Republic in the European Monetary Union and the EU, led the Greek government to impose a "bank holiday" on June 28, 2015 that lasted until July 19, 2015 and applied specific restrictions on banking and other financial transactions (jointly referred to as "capital controls", Source: Bank of Greece, Act of Legislation, June 28, 2015), with a view to protecting financial and macroeconomic stability. On July 10, 2015, the Greek government officially requested financial assistance from the EU (Source: European Commission's proposal for a council implementation decision on granting short term European Union financial assistance to Greece under a new program from the European Stability Mechanism ("ESM"). On August 19, 2015 the Hellenic Republic entered into a Memorandum of Understanding ("MoU") with the European Commission and the ESM for the provision of further stability support accompanied by a third economic adjustment program (the "Third Program"). Despite the better than expected performance in the fiscal adjustment and the completion of two reviews of the Third Program between August 2015 and November 2017, macroeconomic risks and implementation challenges remain considerable. The Third Program is intended to set the groundwork for a sustainable reduction in uncertainty and effective implementation of growth enhancing structural reforms along with a commitment of the Hellenic Republic to achieve a primary surplus of 3.5% in 2018 and maintain it at this level until 2022 (Source: Eurogroup Statement on Greece, 15 June 2017). This additional fiscal effort despite its positive impact on policy credibility gives rise to downside risks for economic growth and could possibly weight on the pace of improvement of the private sector financial position. Moreover, implementation challenges and macroeconomic risks remain considerable to date. In this respect, despite the notable improvement of certain indicators related to business activity during 2016, and especially in 2017, to date, household and small business incomes along with consumer confidence remain relatively weak (Source: ELSTAT, Quarterly Non-Financial Sector Accounts, October 2017, Annual Non-Financial Sector Accounts, November 2017 and European Commission Consumer Surveys, Press Release, October 2017), exemplifying the still considerable macroeconomic challenges in the road to a sustainable economic recovery and successful completion of the Program.

Despite the clear signs of improvement of a broad range of economic indicators in ten months and return to positive GDP growth in the first half of 2017, which is expected to gain further traction in the rest of the year, economic and financial conditions in Greece remain susceptible to downside risks:

- the persistent effects of the recession on borrowers' debt servicing capacity maintain the stress on banks' portfolio quality and weaken demand for loans as well as constraining the supply of loans in the Greek banking sector, leading to a protracted reduction of lending activities which continued in the nine months of 2017;

- additional pressures on economic activity and the private sector's financial position could emerge from the implementation of new fiscal measures that have been legislated in May 2017 in the context of completing the second review of the Third Program and are planned to take effect in the period 2019-2020 under Third Program's medium-term fiscal strategy. Albeit the agreement foresees a potential activation of offsetting expansionary measures mainly in the form of efficiency-enhancing targeted reductions in personal and corporate income taxes and enchantment of the social safety net in the event that fiscal targets for this period are met, the risk of an additional fiscal tightening in 2019-2020 could not be excluded. The additional fiscal measures will be applied to ensure the achievement of the Third Program medium-term targets and credibly restore fiscal soundness in the medium term, and could

further impact the private sector's saving capacity and propensity to consume and invest. These effects could adversely affect financial conditions, credit demand and may weaken economic growth in the near-to-medium term;

- despite the improving macroeconomic trends over the course of 2016 and positive prospects for economic activity in 2018-2019 reflected in forecasts of annual GDP growth of 2.4%, on average, for this period, private sector forecasts remain less optimistic averaging at 1.7%, annually in 2017(Sources: European Commission, Autumn Forecast, November 2017 and IMF, World Economic Outlook, Database, October 2017);

- pressure on house prices eased in the second half of 2016 and in the first half of 2017 (average annual decline of 1.3% and 1.5% year-over-year, respectively), with the adjustment slowing further in the quarter of 2017 to -0.6% year-over-year following a cumulative drop of 41.3% between the third quarter of 2008 and the fourth quarter of 2015 (Sources: Bank of Greece, Bulletin of Conjuctural Indicators, September-October 2017 and Bank of Greece, Real Estate database). However, the remaining high backlog of unsold houses, in conjunction with a prospective acceleration of foreclosures in the upcoming years (related, *inter alia*, to legislative changes made in 2016) and elevated tax pressure on real estate property, could impose additional risks from a further price adjustment and/or result to a very sluggish recovery of this market, if a strong economic growth scenario does not materialise;

- Greece's macroeconomic and financial prospects remain very sensitive to domestic and international conditions—such as a gradual reversal of monetary policy easing worldwide or a potential emergence of increasing economic stress in another periphery country—with any increase in economic risks and risk assessment internationally being rapidly transmitted to the Greek economy and Greek assets valuations; and

- the gradual implementation—starting from the Eurogroup of December 5, 2016—of the May 25, 2016 Eurogroup decisions for a sequenced provision of new conditional concessions by Eurozone countries for ensuring the medium-to-longer-term sustainability of Greek debt by maintaining debt servicing costs at a sustainable level, is surrounded by uncertainty (Source: Eurogroup Statements, May 25, 2016 and December 5, 2016). In particular, the uncertainty reflects the considerations of financial markets and the IMF as regards the timeliness and adequacy of the additional measures reducing debt-servicing costs—which started to be implemented in the first half of 2017 though the implementation of the "short-term" set of additional debt- servicing relief measures by the ESM —and their impact on future debt servicing costs under a potentially less benign than currently expected macroeconomic scenario. Moreover, provided that a significant part of the new concessions is to be implemented, if necessary, in 2018 or later and is conditioned on the compliance with the Third Program targets which extend, at least, through 2018, the related implementation risks are compounded by the still considerable uncertainty surrounding Greece's implementation capacity. Additional risks are related to uncertainty regarding Greece's short and longer-term potential growth prospects, the sustainability of fiscal performance in longer time horizon, as well as developments in global financial markets and the cost of risk internationally. Accordingly, the magnitude and timing of the potential confidence, liquidity and other macroeconomic benefits related to the provision of additional debt relief to Greece are difficult to gauge and may be less than anticipated.

- Moreover, uncertainties regarding the path of transition of the economy to economic normalcy, following the end of the Third Program in August 2018, and its capacity to refinance its debt in the markets, at competitive terms, could weight on the economy's performance and economy-wide financial conditions in the following years.

Still sizeable country risks, along with a slow improvement in liquidity conditions and external risk factors have resulted in and continue to exert pressures on private sector consumption, delay and/or

weaken fixed capital formation and financial investments and, in conjunction with the uncertainty regarding the precise time horizon for completely lifting the capital controls, weaken liquidity-generation capacity of the economy and discourage the return of withdrawn bank deposits to the system. The Issuer's business activities are dependent on the level of banking, finance and financial products and services the Bank offers, as well as customers' capacity to repay their liabilities. In particular, the levels of savings and credit demand are closely related with customer confidence, employment creation and private sector's income generation trends as well as with the availability and cost of funding. The developments of all the above factors are closely related to the strength of economic recovery, the consolidation of economic confidence and the capacity of the public and private sectors' to obtain financing from the markets at sustainable terms. Moreover, the Issuer's customers may further decrease their risk tolerance to non-deposit investments such as stocks, bonds and mutual funds, which is expected to continue to adversely affect the Issuer's fee and commission income. For further information, see "*Risk Factors – Risks Relating to the Hellenic Republic Economic Crisis — The implementation of the Third Program may not lead to the intended return of the economy to sustainable growth, which could result in weakening prospects for the Group.*" These risks are compounded by a significant tightening in liquidity conditions and the impact of capital controls on the banking system, as described under "*Risk Factors – Risks Relating to the Hellenic Republic Economic Crisis — Low liquidity and the imposition of capital controls in Greece has had, and may continue to have, a material adverse impact on the economy and the banking sector, including the Issuer's business and prospects*" and "*Risk Factors – Risks Relating to the Hellenic Republic Economic Crisis —Domestic political uncertainty has weighed on financial and economic conditions generally, and there can be no assurances that further developments will not further exacerbate political uncertainty*", respectively.

New fiscal measures adopted as part of the Third Program may impose further constraints on economic activity in Greece.

Prospective new fiscal revenue generating measures and an increase in effective burden from increased taxes (personal, corporate, indirect and consumption taxes) could impose further constraints on economic activity and could result in weaker, than-initially-expected, GDP growth outcomes in future years as a result of conditions imposed by the IMF, the ESM, ECB and the European Commission (collectively, the "Institutions"), in the context of surveillance of the Third Program implementation. For example, reforms adopted by the Greek government pursuant to the Third Program include increases in value-added tax ("VAT") rates applicable to a range of goods and services since July 2015, which has been supplemented by a further increase (+1.0 percentage point) of the high VAT rate since June 2016, higher effective corporate and personal income taxes, increase in energy taxes and increased social security contributions for the self-employed from 2017 onwards. These fiscal reforms are generally associated with lower investment and consumer spending and typically have a negative impact on economic activity, especially, in the first year of their implementation. A negative impact on activity could occur in the event of activation of the contingency adjustment mechanism, legislated in May 2016 (pursuant to Greek Law 4389/2016), which is designed to impose automatic spending cuts or tax increases if there is objective evidence of a failure to meet the annual primary surplus targets of the Program (1.75% of GDP in 2017 and 3.5% of GDP, in 2018, Sources: Eurogroup Statement, May 25, 2016 and European Commission, Supplemental Memorandum of Understanding, June 2016). With respect to corporate taxes, due to the uncertainty regarding the successful implementation of the Third Program, new taxes may be imposed on the Group, and existing taxes may be increased. As a result of Greek Law 4334/2015, for the periods commenced from January 1, 2015, the nominal corporation tax rate has increased to 29% from 26% in 2014. Any additional taxes imposed on us in the future, or any increases in tax rates, may have a material adverse effect on the Issuer's business, results of operations and financial condition. The above measures and/or other fiscal measures, such as those which have been legislated in the context of the medium term fiscal strategy for 2018-2021, (Source: Ministry of Finance, Medium Term Fiscal Strategy (MTFS) 2018-2021, May 2017, in Greek), could exert additional fiscal pressures on private sector spending and liquidity through an additional effort to ensure the achievement of adequate fiscal surpluses post 2018. In this regard in the Eurogroup on April 7, 2017

the Greek Government reached an agreement with the official creditors and legislated upfront a fiscal reform package of 2.0% of GDP, of which 1.0% of GDP corresponds to new permanent savings on pension system spending applied in 2019 and another 1.0% of GDP in 2020, mainly based on a reform of the personal income tax framework. This agreement also contains a provision for the legislation of finely targeted expansionary measures, if the economy is doing better and the fiscal path is doing better than expected. However, these expansionary measures will be activated only in the event of an over performance of Greece as regards the achievement of its medium-term fiscal targets but will not be applied in the event of any slippage from the pre-agreed targets and even if activated may not have the intended effect. (Sources: Remarks by the Eurogroup President following the Eurogroup meeting of April 7, 2017 and Press Conference following the Eurogroup of April 7, 2017).

Potential downside risks for economic activity from continuing fiscal pressure on the private sector's financial position and asset valuations or due to a new increase in uncertainty in the event that there are delays or inefficiencies in the Third Program implementation, or uncertainty regarding the Hellenic Republic's capacity to refinance its debt in the markets, could have an adverse effect on the Group and the financial sector as a whole. For further information, see "*Risk Factors – Risks Relating to the Hellenic Republic Economic Crisis — The implementation of the Third Program may not lead to the intended return of the economy to sustainable growth, which could result in weakening prospects for the Group.*".

The implementation of the Third Program may not lead to the intended return of the economy to sustainable growth, which could result in weakening prospects for the Group.

The Third Program is intended to cover the Hellenic Republic's external financing needs until mid-2018 and to encourage the return to a sustainable growth path for the country. Nevertheless, it remains uncertain whether the Greek economy will grow sufficiently to ease the financing constraints of the Hellenic Republic or if the prospective phasing in of new debt-relief measures (Source: Eurogroup Statement, May 25, 2016) – which started in January 2017 involving ESM's liability management interventions to extend official debt maturity and stabilize interest costs at low levels for a prolonged period – will be sufficient to support market sentiment, permitting the Greek State to re-access the markets at competitive costs that ensure the sustainability of sovereign debt in the medium-to-longer term. This new round of "conditional provision" of debt relief is planned to involve a significant degree of direct or indirect official sector involvement, to reduce substantially Greece's debt servicing costs in the medium, and especially, in the longer term through related changes in the characteristics of the existing stock of official loans to Greece. These changes are to be designed and implemented by the ESM following approval by the Eurozone member states and the technical assistance of the other institutions participating in the Third Program, namely the IMF and the ECB. However, as the provision of this additional relief to the Hellenic Republic by the official borrowers is, *inter alia*, conditioned on successful progress in program implementation and a prospective completion of the Third Program in August 2018 (Sources: Eurogroup Statements on Greece, May 25, 2016, December 5, 2016 and April 7, 2017), delays or inefficiencies in implementation of agreed measures and reforms could increase economic and financial uncertainty, and/or give rise to new difficulties in servicing the Hellenic Republic's debt and a re-emergence of economic stress.

Even if the Third Program successfully leads to debt relief, confidence may not be timely restored in the Greek banking sector and the Greek economy may not achieve the sustained and robust growth that is necessary to ease the current financial constraints of the Hellenic Republic, restore the internal liquidity generation capacity of the Greek economy or re-open the private financial markets in the near-to-medium term. Consequently, the application of the Third Program may not result in returning the Greek economy to a path of sustainable growth or bring the ongoing domestic deleveraging and deflation processes to an end. The additional fiscal effort for meeting the medium term fiscal targets could have the effect of subduing spending and consumption, resulting in additional downside pressures on economic performance and financial conditions in Greece. In this vein, a perspective redesign of the single property tax in the upcoming years could lead to a more progressive tax scale, imposing additional burden to medium-and higher valued properties. Additionally, it is possible that various interest groups and factions may raise objections to measures of the Third Program with which they disagree – for instance, the changes to sales tax rates, or the application of higher social security contributions, or planned changes to broaden the personal income tax base or object to a further reduction in government spending that affects core areas such as pensions or the health system. Such disagreement may cause delays or deviations from the agreed fiscal and structural adjustment strategies and/or undermine the Hellenic Republic's capacity to meet the targets that have been agreed under the Third Program and, thus, to successfully complete this Program.

If the Third Program fails to restore growth to the Greek economy or proves to temper economic growth as a result of austerity policies or measures which are more stringent than what would be optimal to facilitate sustainable growth, the resultant low or negative economic growth could have a material adverse impact on the Bank's business, results of operations, financial condition or prospects.

After the completion of the Third Program, the Greek government will have to proceed with the necessary reforms so that it can stand on its own feet without the financial support on the basis of an additional program. Until now it remains unclear if Greece will need additional support following the Third Program expiration. This type of disengagement will be possible if Greece manages, by the end of the program, to create a funding cushion that will cover the relatively limited funding needs of the country until end-2019. This buffer could be built via high primary surpluses, bond issuance and acceleration in privatization proceeds, provided, at the same time, that the country regaines access to market financing on sustainable basis.

There is also the issue of the monitoring framework that follows the completion of the Program, as was the case for Spain, Ireland, Portugal and Cyprus. Greece will enter a similar monitoring process up to the repayment of 75 percent of its debts, according to Euro Working Group chief Thomas Wieser. However, the degree of monitoring will be much more intense in the first few years than in countries such as Ireland, he noted (Source: Interview by Thomas Wieser to “Insider.gr”, September 20, 2017, in Greek).

Domestic political uncertainty has weighed on financial and economic conditions in previous years, and there can be no assurances that further developments will not further exacerbate political uncertainty.

Economic and financial conditions in Greece remain very sensitive to political uncertainty and/or the impact of the electoral cycle in Greece.

The experience from the period 2010-2015 suggests that the political cycle and periods of political uncertainty and related tensions tend to weigh heavily on the implementation of each of the Programs and consequently economic prospects. In this context, after a presidential election held by the Greek parliament on December 29, 2014, in which no presidential candidate was able to secure the majority vote required to become elected, the parliament was dissolved and an early parliamentary election was held on January 25, 2015. This election resulted in the formation of a new coalition government led by Syriza. The newly-elected Greek government attempted to renegotiate Greece's relationship with its official creditors, agree a more gradual fiscal adjustment with less austerity measures, and secure additional debt relief from the official sector. The lengthy and inconclusive negotiations delayed the implementation of remaining structural reforms under the Second Program and the disbursement of related official financing and contributed to an increase of uncertainty.

In June 2015, the Greek Government announced that a public referendum would be held on July 5, 2015, on a provisional draft financial assistance plan proposed by the Eurogroup. In combination with a standstill in the negotiations with lenders and the Hellenic Republic being in arrears on its indebtedness held by the IMF from the end of June 2015, the Institutions decided to let the Second Program expire on June 30, 2015, while the ECB imposed a freeze on the Greek banking system's level of access to the Eurosystem liquidity provision mechanisms, including the ELA. Capital controls were imposed from June 28, 2015 in conjunction with a bank holiday that lasted until July 19, 2015 while a final round of negotiations with official lenders ultimately led to the agreement on, and signing of, the Third Program. In September 2015, a new snap election—the second in 2015—led again to a coalition Government led by Syriza.

The above developments translated into downward pressure on economic activity as evidenced by GDP trends in the second half of 2015 and 2016 which led to a GDP contraction of 0.3%, year-over-year, in 2015 and 0.2% year-over-year in 2016, (Source: EL.STAT, Annual National Accounts Press Release, October 2017).

Overall, remaining uncertainty about the Hellenic Republic's ability to meet the medium-term conditions to assistance under the Third Program and attain successfully fiscal sustainability in conjunction with the effect of the provision of additional concessions by the official creditors to lower further debt service costs and support Greece's long-term growth, remain considerable. This, in turn, could continue to exert pressures on the liquidity position of the Greek banking system, as well as on Greek banks' portfolio quality, having a potentially material adverse effect on the Bank and other financial institutions whose profits are derived from the country's banking sector. See "*—High outflows of funds from customer deposits could cause an increase in the Issuer's costs of funding and if such outflows were to continue it could have a material adverse effect on the Issuer's operating results, financial condition and liquidity prospects*."

The Third Program also includes objectives designed to restore fiscal sustainability, restore growth, competitiveness and investment and modernize the efficiency of the public sector and the governance of institutions. As of the date of this Base Prospectus, it is uncertain whether the majority of these measures will be timely implemented, on what terms and produce the desirable outcomes. Failure to implement the agreements made by the government under the Third Program (for example, if required measures are not passed in the Greek parliament), or continuing uncertainty relating to the Hellenic Republic's ability to implement necessary reforms or to meet other commitments related to the conditionality of the Third Program, may lead to termination of financial support provided by the EU and increase again the risk of sovereign default and/or reactivate scenarios of suspension of Greece's status as a Eurozone member.

Furthermore, the potential occurrence of a new round of political uncertainty in the event of a standstill in program implementation or the emergence of new difficulties in finalizing future reviews under the Third Program or providing the additional debt relief outlined in the agreement between Greece and its official creditors /or delays or deficiencies in program implementation may revive strains in the relationship between the Greek government and the Institutions, which would in turn have a material adverse impact on the implementation of the Third Program and its ability to facilitate economic and financial stability and eventual economic growth in Greece.

Low liquidity and the imposition of capital controls in Greece has had, and may continue to have, a material adverse impact on the economy and the banking sector, including the Issuer's business and prospects.

The liquidity position in the Greek banking system remains weak, reflecting a sizeable contraction of the domestic deposit base between November 2014 and July 2015 of €52.7 billion which led to a sharp increase in reliance on ECB and national central bank funding (together comprising the "**Eurosystem**"), Eurosystem funding for Greek banks peaked at €126.6 billion in June 2015 and stood at €66.6 billion and €41.7 billion as at 31 December 2016 and 30 September 2017, accordingly (€56.0 billion as at 31 December 2014).

In part as a response to the substantial contraction in deposits, on June 28, 2015, a bank holiday was declared for all credit institutions operating in Greece. This bank holiday was in place until July 19, 2015, during which time the Hellenic Capital Market Committee ("**HCMC**") also declared the temporary closure of the **ATHEX** for trading in securities. The Greek government imposed numerous restrictions on financial transactions during and after this period, many of which—including capital controls—continue to apply. The currently applicable capital controls involve, among other limitations, a maximum cumulative withdrawal limit for two weeks of EUR 840 per depositor, continued prohibitions on the transfer of capital and cash outside of Greece, the prohibition on the opening of new accounts except for specified permitted purposes and restrictions on the unwinding of certain financial arrangements (such as the prepayment of loans or accounts not established to serve certain specified purposes). See "*Regulation and Supervision of Banks in Greece—Capital Controls applying to banks operating in Greece*". The imposition of such controls had a negative impact on the perceived health of the banking system, and the continuation and eventual lifting of the remaining restrictions pose risks to Greek banks, including the Bank, and the Greek banking sector, notably increased capital outflows.

The imposition of capital controls and the bank holiday also led to increased economic and business uncertainty, which has reduced business activity in Greece as firms have been restricted in their ability to import, receive loans from banks, conduct other commercial activities and maintain their creditworthiness and business activities abroad. In addition, consumers and businesses have been and continue to be reluctant to make large purchases or investments, which has contributed and continues to contribute to a further devaluation of financial and real estate assets. These events have and could continue to have a material adverse effect on the Issuer's financial condition, results of operations or prospects, as the Issuer's results are dependent upon levels of stability in the Greek economy, a return to growth of the Greek banking sector and increased levels of lending, in particular business lending.

If the capital controls prove ineffective in containing capital outflows or generating domestic liquidity—if for example non-financial firms and individuals exhaust their monthly withdrawal limits or take advantage of existing liquidity limits for external trade financing and transfer their remaining liquid assets abroad—and/or if the capital controls are withdrawn too soon, there can be no assurance that the Issuer and other Greek banks would not experience high and increasing outflows of funds from depositors and businesses. Eventual lifting of the capital controls, even if timely, may create the conditions for significant outflows of deposits from the Greek banking system, which could threaten the Issuer's ability to continue as a going concern, and could result in systemic instability across the Greek banking system.

The continued imposition of capital controls harms the Issuer's prospects, as such controls restrict the ability of the Issuer's customers to produce and accumulate savings and/or reduce further their debt servicing capacity, weakens healthy demand for credit, and discourages private capital inflows to the economy—including the repatriation of profits from Greek business activity abroad. Households have been deferring spending and hoarding cash for precautionary purposes, which have created and will continue to create further pressure on domestically-oriented industries, especially in discretionary categories of goods and services. The contraction in domestic demand is creating additional risks for the performance of domestically-oriented micro- and small-size businesses in the near future, including manufacturers, retailers, providers of services to domestic businesses and households. This risk is particularly high for more cyclical industries and in business segments which are more dependent on domestic demand and operating in discretionary and capital goods production. Although the Issuer has taken steps to address and limit the impact of the bank holiday and related capital controls on the Issuer's customers and continue the provision of liquidity to the extent permitted, there can be no assurance that the Issuer's response will be sufficient. The consequences of the continued application of capital controls could have a material adverse effect on the Issuer's business, financial condition or results of operations, could result in the Issuer's customers being unable to service their debts, may further reduce liquidity in the market and may increase the Issuer's level of loans past due by more than 90 days.

The Issuer currently have limited access in the capital markets for funding and are heavily dependent on the ECB and Bank of Greece, through the ELA, for funding, which access could be affected by changes in the ECB and the Bank of Greece rules relating to the eligibility and valuation of collateral used for funding such as Greek government bonds.

The ongoing economic crisis in Greece has adversely affected the Issuer’s credit risk profile, preventing the Issuer from obtaining funding in the capital markets, and increased the cost of such funding and the need for additional collateral requirements in repo contracts and other secured funding arrangements, including those with the ECB and the Bank of Greece. Concerns relating to the ongoing impact of current economic conditions and difficulties and delays in the implementation of the Third Program by the Greek government are expected to continue to restrict the Issuer’s ability to obtain funding in the capital markets in the near and medium term.

On 4 February 2015, the ECB announced its decision to revoke the waiver affecting marketable debt instruments issued or fully guaranteed by the Hellenic Republic, which had previously allowed these instruments to be used in Eurosystem monetary policy operations, despite the fact that they did not fulfill minimum credit rating requirements. However, on 22 June 2016, following the completion of the first review of the Third Program, the ECB decided to reinstate the waiver, as of 29 June 2016 and onwards.

Reflecting the loss of access to the capital markets as well as the sharp decline in deposits, the Issuer was required to increase its Eurosystem funding, including ELA funding from the Bank of Greece, considerably during the first half of 2015. As at 30 June 2015, Eurosystem funding was €27.6 billion, of which €17.6 billion was ELA, an increase of €13.3 billion over Eurosystem funding of €14.2 billion (NIL ELA) as at 31 December 2014. The Issuer’s liquidity position improved during the second half of 2015, primarily as a result of the Issuer’s share capital increase and related transactions

(the "**2015 Recapitalization**") that were completed in December 2015 (*The Issuer—2015 Recapitalization*"). As at 31 December 2015, the Issuer's Eurosystem funding totaled €24.0 billion, of which €11.5 billion was ELA, and total unencumbered financial assets of an estimated cash value of €8.4 billion, of which €0.1 billion was collateral eligible for funding with the ECB and €8.3 billion was collateral that could be posted in order to draw liquidity from ELA. In April 2016, the EFSF allowed Greek banks that have received EFSF notes in previous years in the framework of their recapitalization and the consolidation of the banking sector, to sell the respective notes to the members of the Eurosystem, in accordance with the conditions applicable to the quantitative easing programme established by the European Central Bank. As a result, the Bank has sold approximately €1.3 billion EFSF notes to the Eurosystem by 30 June 2016. Additionally, on 15 June 2016 the Issuer completed the transfer of its 99.81% stake in Finansbank A.S. to Qatar National Bank S.A.Q, improving its liquidity position by approximately €3.6 billion. *(The Issuer – Acquisition, Capital Expenditures and Divestitures and Sale of Finansbank A.S. to Qatar National Bank S.A.Q).* Furthermore, since February 2016, the Issuer has regained access to collateralized interbank lending. However, no assurance can be made as to whether the access to interbank lending will be continuous.

During the first half of 2017, the Bank's liquidity profile was improved, mainly driven by the Bank's decreasing reliance on Eurosystem funding and in particular on ELA funding.

On 30 June 2017, Eurosystem funding stood at €8.4 billion, a decrease of €3.9 billion when compared to the respective figure as of 31 December 2016. Particularly, ECB funding was €4.6 billion, while ELA funding amounted to €3.8 billion, a decrease of €2.2 billion and €1.7 billion, respectively. The main drivers for these developments were the sale of €3.4 billion ESM bonds in the context of the short-term debt relief measures for Greece, as well as the divestment of UBB and Interlease E.A.D. for €0.7 billion. Additionally, the Bank's balance of secured interbank transactions with foreign FIs remained at approximately the same level and amounted to €4.5 billion. Finally, the Bank's customer deposits slightly decreased by €0.7 billion compared to 31 December 2016 and stood at €36.7 billion as of 30 June 2017.

Finally, the Bank's liquidity buffer during this period increased by €0.6 billion and stood at €10.3 billion on 30 June 2017, of which €0.1 billion was collateral eligible for funding with the ECB and €9.6 billion was collateral that could be posted in order to draw liquidity from ELA, while €0.1 billion was collateral that could be used for repos with FIs and the remaining €0.6 billion was either in the form of Cash or deposited in Nostro accounts.

However, although the Issuer has continued to decrease its Eurosystem reliance since 31 December 2015, there can be no assurance that the Issuer's funding needs will continue to be met by or that it will continue to have access to Eurosystem funding in the future. In addition, if the Greek government decides to lift the capital controls, deposit outflows could have a material impact on its deposit base and on the amount of the Issuer's unencumbered financial assets, which could have a material adverse impact on the Issuer's ability to meet its funding needs and its ability to access Eurosystem funding in the future, which may in turn threaten the Issuer's ability to continue as a going concern.

Furthermore, the liquidity the Issuer is able to access from the ECB or ELA may be adversely affected by changes in ECB and Bank of Greece rules relating to collateral eligibility and requirements. If the ECB or the Bank of Greece were to revise their respective collateral standards, remove asset classes from being accepted, revoke the waiver or increase the rating requirements for collateral securities such that these instruments were not eligible to serve as collateral with the ECB or the Bank of Greece, the Issuer's access to these facilities could be diminished and the cost of obtaining such funds could increase. In addition, the amount of funding available from the ECB or the Bank of Greece is tied to the value of the collateral the Issuer has provided, which may decline. If the value of the Issuer's assets declines, then the amount of funding it can obtain from the ECB or the Bank of Greece will be proportionally limited. Further increases in past due loans will also negatively affect the available collateral used for funding purposes (see also below "*Deteriorating asset valuations resulting from poor market conditions may adversely affect the Issuer's business, results of operations*

and financial condition and may limit its ability to post collateral for funding purposes from Eurosystem").

Deteriorating asset valuations resulting from poor market conditions may adversely affect the Issuer's business, results of operations and financial condition and may limit its ability to post collateral for funding purposes from Eurosystem.

The Issuer is a large provider of loans in Greece and the Issuer has significant exposure to the financial performance and creditworthiness of companies and individuals in Greece and South East Europe and the mixed global economic recovery, the economic crisis in Greece and the relatively weak recovery of economies in South East Europe in recent years has resulted in an increase in its past due loans and significant changes in the fair values of its financial assets.

A substantial portion of the Issuer's loans and advances to corporate and individual borrowers are secured by collateral such as real estate, securities, vessels, term deposits and receivables. In particular, as mortgage loans are one of the Issuer's principal assets, the Issuer is currently highly exposed to developments in real estate markets, especially in Greece. Significant adjustment in residential valuations started in 2009 and continued at a rapid pace from 2010 to the end of 2015 (with prices having fallen by 41.3% by the end of the fourth quarter of 2015 compared to their peak in 2008, Bank of Greece, Real Estate database). The average pace of decline in house prices slowed to -1.2% year-over-year, on average, in the first nine months of 2017 from -2.4% year-over-year, on average, in 2016 and -5.1% year-over-year, on average, in 2015, but downside risks remain considerable against a relatively high effective tax burden and a still sizeable backlog of unsold houses (Sources: Bank of Greece, Indices of Residential Property Prices, third quarter 2017, Press Release, November 2017 and Bank of Greece, Bulletin of Conjunctural Indicators, September-October 2017). Nonetheless, household disposable income, a significant driver of households' spending decisions, picked up in the first half of 2017 (+0.7% year-over-year, latest available data) from a contraction of -2.3% year-over-year in 2016 and of -3.7% year-over-year in 2015 (Sources: EL.STAT., Quarterly Non-Financial Sector Accounts, second quarter 2017, October 2017 and EL.STAT., Annual Non-Financial Sector Accounts, November 2017). In this vein, the sizeable stock of unsold houses, relatively high effective tax burden on property, weak credit flows and a still high unemployment rate of 20.6% in August 2017 (EL. STAT., Labor Force Survey, August 2017) are likely to delay market stabilization further, maintaining pressure and/or delaying the recovery of residential and commercial valuations and may weigh on the prospective pace of improvement in mortgage delinquencies in the following years. According to Bank of Greece data (Source: Bank of Greece, Report on Operational Targets for Non-Performing Exposures, September 2017, in Greek), the non-performing exposures ("**NPE**")[1] ratio of mortgage portfolios at a banking system level increased to 42.7% in June 2017 from 41.0% in December 2015 and 35.6% in December 2014.

A further decline in economic activity, or a deterioration of economic conditions in any industry in which the Issuer's borrowers operate or in the market of the collateral, may result in the value of collateral falling below the outstanding principal balance for some loans, particularly those disbursed in the years prior to the crisis. A decline in the value of collateral, or the Issuer's inability to obtain additional collateral, may require the Issuer to establish additional allowance for loan losses. The ongoing pressures on financial and real estate asset valuations means that the value of assets collateralizing the Issuer's secured loans, including residential and other real estate, is likely to decline further. Such a decline could result in further impairment of the value of the Issuer's loan assets or an increase in the level of its past due loans, either of which will limit the Issuer's ability to post collateral to obtain ELA and ECB funding. Furthermore, a protracted period of poor economic conditions will materially and adversely affect the liquidity, business activity and financial condition of the Issuer's borrowers, which in turn will led to further increases in its past due loan ratios, impairment charges on loans and other financial assets, and decreased demand for borrowings in general and additional pressure on financial and real estate asset valuations could translate into a

[1] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

further deterioration of the economy. The Issuer's domestic adjusted past due loans (more than 90 days past due) ratio has increased from 30.4% at 31 December 2014, to 34.1% at 31 December 2015 and 33.8% at 31 December 2016 and to 33.7% at 30 June 2017. See "*Risks Relating to the Issuer's Business—The increase of non-performing loans may have a negative impact on the Issuer's operations in the future*." If the financial performance and creditworthiness of the Issuer's borrowers worsens or does not improve, the quality of its loan portfolio will continue to deteriorate, which would have a material adverse impact on the Issuer's financial condition and results of operations.

In addition, any failure to recover the expected value of collateral in the case of foreclosure, or the Issuer's inability to initiate foreclosure proceedings due to national legislation, may expose the Issuer to losses which could have a material adverse effect on its business, results of operations and financial condition. While the Greek suspension of every enforcement action due to capital controls was lifted by the 29 October 2015 official announcement of Ministry of Justice, Transparency and Human Rights on 2 November 2015 a prolonged lawyers', bailiffs' and notaries' strike commencing in 12 January 2016 has restrained the Issuer from proceeding to enforcement, seizures and auctions of any real estate. Such strike ended on 16 September 2016. However, due to the social pressure for the protection of main residence, since October 2016 the notaries have decided to abstain from auctions of real property (with certain exemptions) especially when commenced by banks, the Greek state, the social security funds and the municipal authorities.

An increase in financial market volatility or adverse changes in the marketability of the Issuer's assets could impair the Issuer's ability to value certain of its assets and exposures. The value the Issuer ultimately realizes will depend on the fair value determined at that time and may be materially different from current value. Any decrease in the value of such assets and exposures could require the Issuer to realize additional impairment charges, which could adversely affect its financial condition and results of operations, as well as its capital adequacy.

High outflows of funds from customer deposits could cause an increase in the Issuer's costs of funding and if such outflows were to continue it could have a material adverse effect on its operating results, financial condition and liquidity prospects.

Historically, the Issuer's principal source of funds has been customer deposits, the majority of which are from the Issuer's Greek depositor base. However, during the first half of 2015, the Bank suffered significant deposit outflows, which were stopped by the imposition of the bank holiday and the capital controls as from June 28, 2015. More specifically, the Group in Greece incurred a net outflow of EUR 8.4 billion between January 1, and December 31, 2015. Since the Issuer relies on customer deposits for the majority of the Issuer's funding, if the Issuer's depositors withdraw their funds at a rate faster than the rate at which borrowers repay their loans, or if the Issuer is unable to obtain the necessary liquidity by other means, the Issuer may be unable to maintain its current levels of funding without incurring significantly higher funding costs or having to liquidate certain of the Issuer's assets, or without increasing access to the ECB and the Bank of Greece under their exceptional terms. Although the Group's domestic deposits stabilized in 2016, there can be no assurance that outflows will not increase upon any lifting of the capital controls. Furthermore, future deposit levels in Greece may be adversely affected as a result of the transposition of the BRRD in Greece, which, inter alia, requires the participation of a financial institution's unsecured depositors (of any amounts exceeding insured limits) in case of resolution proceedings of such institution.

The ongoing availability of customer deposits to fund the Issuer's loan portfolio is subject to changes due to factors outside its control, such as depositors' concerns relating to the economy in general, the financial services industry or the Bank specifically, significant further deterioration in economic conditions in Greece reducing the availability of funds for deposits and the availability and extent of deposit guarantees. Unusually high levels of withdrawals could have the result that the Bank or another member of the Group may not be in a position to continue to operate without additional funding support, which it may be unable to secure. Any of these factors separately or in combination could lead to a sustained reduction in the Issuer's ability to access customer deposit funding on

appropriate terms in the future, which would impact its ability to fund its operations and meet its minimum liquidity requirements and have a material adverse effect on the Issuer's results of operations, financial condition and prospects.

Although the Issuer successfully raised the capital it needed in December 2015, there can be no assurance that this level of capital will be sufficient if economic conditions in Greece do not improve or if they deteriorate further.

Although the Issuer completed the 2015 Recapitalization involving the share capital increase of the Bank under the provisions of Greek Law 3864/2010, as amended and in force (the "HFSF Law"), there can be no assurance that the Issuer will not require further capital in future periods in order to continue to meet the Issuer's capital adequacy requirements.

This would be the case particularly if business conditions in Greece do not improve or if they deteriorate further. Further deterioration of market conditions in Greece may continue to adversely affect the quality of the Issuer's loan and investment portfolio, which comprises primarily Greek loans following the completion of the Issuer's sale of Finansbank in June 2016, and the completion of disposal of UBB, Interlease E.A.D in June 2017, Banca Romaneasca S.A. and Vojvodjanska Banka a.d. Novi Sad, NBG Leasing d.o.o. Belgrade and NBG Services d.o.o. Belgrade by the end of 2017 where as S.A.B.A. and Ethniki Hellenic General Insurance S.A. ("NIC") in the first quarter of 2018. The potential deterioration in the credit quality of the Issuer's assets may exceed current expectations, lead to additional impairments in the future or result in requirements by the Issuer's regulators to reduce the Issuer's non-performing exposures ("NPEs")[2] monitored as a prudential measure by applying more aggressive measures than those currently expected, which may result in higher losses than currently anticipated, or the regulators may increase their Supervisory Review and Evaluation process ("SREP") requirements for NBG. Any of these consequences may in turn generate the need for us to raise additional capital which may significantly dilute the Issuer's ordinary shareholders.

The Issuer is also required by the SSM to reduce the Issuer's levels of NPEs. In 2016, the Issuer proceeded with write-offs of domestic loans, for which the Issuer has assessed that there is no reasonable expectation of recovery against which a 100% loan loss allowance was recorded, in line with the targeted NPE reduction of EUR 8.5 billion by 2019 that the Issuer agreed with the SSM. As at December 31, 2016, domestic write offs amounted to EUR 1.4 billion compared to EUR 0.2 billion as at December 31, 2015, while total reduction of NPEs in 2016 was EUR 2.8 billion. As part of that agreement, the Issuer intends to write off in the near term significant amounts of loans for which the Issuer assesses that there is no reasonable expectation of recovery. To the extent that part of the NPE decrease is achieved through sales of loans at prices below their net carrying amount, the Issuer may recognise additional charges in such periods. If the levels of additional charges are significant, the Issuer could be required to raise additional capital to absorb any losses.

Furthermore, the Issuer anticipates that new stress tests analyzing the strength and resilience of the European banking sector will continue to be carried out by national and supranational regulatory authorities in future periods. More specifically, on February 27, 2017 EBA announced that 2018 EU-wide stress test is expected to be launched at the beginning of 2018 and the results to be published in mid-year. The EBA, in co-operation with competent authorities (as defined under capital requirements regulation ("CRR"), article 4) ("Competent Authorities"), is in the process of preparing the methodology and templates with the objective of discussing these with the industry in summer 2017. The new methodology will be revised to take into account the implementation of the new International Financial Reporting Standard of Financial Instruments "IFRS 9" both in the starting points as well as in the projections.

Loss of confidence in the European banking sector following the announcement of any future stress tests, a market perception that any such tests are not sufficiently rigorous or capital shortfalls

[2] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

identified by such stress tests in respect of us or the Greek banking sector as a whole, could also have a negative effect on the Issuer's cost of funding and may thus have a material adverse effect on the Issuer's results of operations and financial condition. Furthermore, the results of any future stress tests may result in a requirement for us to raise additional capital.

In December 2015, in connection with the Capital Plan and the Issuer's application for State Aid ("*The Issuer - History and Development of the Group—The Capital Plan*"), burden sharing measures were applied to convert into ordinary shares outstanding classes of certain of the Issuer's then existing debt instruments issued or guaranteed by us, all subordinated liabilities (including preference shares issued by us) and certain senior unsecured liabilities which were not mandatorily preferred by law pursuant to the HFSF Bail-in Tool. This mandatory conversion resulted in significant dilution to the Issuer's ordinary shareholders. Should further capital be required in the future and, if the Issuer is unable to raise such capital, the SRB, acting with the Greek National Resolution Authority may, if the relevant conditions set out in the BRR Law are satisfied at the relevant time, exercise the BRRD Point of Non Viability Power ("BRRD PONV Power") and/or the BRRD Bail-in Tool and/or any other resolution tool as determined by the SRB, acting with the Greek National Resolution Authority. Therefore, the exercise of the BRRD PONV Power and/or the BRRD Bail-in Tool or any other resolution tools would result in significant dilution or elimination of the interests of ordinary shareholders.

The Group may need additional capital and liquidity as a result of regulatory changes.

The Bank and the Group are required by the Single Supervisory Mechanism ("**SSM**") and the regulators in the Hellenic Republic and other countries in which they undertake regulated activities to maintain minimum levels of capital and liquidity. To the extent the Group has regulated activities elsewhere in the European Economic Area ("**EEA**") it will remain subject to the minimum capital requirements prescribed by the regulatory authority in the Hellenic Republic, except in jurisdictions where it has regulated subsidiaries, which will be subject to the capital requirements prescribed by local regulatory authorities. In jurisdictions in which it has branches, including within the EEA, the Bank is also subject to the regulatory capital and liquidity requirements of such jurisdictions. The Bank, its regulated subsidiaries and its branches may be subject to the risk of having insufficient capital resources to meet the minimum regulatory capital and/or liquidity requirements. In addition, those minimum regulatory capital requirements may increase in the future, or the methods of calculating capital resources may change. Likewise, liquidity requirements are under heightened scrutiny, and may place additional stress on the Group's liquidity demands in the jurisdictions in which it operates. Changes in regulatory requirements may require the Group to raise additional capital. Directive 2013/36/EU (the "**CRD IV Directive**") and the EU Capital Requirements Regulation (together with the CRD IV Directive, the "**CRD IV**") which incorporate the key amendments that have been proposed by the Basel Committee on Banking Supervision (known as "**Basel III**") have been directly applicable to all EU member states (the "**EU Member States**") since January 1, 2014, but some changes under CRD IV will be implemented gradually, mainly between 2014 and 2019 (see "*Risk Factors – Legal, Regulatory and Compliance Risks — The Issuer's business is subject to increasingly complex regulation which may increase its compliance costs and capital requirements*", below). Implementing regulations in Greece under the CRD IV may impose higher capital requirements, such as higher prudential buffers, which may require the Group to raise further capital. See "*Regulation and Supervision of Banks in Greece—Capital Requirements/Supervision.*"

Regulation (EU) No 575/2013 defines the minimum capital requirements (Pillar 1 requirements) and Directive 2013/36/EU defines the combined buffer requirements for EU institutions. In addition, Directive 2013/36/EU provides (Art. 97 et seq.) that Competent Authorities regularly carry out the SREP, to assess and measure risks not covered, or not fully covered, under Pillar 1 and determine additional capital and liquidity requirements (Pillar 2 requirements). SREP is conducted under the lead of the ECB. The SREP decision is tailored to each bank's individual profile. The Group's CET1

Ratio[3] was 16.3% and 16.5% as at 31 December 2016 and 30 June 2017 respectively, exceeding the minimum requirement by CRD IV and SREP. Implementing regulations in Greece under the CRD IV or higher SREP requirements may impose higher capital requirements, such as higher prudential buffers, which may require the Group to raise further capital. The Group may also be requested by the SSM to address shortcomings identified by the Targeted Review of Internal Models ("TRIM"), which may result in increased capital requirements (see "*Regulation and Supervision of Banks in Greece—Single Supervisory Mechanism*"). Furthermore, on 20 March 2017, the ECB published its final "Guidance to banks on non-performing loans", setting out expectations in relation to strategy, governance, and operations. On 4 October 2017, the ECB launched a public consultataion on a draft addendum to the aforementioned ECB guidance on non-performing loans. It sets out supervisory expectations for minimum levels of prudential provisioning for new NPLs[4] and reinforces the guidance with regards to fostering timely provisioning and write-off practices. Although these guidelines are not binding, they may have an impact in the future on the Issuer's risk management, governance or control systems as these relate to the Issuer's management of NPEs, as well as on how the SSM assesses the Issuer's capital requirements for NPEs.

If the Group does not satisfy the minimum capital ratio requirements in the future, it may be subject to the measures that the Bank of Greece or the SSM can take pursuant to Article 131 of the CRD Law (which transposed into Greek Law article 141 of the CRD IV Directive) (the "CRD Law") and Regulation 1024/2013, including appointment of a commissioner to the Bank (see "*Regulation and Supervision of Banks in Greece—Bank Recovery and Resolution Directive*").

If the Bank is required to raise further capital but is unable to do so on acceptable terms, the Group may be required to further reduce the amount of the Bank's risk-weighted assets and engage in further disposal of core and other non-core businesses, which may not occur on a timely basis or achieve prices which would otherwise be attractive to the Bank. Any failure 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. If the Bank is required to strengthen 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. That could potentially lead to further requests for State Aid pursuant to the provisions of Greek Law 3864/2010 (the "HFSF Law"), as amended by Greek Laws 4340/2015 and 4346/2015 in the circumstances permitted under the BRR Law and the HFSF Law, which could result in the dilution or elimination of the interests of ordinary shareholders, and which may result in the HFSF exercising full control over the Bank if the HFSF were used again to recapitalize the Bank pursuant to the HFSF Law.

The Issuer's regulatory capital may be adversely affected by the implementation of IFRS 9

The Issuer expects to be impacted by the implementation of new International Financial Reporting Standard of Financial Instruments ("**IFRS 9**"), which is effective for annual periods beginning on or after January 1, 2018 and will require the Issuer to record allowance for loan losses based on expected losses instead of incurred losses. Furthermore, IFRS 9 is expected to increase the complexity of the Group's impairment modeling as it will involve considerable management judgment with respect to forward looking information. Adoption of IFRS 9 is generally expected to result in a one-off increase of allowance for loan losses in the Issuer's statutory consolidated financial statements in accordance with IFRS as endorsed by the EU, which could also impact the Group's regulatory capital position, because the Issuer calculates its regulatory ratios on the basis of these financial statements. Although a reliable estimate of the impact of IFRS 9 adoption is not yet available, such impact may be significant in reducing the Issuer's IFRS accounting equity, which in turn is the base for the Issuer's regulatory capital.

[3] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.
[4] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

While the competent European authorities (European Commission, EBA and Basel Committee of Banking Supervision) are currently assessing the possibility of implementing a phase-in approach regarding the impact of IFRS 9 adoption on banks' regulatory capital, there can be no assurance that any phase-in will be allowed and if it is allowed to what extend it will mitigate the full impact of any adverse effects of IFRS 9 implementation. As the regulatory authorities have not yet concluded on the treatment of the IFRS 9 impact for regulatory purposes, the impact on the Issuer's regulatory capital may also be significant. Depending on the final one-off IFRS 9 adoption impact and the final decision for its regulatory treatment, such impact could require the Group to raise additional capital to comply with its regulatory capital requirements.

Lastly, the SSM has launched a Thematic Review on the implementation of IFRS 9. The outcome of this review may have an impact on the SSM's SREP (*Supervisory Review and Evaluation Process*) for NBG, including an increase in capital requirements for the Group.

The Issuer's wholesale borrowing costs and access to liquidity and capital may be negatively affected by, and there may be further material adverse consequences of, any future downgrades of the Hellenic Republic's credit rating.

Since 2009, the Hellenic Republic has undergone a series of credit rating downgrades and, in 2010, moved to a below investment grade rating. The credit rating of the Hellenic Republic was lowered by all three major credit rating agencies to levels just above default status following the activation of collective action clauses in Greek government bonds subject to Greek law in February 2012. Specifically, the Hellenic Republic's credit rating was lowered to Selective Default SD by Standard & Poor's ("S&P") (February 27, 2012), to Restricted Default RD by Fitch Ratings Ltd. ("Fitch") (March 9, 2012) and to C by Moody's Investor Services, Inc. ("Moody's") (March 2, 2012).

In 2013 and 2014, all three rating agencies upgraded the Hellenic Republic's ratings in view of improvements in the general economic outlook; on May 23, 2014, Fitch upgraded the Hellenic Republic to B, while Moody's upgraded the Hellenic Republic to Caa1 (August 1, 2014) and S&P upgraded the Hellenic Republic to B on September 12, 2014. However, these gradual rating improvements were reversed in the end of 2014 and early 2015, against a backdrop of sharply increasing uncertainty and deteriorating financial and fiscal conditions. A number of rating actions were taken by each of Fitch, S&P and Moody's during 2014 and 2015.

The Greek sovereign rating was last reduced by S&P on June 29, 2015, to CCC. Similarly, on June 30, 2015, Fitch downgraded Greece's sovereign rating to 'CC' and on July 1, 2015, Moody's downgraded Greece's government bond rating to 'Caa3' from 'Caa2' and placed the rating on review for further downgrade assigning a continuing high probability of Greece's default on its privately held debt without ongoing support from official creditors. The completion of the agreement on the Third Program and the progress in its implementation led to a sequence of sovereign upgrades by the main rating agencies: S&P raised Greece's rating by two notches to 'CCC+' on July 21, 2015, while Fitch upgraded Greek debt by one notch to 'CCC', on August 18, 2015. On September 25, 2015, Moody's maintained Greece's sovereign rating at 'Caa3' and, S&P Ratings upgraded the creditworthiness of the Hellenic Republic by one notch to 'B' on January 22, 2016 with a stable outlook (Source: rating agencies press releases on Greek sovereign rating assessment).

Against this backdrop, on June 23, 2017, Moody's upgraded Greece's sovereign bond rating to 'Caa2' and changed the outlook to positive, reflecting its view that the prospects for a successful conclusion of Greece's Third Program have improved, a development that raises the likelihood of provisions of additional debt relief by the official lenders. On August 18, 2017, Fitch Global Ratings upgraded Greece's sovereign rating by one notch to 'B-' and revised its outlook to positive, while S&P also revised its outlook to positive on July 21, 2017 affirming, however, its 'B-' long-term sovereign rating on the Hellenic Republic. The key drivers for the rating agencies decisions were declining uncertainty, recovering economic growth, improving fiscal credibility, alongside improving prospects

for the provision of further official debt relief (Source: Moody's, S&P and Fitch press releases on Greek Sovereign outlook).

However, a new downgrade of the Hellenic Republic's rating could occur if the sovereign fails to meet its commitments to official sector lenders or becomes unable to service its obligations to the private or official sector. A downgrade may also occur if official sector lenders do not timely provide necessary additional relief by lowering Greece's debt servicing costs according to the Eurogroup decision on the implementation of near term debt measures (Source: Eurogroup Statement, May 25, 2016) or waiver from their commitment to conditionally provide further relief to Greece's debt servicing costs in the future. Accordingly, the financing costs of the Hellenic Republic would increase further (if it is able to access the capital markets at all), with negative effects on the cost of capital for Greek banks (including the Bank) and the Bank's business, financial condition and results of operations. Further downgrades of the Hellenic Republic's credit rating could also result in a corresponding downgrade in the Bank's credit rating and, as a result, increase wholesale borrowing costs and the Bank's access to liquidity.

A default of the Hellenic Republic would have a material adverse effect on the Group's business and could lead to a higher cost of funding or the inability of the Issuer to raise capital.

The ability of the Hellenic Republic to repay and reduce its outstanding indebtedness depends on a variety of factors, including the overall health of the Greek economy, the growth rate that can be achieved in future years, especially as relates to the impact of the Third Program on long-term debt sustainability, and levels of taxes collected from Greek taxpayers. If an additional restructuring of Hellenic Republic debt were to occur due to adverse scenarios arising from the foregoing or other influences, the Issuer's regulatory capital would be severely affected due to its direct exposure to Hellenic Republic debt, as well as due to the indirect effects of the credit event on the Issuer's borrowers (and thus asset quality) and on investor confidence, requiring the Bank to raise additional capital. In addition, if the Hellenic Republic were to default on its debt obligations to the Issuer, the Issuer could suffer losses and require further capital. Furthermore, there can be no assurance that the Issuer could raise all or any of the required additional capital on acceptable terms.

Failure to implement a credible program of reforms and measures to restore long-term debt sustainability and cover possible additional needs (even if due to factors outside the control of the Hellenic Republic) of Greece in upcoming years may also result in a credit event with respect to Hellenic Republic debt or lead to a default by the Hellenic Republic on its domestic and/or external debt, which could include marketable instruments, official sector loans from the Eurozone countries and/or the IMF and other obligations of the Hellenic Republic.

Moreover, if the Third Program does not achieve its intended results or the Hellenic Republic and the Institutions are not otherwise able to continue to agree on a sustainable fiscal path for Greece, it is possible that investors may again fear the exit of Greece from the Eurozone and the common currency of the euro, or be forced to repay its domestic and/or external indebtedness with a parallel or alternative currency. The exit from the Eurozone by Greece would have a significant adverse effect on the Group's business, financial condition and results of operations, including a higher cost of funding and a devaluation or redenomination of significant portions of its assets.

There are a number of uncertainties in connection with the future of the UK and its relationship with the European Union following the result of the UK referendum on 23 June 2016 and the subsequent triggering of Article 50 by the UK Government on 29 March 2017

On 23 June 2016 the UK held a referendum to decide on the UK's membership of the European Union. The result of the referendum was to leave the European Union and the UK Government invoked article 50 of the Lisbon Treaty relating to withdrawal from the European Union 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 the business of the Issuer and the Group. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Covered Bonds and/or the market value and/or the liquidity of the Covered Bonds in the secondary market.

Risk related to the recognition of the main part of deferred tax assets as regulatory capital or as an asset

The Group currently includes deferred tax assets ("DTAs") in calculating the Group's capital and capital adequacy ratios. As at 30 June 2017 and 31 December 2016, the Group DTAs, excluding the amount of the DTA that was classified as non-current assets held for sale, was €4.9 billion.

The Bank 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 Bank's statement of financial position, and therefore reduce the value of the DTAs as included in the Group' s regulatory capital.

Regulation 575/2013 provides that DTAs recognized for IFRS purposes that rely on future profitability and arise from temporary differences of a credit institution and exceed certain thresholds must be deducted from its CET1 (Common Equity Tier 1)[5] capital. This deduction is implemented gradually until 2019. However, as a measure to mitigate the effects of the deduction, article 27A of Greek Law 4172/2013, as amended by paragraph 1 of article 23 of Greek Law 4302/2014 and further amended by article 4 of Greek Law 4340/2015 (the "DTC Law") allows, under certain conditions, credit institutions to convert DTAs arising from Private Sector Initiative ("PSI") unamortized losses, as well as accumulated provisions and other losses due to credit risk recognized as at 30 June 2015, for IFRS purposes, (the "Eligible DTAs" or "DTCs") to final and settled claims against the Hellenic Republic (the "Tax Credits").

On 29 March 2017 the Law 4465/2017 was voted which further amended articles 27 and 27A of Law 4172/2013 as follows:

Amendments to article 27 introduce an amortization period of 20 years for losses due to loan write-offs as part of a settlement or restructuring and losses that crystallize as a result of a disposal of loans.

Amendments to article 27A: Extend the scope of article 27A to capture, in addition to PSI losses and provisions for loan losses, the following categories of time differences: (i) losses from the final write-off or the disposal of loans and (ii) accounting write-offs, which will ultimately lead to final write-offs and losses from disposals. It is further provided that Tax Credits cannot exceed the tax corresponding on accumulated provisions accounted up to 30 June 2015, less (a) any definitive and cleared tax credit, which arose in the case of accounting loss for a year according to the provisions of par.2 of article 27A, which relate to the above accumulated provisions, (b) the amount of tax corresponding to any subsequent specific tax provisions, which relate to the above accumulated provisions and (c) the amount of the tax corresponding to the annual amortization of the debit difference that corresponds to the above provisions and other losses in general arising due to credit risk.

On 18 May 2017 the Law 4472/2017 was passed, which requires banks to pay an annual fee of 1.5% on the excess amount guaranteed by the Greek State of deferred tax assets stemming from the difference between the tax rate applicable under Law 4336/2015 retrospectively from 1 January 2015 (29%) and the tax rate applicable on 30 June 2015 (26%). The law is applied retrospectively, on the DTA (eligible for DTC) recognized as of 31 December 2016. The charge recognised in Q2.17 is €13 million of which €9 million for 2016 and €4 million for the first half of 2017 and is presented within net other income / (expense).

[5] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

As at 30 June 2017 Group's eligible DTAs amounted to €4.8 billion (31 December 2016: €4.8 billion). The main condition for the creation of Tax Credits is the existence of an accounting loss 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 to equity (excluding the year's losses) 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 new 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[6], thereby improving an institution's capital position.

If the regulations governing the use of DTCs as part of the Group's regulatory capital should change, this may affect the Group's capital base and consequently its capital ratios. As at 30 June 2017, 73.9% of the Group's CET1 capital was comprised of DTC. Additionally, there can be no assurance that any final interpretation of the amendments described above and as a result Greek credit institutions will ultimately not be allowed to maintain certain DTCs as regulatory capital. If any of these risks materialize, 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.

There is uncertainty about the Issuer's ability to continue as a "going concern".

Significant deposits outflows during the first half of 2015 from the Greek banking sector, including from the Issuer, resulted in increased levels of Eurosystem funding, a large part of which was through the ELA. Although Eurosystem funding had significantly reduced, still remains significant (€8.4 billion as at 30 June 2017 (31 December 2016: €12.3 billion), of which €4.6 billion from ECB (31 December 2016: €6.7 billion) and €3.8 billion from ELA (31 December 2016: €5.6 billion)). The going concern basis of the Issuer is dependent on continued access to Eurosystem funding, whether the outflow of deposits continues, and whether and when the number of new fiscal measures resulting from the Third Program will be successfully implemented. Furthermore, as of 30 June 2017 the Bank had entered into secure interbank transactions with foreign financial institutions of €4.5 billion, while the Bank's ELA liquidity buffer stood at €9.6 billion (cash value). As of 10 November 2017, Eurosystem funding was further decreased to €3.7 billion, while ELA reduced to € 0.6 billion and the liquidity buffer amounted to € 12.0 billion (cash value).

On 25 May 2016 the Eurogroup reached a full staff-level agreement between Greece and the International Monetary Fund (the "**IMF**"), the European Central Bank ("**ECB**"), the European Union ("**EU**") and the European Stability Mechanism ("**ESM**") (collectively, the "Institutions"), in line with the Eurogroup statement adopted on 9 May 2016, in particular as regard the adoption of permanent structural measures, including revenue measures and the contingency fiscal mechanism. Accordingly, following the full implementation of all prior actions, the European Stability Mechanism ("**ESM**") on 17 June 2016 approved the disbursement of the second tranche of the ESM program. The second tranche under the ESM program amounting to EUR 10.3 billion will be disbursed to Greece in several disbursements, starting with a first disbursement on 21 June 2016 (EUR 7.5 billion) to cover debt servicing needs and to allow a clearance of an initial part of arrears as a means to support the real economy. The subsequent disbursements will be made after the summer of 2016.

Furthermore, against the background of the successful completion of the first review and the agreement on debt relief, the Eurogroup agreed on a package of debt measures which will be phased in progressively, as necessary to meet the agreed benchmark on gross financing needs and will be subject to the pre-defined conditionality of the ESM program. These measures are split into short,

[6] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

medium and long term. The short-term measures will be implemented after the closure of the first review up to the end of the program and include the smoothening of the European Financial Stability Facility ("**EFSF**") repayment profile and the reduction of interest

Management concluded that the Bank is a going concern after considering (a) its current access to the Eurosystem facilities, (b) the Bank's and the Group's CET1 ratio[7] of 30 June 2017 and (c) the recent developments regarding the Greek economy and the latest estimates regarding macroeconomic indicators.

Risks Relating to the Issuer's Recapitalization and Receipt of State Aid

As a recipient of State Aid, the Issuer's operational autonomy is constrained.

As a result of recapitalizations in 2013 and 2015, each of which included State Aid within the meaning of applicable EU legislation, and in order for the HFSF to fulfill its objectives under the HFSF Law, exercise its rights and obligations and comply with the commitments undertaken through the Financial Assistance Facility Agreement[8] ("**FFA**") and the MoU, the HFSF and the Bank entered to a revised Relationship Framework Agreement dated 3 December 2015 (the "**Amended Relationship Framework Agreement**"), which amended the initial Relationship Framework Agreement dated 10 July 2013 between the Issuer and the HFSF (the "**Relationship Framework Agreement**") (See "*Regulation and Supervision of Banks in Greece—The Hellenic Financial Stability Fund—The Greek Recapitalization Framework—Provision of Capital Support by HFSF—The Relationship Framework Agreement*"). The total amount of State Aid the Issuer received in forms other than guarantees and liquidity assistance was approximately €12.7 billion as at 31 December 2015.

Under European State Aid rules, the Issuer has undertaken certain Commitments (as defined below) and has submitted a revised Restructuring Plan approved by the Directorate General for the Competition of the European Commission on 4 December 2015 ("**Revised Restructuring Plan**") (see below). In line with the Commitments undertaken, among others, the Issuer is not permitted to acquire any stake in any undertaking unless the purchase price is below certain thresholds or the acquisition takes place in the ordinary course of business or following relevant approval by the European Commission, according to the particular provisions of the Commitments. The Commitments also provide for certain procedures, that the Issuer has to follow with respect to lending towards connected borrowers and risk monitoring requirements that the Issuer must fulfill. Finally, in the event that the Issuer is placed under liquidation, according to the legal framework concerning the HFSF, the HFSF (as shareholder) is satisfied in priority before the common shareholders.

On 4 December 2015, the Directorate General for Competition of the European Commission approved the Bank's Revised Restructuring Plan. (See *"The Issuer - History and Development of the Group—Revised Restructuring Plan approved by the Directorate General for Competition on 4 December 2015"*).

The implementation of the Revised Restructuring Plan by the Issuer may have a significant impact on its business activity, operating results and financial position. Specifically, as part of the Revised Restructuring Plan, the Issuer has undertaken a number of Commitments, both structural (such as the disposal of certain assets and subsidiaries) and behavioral, towards the European Commission. Among other Commitments, as part of its Revised Restructuring Plan the Issuer is proceeding, subject to customary regulatory and corporate approvals, to dispose of its entire stake in Finansbank (see "*Risk Factors – Risks Relating to the Hellenic Republic Economic Crisis—The sale of Finansbank pursuant to the Revised Restructuring Plan will result in the loss of a business which has historically*

[7] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.
[8] The agreement signed on 19 August 2015 by and between the European Stability Mechanism ("ESM"), the Hellenic Republic, the Bank of Greece and the HFSF.

represented a significant portion of the Issuer's consolidated operations and profit"). The other disposals contemplated by the Revised Restructuring Plan, which have not yet taken place, may be undertaken by the Issuer at unattractive valuations or during unfavorable market conditions. The Issuer may not succeed in complying with all the Commitments given by the Hellenic Republic in the Revised Restructuring Plan for the Issuer. This may lead to the European Commission re-opening an in-depth investigation (so-called "misuse of aid proceedings") at the end of which it may find that additional restructuring measures are required in order to find the State Aid received compatible with the internal market. In addition, it may result in the HFSF exercising full voting rights in respect of the shares it holds in the Bank which do not currently have full voting rights (see "*Risk Factors – Risks Relating to the Hellenic Republic Economic Crisis — The HFSF, as shareholder, has certain rights in relation to the operation of the Bank*").

Furthermore, the Commitments (as defined below) of the Hellenic Republic towards the European Commission also provide for, *inter alia*, the appointment of a monitoring trustee (the "**Monitoring Trustee**") for each bank under restructuring. The Monitoring Trustee acts on behalf of the European Commission and aims to ensure the compliance of the Issuer with such Commitments, and oversees the implementation of restructuring plans and the Bank's compliance with the applicable State Aid rules. See "*Regulation and Supervision of Banks in Greece—Reporting Requirements for Banks—Monitoring Trustee*". Grant Thornton was appointed as the Bank's Monitoring Trustee on 16 January 2013. The Monitoring Trustee's powers affect management's discretion by imposing further supervision on the Issuer, which may affect business decisions and development strategies and limit the operational flexibility of the Group.

The HFSF, as shareholder, has certain rights in relation to the operation of the Issuer.

Under the Amended Relationship Framework Agreement governing the relationship between the Issuer and the HFSF, the HFSF, as shareholder, has certain rights in relation to the operation of the Issuer. See "*Regulation and Supervision of Banks in Greece—The Hellenic Financial Stability Fund—The Greek Recapitalization Framework—Provision of Capital Support by HFSF—Powers of the HFSF*". Although the Amended Relationship Framework Agreement provides that the Issuer's decision making bodies will continue to determine independently, among other things, the Issuer's commercial strategy and policy, the monitoring and veto powers held by the HFSF representative appointed to the Board of Directors (appointed since June 2012 under Greek law 3864/2010) restrict the discretion of the Issuer's management. Accordingly, as a result of the Issuer's participation in recapitalization programs, the HFSF is able to exercise significant influence over the operations of the Issuer. These restrictions arise from, among others, the Amended Relationship Framework Agreement with the HFSF entered into by the Issuer in December 2015 in connection with its receipt of State Aid as part of its recapitalization in December 2015 (similar restrictions applied prior to December 2015 in accordance with the initial Relationship Framework Agreement of July 2013 between the Issuer and the Hellenic Republic) (see "*Regulation and Supervision of Banks in Greece—The Hellenic Financial Stability Fund—The Greek Recapitalization Framework—Provision of Capital Support by the HFSF—The Relationship Framework Agreement*").

Pursuant to the provisions of the HFSF Law, the HFSF's appointed representative has enumerated powers to veto key corporate decisions of the Issuer and exercise other powers relating to corporate governance, as set out in "*Regulation and Supervision of Banks in Greece—The Hellenic Financial Stability Fund-The Greek Recapitalization Framework—Provision of Capital Support by HFSF—Powers of the HFSF.*" Additionally, in accordance with the provisions of the HFSF Law and the provisions of the Amended Relationship Framework Agreement, HFSF, among others, has performed and may in the future perform its own evaluation of the corporate governance and of the Board of Directors and its Committees, through independent consultants of international reputation and established experience and expertise. This review will be in line with prudent international practices by applying criteria that go beyond supervisory fit and proper requirements. In the case that a review or evaluation determines that the subject of the review does not meet the relevant criteria, HFSF will follow the procedure described in par. 9 of art. 10 the HFSF Law, including communication of the

results to the Board of Directors of the Issuer and informing of the General Meeting of Shareholders in case the Board of Directors does not take measures to implement proposed recommendations, while the HFSF may recommend replacement of members of the Board of Directors or Board Committee.

In 2016 the HFSF carried out an evaluation in accordance with the provisions of HFSF Law which included an assessment concerning the HFSF Law eligibility criteria for Board members, following which there have been changes in the composition of the Board of Directors and recruitment of new Board members in accordance with the aforementioned eligibility criteria. In 2017 the HFSF carried out its evaluation in accordance with the provisions of HFSF Law, in cooperation with a consultant in line with the aforementioned legislation. In addition to the provisions of the HFSF Law, and pursuant to the Amended Relationship Framework Agreement, the HFSF has a series of information rights with respect to matters pertaining to the Bank. Additionally, as prescribed by the Amended Relationship Framework Agreement, the HFSF representative shall be appointed as member in all Board Committees, while the HFSF observer whom the HFSF is also entitled to appoint (to participate in the Board without voting rights) in accordance with the provisions of the Amended Relationship Framework Agreement can also be appointed in all Committees. Finally, the Bank is obliged to obtain the prior approval of the HFSF on a number of material matters, determined in detail within the Amended Relationship Framework Agreement.

Consequently, there is a risk that the HFSF may exercise the rights it has to exert influence over the Issuer and may disagree with certain of the Issuer's decisions relating to dividend distributions, benefits policies and other commercial and management decisions which will ultimately limit the Group's operational flexibility. Additionally, the Bank and the HFSF have agreed on certain actions in which the Bank has been proceeding, as these are outlined in the Joint Announcement the Bank and the HFSF released on 8 December 2016.

Additionally, following its participation in the Issuer's share capital increase completed in December 2015, the HFSF acquired 2,254,869,160 shares of the Issuer, and as part of the recapitalization, Greek State Preference Shares previously held by the Hellenic Republic were converted into common shares and acquired by the HFSF by operation of law. Accordingly, as at 28 November 2017, the HFSF holds 3,559,869,160 common shares having full voting rights, representing 38.92% of the Issuer's share capital, while it also holds 134,819,987, representing 1.47% of the Issuer's share capital consisting of common shares with restrictions on the exercise of the voting rights as per Article 7a of the HFSF Law as in force, which could be lifted upon certain conditions, i.e. in case the HFSF General Council concludes that there is a breach of material obligations which are included in the restructuring plan or which promote its implementation or which are described in the Amended Relationship Framework Agreement.

Furthermore, the HFSF also has interests in other Greek financial institutions and an interest in the health of the Greek banking industry and other industries generally, and those interests may not always be aligned with the commercial interests of the Group or those of its shareholders.

The HFSF and the Hellenic Republic have and will continue to have the ability to exercise significant influence over the Issuer's operations.

In the context of the Issuer's recapitalization completed in December 2015, the 270 million Greek State Preference Shares previously owned by the Hellenic Republic (see "*Regulation and Supervision of Banks in Greece—The Hellenic Republic's Bank Support Plan*"), were mandatorily converted into ordinary shares as a result of the application of Cabinet Act 36/2.11.2015, and by the operation of law acquired by the HFSF. Accordingly, the previously held stake of the Hellenic Republic in the Issuer, (see "*Risk Factors – Risks Relating to the Hellenic Republic Economic Crisis —The HFSF, as shareholder, has certain rights in relation to the operation of the Bank*") as converted is now held by the HFSF.

In addition, by virtue of Greek law 3723/2008, as amended by a number of laws and ministerial decisions, the Hellenic Republic established a voluntary scheme for the capitalisation and liquidity support of credit institutions licensed by the Bank of Greece (the "**Hellenic Republic's Bank Support Plan**") with the objective, among other things, of strengthening Greek banks' capital and liquidity positions. Credit institutions who choose to participate in the Hellenic Republic's Bank Support Plan using either the capital or guarantee facility, including the Bank, must accept a government-appointed member on their board of directors as a state representative, pursuant to the provisions of Greek law 3723/2008. However, it is noted that on 22 July 2016 the securities issued by the Bank under Hellenic Republic guarantees as per article 2 of Greek law 3723/2008 (Pillar II), have been fully paid up and written off, while the notes issued as per article 3 of Greek law 3723/2008 (Pillar III), were returned to Public Debt Management Agency of the Hellenic Republic and have been cancelled on 30 March 2016.

Accordingly, the Bank is no longer subject to the provisions of Greek law 3723/2008 and, therefore, the representation of the Hellenic Republic on the Bank's Board of Directors has been ceased.

Risks Relating to the Issuer's Business

The increase in loans that are more than 90 days past due has had and may continue to have a negative impact on the Issuer's operations in the future.

Loans that are more than 90 days past due represented 33.8% of the Issuer's adjusted loans[9] before allowance for impairment as at 30 June 2017, while the same ratio for the Issuer's Greek operations was 33.7%. The effect of the economic crisis in Greece and adverse macroeconomic conditions in the countries in which the Issuer operates may result in further adverse effects on the credit quality of the Issuer borrowers, with increasing delinquencies and defaults. In accordance with Greek law 3869/2010, as amended and in force, individuals who are in a state of permanent inability to pay their debts not attributable to willful misconduct, have the ability to adjust their debts and may be released from a portion of such debts through filing of an application to the competent court (see "*Regulation and Supervision of Banks in Greece*"). As at 31 December 2016 and 2015, 81,832 and 71,960 customers, had applied to the court under the provisions of Greek Law 3869/2010, with combined outstanding balances of €3,747 million and €3,411 million, respectively. In addition, the Issuer may not be able to enforce certain collateral in enforcement proceedings for real estate used as the main residence of the debtors, subject to certain conditions as described in "*Regulation and Supervision of Banks in Greece—Constraints on the Use of Capital—Restrictions on Enforcement of Granted Collateral*". Future provisions for non-performing loans could have a materially adverse effect on the Issuer's profitability.

[9] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

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

The global economic recovery has continued in the first half of the year, whereas business and consumer survey indicators point to persistent growth momentum in the second half of 2017. In the euro area, the economic recovery has picked up pace with business investment gradually increasing, on top of already strong positive contribution of private consumption to Gross Domestic Product ("GDP") growth. Steady employment gains and rising household wealth, alongside favorable financing conditions due to the accommodative monetary policy by the European Central Bank have led to a broader based recovery across euro area countries and sectors.

The distribution of risks for the euro area economy appears broadly balanced. On the one hand, the strong cyclical economic upswing may continue amid still supportive monetary stance and broadly neutral fiscal policies. On the other hand, a weaker-than-expected external environment, abrupt upward moves in the euro exchange rate and the lack of significant progress regarding structural reforms may render the positive momentum. More specifically, a number of European economies, continue to face significant economic headwinds stemming from high levels of private or public debt and elevated unemployment rates. These factors, *inter alia*, may restrict the European economic recovery, with a corresponding adverse effect on the Group's business, results of operations and financial condition.

Equity prices in many advanced and emerging economies recorded double digit gains year-to-date (as of mid-November 2017) on the back of strong corporate profitability and still accommodative policies by major central banks. At the same time, equity market volatility remained close to historic low levels. Long-term high-rated nominal sovereign bond yields declined modestly in the United States ("US") as expectations linked with probable fiscal stimulus under the new US Administration retreated, to some extent, compared with end 2016. In contrast, German Bund yields increased by circa 20 basis points amid strong GDP growth and dissipating euro area deflation risks. Moreover, global corporate credit spreads, both Investment Grade and non-Investment Grade, narrowed as global recession risks have subsidized and investors' search for yield continued. Overall, global financial markets have remained buoyant in the course of 2017. However, financial market volatility could resurface due to a more aggressive reassessment of the US Federal Reserve's interest rate tightening cycle and renewed euro area political turmoil amid overstretched asset valuations, with a corresponding material adverse effect on the Group's business, results of operations and financial condition, including the Group's ability to fund its operations.

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 the above factors.

Adverse developments could also be triggered by significant deterioration of global economic conditions and a sharper-than-expected slowdown of the Chinese economy amid excessive corporate leverage, heightened geopolitical risks, a recurrence of euro area sovereign debt and banking stress triggered, *inter alia*, by political and fiscal uncertainty, the challenging low/negative interest rate operating environment, as well as a weaker-than-expected performance of the Greek economy.

These developments could:

- further directly impact the carrying amount of the Group's portfolio of Greek government debt;

- further directly impact the impairment losses for receivables relating to the Hellenic Republic;

- severely affect the Group's ability to raise capital and meet minimum regulatory capital requirements; and

- severely limit the Group's ability to access liquidity.

The Issuer is exposed to counterparty risk.

The Issuer 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 Greek 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 negatively impacted, and may continue to negatively impact, inter-institutional financial transactions, in general. Many of the routine transactions the Issuer enters into expose the Issuer to significant credit risk in the event of default by one of its significant counterparties. Given the high level of interdependence between financial institutions, the Issuer is and will continue to be subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of other financial services institutions. In addition, the Issuer's credit risk may be exacerbated when the collateral the Issuer hold cannot be realized upon or is liquidated at prices not sufficient for the Issuer to recover the full amount of the loan or derivative exposure. A default by a significant financial counterparty, or liquidity problems in the financial services industry in general, could have a material adverse effect on the Issuer's business, results of operations, financial condition and capital position.

The Issuer has incurred and may continue to incur significant losses on its trading and investment activities due to market fluctuations and volatility.

The Issuer maintains trading and investment positions in debt, currency, equity and other markets. These positions could be adversely affected by continuing volatility in financial and other markets and the Greek sovereign debt crisis, creating a risk of substantial losses. Significant decline in perceived or actual values of the Group's assets has 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, 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, including the Issuer's holdings of Greek government bonds. The investment securities portfolios accounted for 11.6% of the Group's total assets excluding non-current assets held for sale as at 30 June 2017. Volatility can also lead to losses relating to a broad range of other trading securities and derivatives held, including swaps, futures, options and structured products.

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

Interest rates are highly sensitive to many factors beyond the Issuer's control, including monetary policies, domestic and international economic and political conditions, as well as other factors. There can be no assurance that further events will not alter the interest rate environment in Greece and the other markets in which the Issuer operates. Cost of funding is especially at risk for the Issuer due to increased ELA and Eurosystem funding and the tight liquidity conditions in the domestic deposit market.

In the current interest rate climate, central banks of the major developed economies (including the Federal Reserve ("**Fed**"), the ECB, the Bank of England and the Bank of Japan, among others) are widely perceived to have an abnormally significant influence on the volatility and direction of short term rates. The method and rate at which central banks adjust their target rates cannot be predicted, nor can the effects that changes in such rates will have, be anticipated.

There are risks involved in both an increase of rates and a prolonged period of low or negative interest rates. Variations in short-term interest rates could affect the Group's net interest income, reducing its growth rate and potentially resulting in losses. When interest rates rise, the Group may be required to pay higher interest on floating-rate borrowings while interest earned on fixed-rate assets does not rise as quickly, which could cause profits to grow at a reduced rate or decline.

Conversely, increases in interest rates may reduce the volume of loans the Group originates. Sustained high interest rates have historically discouraged customers from borrowing and have resulted in increased delinquencies in outstanding loans and deterioration in the quality of assets. Increases in interest rates may also reduce the propensity of the Group's customers to prepay or refinance fixed-rate loans, reduce the value of its financial assets and reduce gains or require it to record losses on sales of loans or securities.

If interest rates decrease, although this is likely to reduce the Group's funding costs, it is likely to compress the Group's interest margin, as well as adversely impact income from investments in securities and loans with similar maturities, which could have a negative effect on the Group's operating results, financial condition and prospects.

Changes in market interest rates may affect the interest rates the Group charges on its interest-earning assets differently from the interest rates it pays on its interest-bearing liabilities. This difference could reduce the Group's net interest income. Since the majority of the Group's loan portfolio effectively re-prices within a year, rising interest rates may also result in an increase in the Group's allowance for loan losses if customers cannot refinance in a higher interest rate environment. Further, an increase in interest rates may reduce the Group's clients' capacity to repay in the current economic circumstances.

Changes or uncertainty in respect of LIBOR and/or EURIBOR may affect the value or payment of interest under Covered Bonds

Various interest rate benchmarks (including the London Inter-Bank Offered Rate ("**LIBOR**")) and the Euro Interbank Offered Rate ("**EURIBOR**") 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 including the EU Benchmark Regulation (Regulation (EU) 2016/1011) (the "**Benchmark Regulation**").

Under the Benchmarks Regulation, which will apply from 1 January 2018 in general, new requirements will apply with respect to the provision of a wide range of benchmarks (including LIBOR and EURIBOR), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmarks Regulation will, among other things, (i) require 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 to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

In addition, the sustainability of LIBOR has been questioned by the UK Financial Conduct Authority as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. Additionally, in March 2017, the European Money Markets Institute (formerly Euribor-

EBF) (the "**EMMI**") published a position paper referring to certain proposed reforms to EURIBOR, which reforms aim to clarify the EURIBOR specification, to develop a transaction-based methodology for EURIBOR and to align the relevant methodology with the Benchmarks Regulation, the IOSCO Principles for Financial Benchmarks and other regulatory recommendations. The EMMI has since indicated that there has been a "change in market activity as a result of the current regulatory requirements and a negative interest rate environment" and "under the current market conditions it will not be feasible to evolve the current EURIBOR methodology to a fully transaction-based methodology following a seamless transition path". It is the current intention of the EMMI to develop a hybrid methodology for EURIBOR.

These reforms and other pressures may cause one or more interest rate benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted.

Based on the foregoing, prospective investors should in particular be aware that:

a) any of these reforms or pressures described above or any other changes to a relevant interest rate benchmark (including LIBOR and EURIBOR) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be; and

b) if LIBOR or EURIBOR is discontinued or is otherwise unavailable and an amendment as described in paragraph (c) below has not been made at the relevant time, then the rate of interest on the Floating Rate Covered Bonds will be determined for a period by the fall-back provisions provided for under Condition 5.2 of the Terms and Conditions of the Covered Bonds, although such provisions, being dependent in part upon the provision by reference banks of offered quotations for leading banks in the London interbank market (in the case of LIBOR) or in the Euro-zone interbank market (in the case of EURIBOR), may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time) and may in certain circumstances result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR or EURIBOR was available; and

c) if LIBOR, EURIBOR or any other relevant interest rate benchmark is discontinued, and whether or not an amendment is made under Condition 15 of the Terms and Conditions of the Covered Bond to change the base rate with respect to the Floating Rate Covered Bonds as described in paragraph (b) above, there can be no assurance that the applicable fall-back provisions under the Swap Agreements would operate to allow the transactions under the Swap Agreements to effectively mitigate interest rate risk in respect of the Floating Rate Covered Bonds.

The Benchmark Regulation could also have a material impact on any Covered Bonds linked to LIBOR, EURIBOR or any other relevant interest rate benchmark, including in any of the following circumstances: (i) an index which is a benchmark may not be used as such if its administrator does not obtain appropriate EU authorisations or is based in a non-EU jurisdiction which (subject to any applicable transitional provisions) does not have equivalent regulation. In such event, depending on the particular benchmark and the applicable terms of the Covered Bonds, the Covered Bonds could be delisted (if listed), adjusted, redeemed or otherwise impacted; (ii) the methodology or other terms of the benchmark related to a series of Covered Bonds could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level of the benchmark or of affecting the volatility of the published rate or level.

It should be noted that broadly divergent interest rate calculation methodologies may develop and apply as between the Covered Bonds and/or the Swap Agreements due to applicable fall-back

provisions or other matters and the effects of this are uncertain but could include a reduction in the amounts available to the Issuer to meet its payment obligations in respect of the Covered Bonds.

Moreover, any of the above matters (including an amendment to change the base rate as described in paragraph (c) above) or any other significant change to the setting or existence of LIBOR, EURIBOR or any other relevant interest rate benchmark could affect the ability of the Issuer to meet its obligations under the Covered Bonds and/or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Covered Bonds. Changes in the manner of administration of LIBOR, EURIBOR or any other relevant interest rate benchmark could result in adjustment to the Conditions, early redemption, discretionary valuation by the Calculation Agent, delisting or other consequences in relation to the Floating Rate Covered Bonds. No assurance may be provided that relevant changes will not occur with respect to LIBOR, EURIBOR or any other relevant interest rate benchmark and/or that such benchmarks will continue to exist. Investors should consider these matters when making their investment decision with respect to the Covered Bonds.

The Issuer faces significant competition from Greek and foreign banks.

The general scarcity of wholesale funding since the onset of the economic crisis, as well as the imposition of capital controls in 2015, has led to a significant increase in competition for retail deposits in Greece among the four largest banks (including the Issuer) and other smaller banks, which means that the Issuer may have to pay higher rates to attract equivalent levels of deposits. This has been exacerbated by the sharp decline in deposits that have left the Greek banking system over the past several months due to the imposition of capital controls. The Issuer faces competition from foreign banks in the Issuer's banking operations outside of Greece, some of which may have resources greater than that of the Issuer. The Issuer may not be able to continue to compete successfully with domestic and international banks in the future. These competitive pressures may have a material adverse effect on its business, financial condition and results of operations. The Group's exposure to Greece increased significantly as a result of the sale of Finansbank.

The loss of senior management may adversely affect the Issuer's ability to implement its strategy.

The Group's current senior management team includes a number of executives the Group believes contribute significant experience and expertise to its management in the banking sectors in which the Issuer operates. The continued performance of the Group's business and its ability to execute its business strategy will depend, in large part, on the efforts of the senior management of the Group. For instance, a change in government or a situation of effective control by the HFSF could lead to the departure of certain senior managers. If a substantial number of the Group's senior management team leave the Group, its business may be materially adversely affected. In addition, as described under *"Risk Factors – Risks Relating to the Hellenic Republic Economic Crisis—The HFSF, as shareholder, has certain rights in relation to the operation of the Issuer*", the Issuer's Board of Directors is currently subject to an evaluation of its corporate governance, as contemplated by the HFSF Law and the Amended Relationship Framework Agreement. Depending on the outcome of this evaluation, there may be changes to the composition of the Issuer's Board of Directors.

The Issuer may be unable to recruit or retain experienced and/or qualified personnel.

The Group's competitive position depends, in part, on its ability to continue to attract, retain and motivate qualified and experienced banking and management personnel. Competition in the Greek and SEE banking industries for personnel with relevant expertise is intense due to the relatively limited availability of qualified individuals. To recruit qualified and experienced employees and to minimize the possibility of their departure, the Group provides compensation packages consistent with evolving standards in the relevant labor markets. Under the terms of the Hellenic Republic's Bank Support Plan contemplated in Greek law 3723/2008, as currently applicable, the Issuer is prohibited from paying bonuses to the members of the Board of Directors, the Chairman, the Chief Executive Officer, the Deputy Chief Executive Officers and any general managers or their deputies.

In any case, remuneration of the above mentioned personnel should not exceed the Bank of Greece Governor's remuneration. Furthermore, as a result of the economic crisis and regulatory restrictions on bonus payments, the Group is limiting or restricting the bonuses it pays to personnel, which may inhibit the retention and recruitment of qualified and experienced personnel. The inability to recruit and retain qualified and experienced personnel in the Hellenic Republic and SEE, or manage the Group's current personnel successfully, could have a material adverse effect on its business, results of operations, financial condition and prospects.

The Issuer, like any other credit institution, is exposed to the risk of fraud and illegal activities of any form, which, if not dealt with in a timely manner and successfully, could have negative effects on the Issuer's business, financial condition, results of operations and prospects.

The Group is subject to rules and regulations related to combating money laundering and terrorism financing in the jurisdictions where it operates. 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 the Group believes that its current anti-money laundering and anti-terrorism financing policies and procedures are adequate to ensure compliance with applicable legislation, it cannot guarantee that they will comply at all times with all rules applicable to money laundering and terrorism financing as extended to the entire Group and applied to its staff in all circumstances. A possible violation, or even any suspicion of a violation of these rules, may have serious adverse legal and financial impacts, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Issuer could be exposed to significant future pension and post-employment benefit liabilities.

The employees of the Issuer and certain of the Issuer's subsidiaries participate in employee-managed pension schemes. The Issuer and certain of the Issuer's subsidiaries make significant contributions to these schemes. In addition, the Issuer and several of its subsidiaries offer other post-employment benefit plans, including medical benefit plans. The Issuer's consolidated retirement benefit obligations under these plans as at 30 June 2017 was €255 million, determined by reference to a number of critical assumptions. These include assumptions about movements in interest rates which may not be realized. Potential variations may cause the Issuer to incur significantly increased liability in respect of these obligations.

The recent amendments pursuant to the Third Program or any future amendments in legislation regarding pensions and pension liabilities or other post-employment benefit obligations may increase the liability of the Issuer or its subsidiaries with respect to pension and other post-employment benefit plan contributions to cover actuarial or operating deficits of those plans.

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 Issuer relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, internal valuation models that utilize observable financial market data. In certain circumstances, the data for individual financial instruments or classes of financial instruments utilized by such valuation models may not be available or may become unavailable due to changes in financial market conditions. In such circumstances, the Issuer's internal valuation models require the Issuer to make assumptions, judgments and estimates to establish fair value. In common with other financial institutions, these internal valuation models are complex, and the assumptions, judgments and estimates the Issuer is often required to make relate to matters that are inherently uncertain, such as expected cash flows. 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 Issuer's earnings and financial condition. Also, market volatility and illiquidity such as that experienced over the past several years can challenge the factual bases of certain underlying assumptions and has made it difficult to value certain of the Group's 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 Issuer's results, financial condition and prospects.

The Issuer is exposed to credit risk, market risk, liquidity risk, operational risk and insurance risk.

As a result of the Issuer's activities, the Issuer is exposed to a variety of risks. Among the most significant of these risks are credit risk, market risk, liquidity risk, operational risk and insurance risk. Failure to control these risks could have a material adverse effect on the Group's results of operations, financial condition, prospects and reputation.

- *Credit Risk.* Credit risk is the risk of financial loss relating to the failure of a borrower to honor its contractual obligations. It arises in lending activities as well as in various other activities where the Issuer is exposed to the risk of counterparty default, such as its trading, capital markets and settlement activities. The risk of counterparty default is the largest single risk the Issuer faces. See *"Risk Factors – Risks Relating to the Issuer's Business —The Issuer is exposed to counterparty risk*".

- *Market Risk.* Market risk is the current or prospective risk to earnings and capital arising from adverse movements in interest rates, equity and commodity prices and exchange rates, and their levels of volatility. Changes in interest rate levels, yield curves and spreads may affect the Issuer's net interest margin. Changes in currency exchange rates affect the value of assets and liabilities denominated in foreign currencies and may affect income from foreign exchange dealing. The performance of financial markets or financial conditions generally may cause changes in the value of the Issuer's investment and trading portfolios. The Issuer has implemented risk management methods to mitigate and control these and other market risks to which its portfolios are also exposed. However, it is difficult to predict with accuracy changes in economic or market conditions and to anticipate the effects that such changes could have on the Issuer'sfinancial performance and business operations. See "*Risk Factors – Risks Relating to the Issuer's Business— The Group is vulnerable to disruptions and volatility in the global financial markets*".

- *Liquidity Risk.* Liquidity risk is defined as the current or prospective risk to earnings and capital arising from an entity's inability to meet its liabilities when they come due without incurring significant losses. It reflects the potential mismatch of payment obligations to incoming payments, taking into account unexpected delays in repayments (term liquidity risk) or unexpectedly high payment outflows (withdrawal/call risk). Liquidity risk involves both the risk of unexpected increases in the cost of funding a portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner on reasonable terms. The severity of pressure experienced by the Hellenic Republic in its public finances and credit downgrades has restricted the access to markets for the Bank, which in 2015 has relied on the ECB and the Bank of Greece for the majority of new liquidity (see "*Risk Factors—Risks Relating to the Hellenic Republic's Economic Crisis—The Issuer is currently restricted in its ability to obtain funding in the capital markets and is heavily dependent on the ECB and Bank of Greece, through the ELA, for funding, which access could be affected by changes in the ECB and the Bank of Greece rules relating to the eligibility and valuation of collateral used for funding such as Greek government bonds and guarantees*").

- *Operational Risk.* Operational risk corresponds to the risk of loss due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Internal events include, but are not limited to, fraud by employees,

clerical and record keeping errors and information systems malfunctions or manipulations. External events include floods, fires, earthquakes, riots or terrorist attacks, fraud by outsiders and equipment failures. Finally, the Issuer may also fail to comply with regulatory requirements or conduct of business rules.

- *Insurance Risk.* The principal risk that the Issuer may faces is that the actual claims and benefit payments, or the timing thereof, differ from expectations. This could occur because the frequency or severity of claims is greater than estimated. Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behavior, changes in public health, pandemics and catastrophic events such as earthquakes, industrial disasters, fires, riots or terrorism.

Although management believes that its risk management and risk mitigation policies are adequate, the Issuer's risk management processes may not prevent all instances of fraud or otherwise allow the Issuer to mitigate or fully manage the above risks. In addition, the weak Greek economy and the need to implement the Third Program as well as continuing volatility as a result of market forces out of its control could cause the Issuer's liquidity position to deteriorate. Such deterioration would increase funding costs and limit the Issuer's capacity to increase its credit portfolio and the total amount of its assets, which could have a material adverse effect on the Issuer's business, results of operations and financial condition.

The Issuer's economic hedging may not prevent losses.

If any of the variety of instruments and strategies that the Issuer uses to economically hedge its exposure to market risk is not effective, the Issuer may incur losses. Many of the Issuer's hedging strategies are based on historical trading patterns and correlations. Unexpected market developments therefore may adversely affect the effectiveness of the Issuer's hedging strategies. Moreover, the Issuer does not economically hedge all of its risk exposure in all market environments or against all types of risk. In the Group's view, the principal market risk to which it is exposed, which is not fully economically hedged, is the sovereign credit risk of the Hellenic Republic, in respect of which the Group does not maintain any hedging positions (such as, for example, credit default swaps).

The Issuer's operational systems and networks have been, and will continue to be, vulnerable to an increasing risk of continually evolving cyber-security or other technological risks which could result in the disclosure of confidential client or customer information, damage to its reputation, additional costs to the Issuer, regulatory penalties and financial losses.

A significant portion of the Issuer's operations relies heavily on the secure processing, storage and transmission of confidential and other information as well as the monitoring of a large number of complex transactions on a minute-by-minute basis. The Issuer stores an extensive amount of personal and client-specific information for its retail, corporate and governmental customers and clients and must accurately record and reflect their extensive account transactions. These activities have been, and will continue to be, subject to an increasing risk of cyber attacks, the nature of which is continually evolving.

The Issuer's computer systems, software and networks have been and will continue to be vulnerable to unauthorized access, loss or destruction of data (including confidential client information), account takeovers, unavailability of service, computer viruses or other malicious code, cyber attacks and other events. These threats may derive from human error, fraud or malice on the part of employees or third parties, or may result from accidental technological failure. If one or more of these events occurs, it could result in the disclosure of confidential client information, damage to the Issuer's reputation with its clients and the market, additional costs to the Issuer (such as repairing systems or adding new personnel or protection technologies), regulatory penalties and financial losses to both the Issuer and its clients. Such events could also cause interruptions or malfunctions in the Issuer's operations (such as the lack of availability of its online banking systems), as well as the operations of its clients,

customers or other third parties. Given the volume of the Issuer's transactions, certain errors or actions may be repeated or compounded before they are discovered and rectified, which would further increase these costs and consequences.

In addition, third parties with which the Issuer does business under stringent contractual agreements may also be sources of cyber security or other technological risks. The Issuer outsources a limited number of supporting functions, such as printing of customer credit card statements, which results in the storage and processing of customer information. Although the Issuer adopts a range of actions to eliminate the exposure resulting from outsourcing, such as not allowing third-party access to the production systems and operating a highly controlled IT environment, unauthorized access, loss or destruction of data or other cyber incidents could occur, resulting in similar costs and consequences to the Issuer as those discussed above.

While the Issuer maintains insurance coverage that may, subject to policy terms and conditions, cover certain aspects of cyber risks such as fraud and financial crime, such insurance coverage may be insufficient to cover all losses.

The Issuer's loan portfolio may continue to contract.

Since 31 December 2013 the Group's Greek domestic adjusted loan less allowance for impairment portfolio has declined from €39.3 billion to €31.0 billion as at 30 June 2017. As the Greek economy has fallen into recession, in the current economic environment, the Issuer's Greek loan portfolio may continue to decline, and its foreign loan portfolio may not grow at historic rates or may even decline. Furthermore, there are a limited number of high credit quality customers to whom banking services may be provided in the Issuer's target markets. Developments in the Issuer's loan portfolio will be affected by, among other factors, the health of the Greek economy in light of the economic crisis, capital controls imposed on Greek banks and the Third Program. The continuing decline in its loan portfolio, in combination with past due loans, could further reduce the Issuer's net interest income, and this could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

The Issuer could be subject to additional taxes.

Due to the uncertainty regarding the successful implementation of the Third Program, new taxes may be imposed on the Group, and existing taxes may be increased. Greek law 4334/2015 provides that for the periods commencing from 1 January 2015 thereon, the nominal corporation tax rate has increased to 29% from 26% in 2014.

Any additional taxes imposed on the Issuer in the future, or any increases in tax rates, may have a material adverse effect on the Issuer's business, results of operations and financial condition.

Legal, Regulatory and Compliance Risks

The Issuer's business is subject to increasingly complex regulation which may increase its compliance costs and capital requirements.

Group is subject to financial services laws, regulations, administrative actions and policies in each jurisdiction in which it operates. All of these regulatory requirements have changed, are continuing to change, and are subject to further change following the unprecedented levels of government intervention and changes to the regulations governing financial institutions, as a result of the financial crisis. In response to the global financial crisis, national governments as well as supranational groups, such as the EU, have implemented significant changes to the existing regulatory frameworks for financial institutions, including those pertaining to supervision, capital adequacy, liquidity, resolution and the scope of banks' operations (see "*Regulation and Supervision of Banks in Greece—Capital Requirements/Supervision*").

Since 4 November 2014, the Group has been a significant supervised entity under the SSM in the Eurozone and is subject to continuous evaluation of its capital adequacy by the SSM, and could be requested to operate with higher than minimum regulatory capital and/or liquidity ratios. The supervisory regime applicable to European banks is undergoing a period of change since the SSM took responsibility for the prudential supervision of banks in the Eurozone in November 2014. The SSM might impose new compliance, governance or system and control mandates that will increase compliance costs for the Bank. Furthermore, it is unclear yet whether this new supervisory regime shall require the Bank (and other banks) to significantly increase its minimum required capital.

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 Group's participation in any Greek government or regulator-led initiatives, such as the Hellenic Republic's Bank Support Plan), the Group will face greater regulation in the Hellenic Republic and SEE. Current and future regulatory requirements may be different across each of these locations and even requirements with European Economic Area ("**EEA**")-wide application may be implemented or applied differently in different jurisdictions.

Compliance with these new requirements will increase the Group's regulatory capital and liquidity requirements and may increase its compliance costs and disclosure requirements, restrict certain types of transactions, affect its strategy and limit or require the modification of rates or fees that it charges on certain loans and other products, any of which could lower the return on the Group's investments, assets and equity. The Group may also face increased compliance costs and limitations on its ability to pursue certain business opportunities. The new regulatory framework may have significant scope and may have unintended consequences for the global financial system, the Greek financial system or the Group's business, including increasing competition, increasing general uncertainty in the markets or favoring or disfavoring certain lines of business. In addition, changes in law to address tax compliance issues such as compliance with the U.S. Foreign Account Tax Compliance Act under sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") may increase the Group's compliance costs. The Group cannot predict the effect of any such changes on its business, financial condition, cash flows or future prospects.

The Group is subject to the European resolution framework which has been implemented and may result in additional compliance or capital requirements and will dictate the procedure for the resolution of the Group.

The BRRD provides for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms. The BRRD is designed to provide authorities with a credible set of resolution tools and powers to intervene sufficiently early and quickly to avoid a significant adverse effect on the financial system, to prevent threats to market infrastructures, to protect depositors and investors and to minimize reliance on public financial support. On 23 November 2016, the European Commission published a proposal to amend certain provisions of the BRRD (the "BBRD Reforms"). The proposal includes an amendment to Article 108 of the BRRD aimed at partially harmonizing bank insolvency creditor hierarchy as regards the priority ranking of holders of bank senior unsecured debt eligible to meet minimum requirement for liabilities eligible for bail in. The new provision would maintain the existing class of senior debt, while creating a new class of "non preferred" senior debt that would be subject to bail in only after capital instruments, but before other senior liabilities. The envisaged amendments to the BRRD should not affect the existing stocks of bank debt and their statutory ranking in insolvency pursuant to the relevant laws of the Member State in which the bank is incorporated.

The BRRD was transposed into Greek law by Greek law 4335/2015. The BRRD's broad range of resolution tools and powers may be used alone or in combination where the relevant National Resolution Authority considers that certain required conditions are met, namely, that an institution is failing or likely to fail, that no alternative private sector measure, or supervisory action, would prevent the failure of the institution within a reasonable timeframe and that the taking of a resolution action is

necessary to the public interest. The resolution tools include the power to sell or transfer assets (or ownership thereof) to another institution and a general bail-in tool (the "**BRRD Bail-in Tool**"), which provides for the write-down or conversion of any obligations of the institution that meet relevant conditions. In certain circumstances, the use of resolution tools may require that the institution in question be made subject to liquidation. In certain cases, extraordinary public financial support may be provided either outside of resolution or in addition to the application of one or more resolution tools, in accordance with the EU state aid framework, as a last resort and subject to additional conditions, including mandatory burden-sharing rules whenever public support is provided in the context of resolution. For further information, see "*Regulation and Supervision of Banks in Greece—The Hellenic Financial Stability Fund – The Greek Recapitalization Framework*".

In addition to the BRRD Bail in Tool which is available for an institution in resolution, the BRRD provides for resolution authorities with pre resolution powers to permanently write down or convert into equity capital instruments of the financial institution, including "CET1 instruments", "Additional Tier 1 instruments" and "Tier 2 instruments" (each as defined under the CRD IV)[10] at the point of non viability of the institution and before any other resolution action is taken (non viability loss absorption), as further described under the "Business Overview—Regulation and Supervision of Banks in Greece—Bank Recovery and Resolution Directive". The capital instruments write down and conversion power may be exercised independently of, or in combination with, the exercise of a resolution tool (other than the bail in power, which would be used instead of the capital instruments write down and conversion power). These measures could be applied to certain of the Group's instruments; the occurrence of circumstances in which write down powers would need to be exercised would be likely to have a material adverse impact on the Group's business, financial condition and results of operations. Furthermore, in circumstances where capital instruments are converted into equity securities by application of the mandatory write down tool, those equity securities may be subjected to the bail in powers in resolution, resulting in their cancellation, significant dilution or transfer away from the investors therein.

An institution 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 authorization; 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 or other liabilities as they fall due; or it requires extraordinary public financial support (except in limited circumstances). Although there are proposed pre-conditions for the exercise of the bail-in power, there remains uncertainty regarding the specific factors which the relevant National Resolution Authority would consider in deciding whether to exercise the bail-in power with respect to the relevant financial institution and/or securities issued by that institution.

The Bank of Greece Executive Committee Act 111/31.1.2017 regulates issues regarding the interpretation of various circumstances when an institution is deemed to be failing or likely to fail and it is necessary to initiate immediate notification of the Bank of Greece by the credit institution's Board of Directors. This Act transposes into national law the EBA Guidelines on the interpretation of the various circumstances under which an institution shall be considered as failing or likely to fail (EBA/GL/2015/07). Specifically, whenever the Board of Directors of a credit institution determines that there are one or more objective elements of the Act based on which the credit institution is considered as failing or likely to fail, it should notify immediately the Bank of Greece, as the competent authority, reporting the objective elements that determine if the institution is failing or likely to fail. In this context, the objective elements are listed, on the basis of which it is determined if a credit institution is failing or likely to fail. However, the list of objective elements indicating that a credit institution is failing or likely to fail included in the said Executive Committee Act is only indicative. As a result, if the board of directors of a credit institution determines the existence of objective elements not included in the Act but still justifying that the institution is failing or likely to fail, it should notify immediately the Bank of Greece.

[10] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

Given the final discretion provided to the National Resolution Authority, it may be difficult to predict when, if at all, the exercise of any bail in power by the relevant National Resolution Authority, may occur which would result in a principal write off or conversion to equity. Accordingly, the threat of bail in may affect trading behavior, including prices and volatility, of the securities of any institution which the market perceives to be potentially considered as failing or likely to fail by the relevant National Resolution Authority.

The BRRD also provides for a Member State as a last resort, after having assessed and exploited the above resolution tools (including the general bail in tool) to the maximum extent practicable whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilization 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 burden sharing requirements of the EU state aid framework and the BRRD.

According to the same BRRD resolution authorities have the further power to write down permanently instruments such as ordinary shares at the point of non viability and before any other resolution action is taken with losses taken in accordance with the priority of claims under normal insolvency proceedings ("Non Viability Loss Absorption").

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 the relevant authority determines that the institution meets the conditions for resolution (but no resolution action has yet been taken) or that the institution or, in certain circumstances, its group, will no longer be viable unless the relevant capital instruments (such as Subordinated Notes) are written down/converted or extraordinary public support is to be provided and without such support the appropriate authority determines that the institution and/or, as appropriate, its group, would no longer be viable.

Pursuant to internal article 44 of article 2 of Greek law 4335/2015 (which transposed into Greek law article 44 of Directive 2014/59/EU), covered bonds issued by a Greek credit institution are excluded from the liabilities which are subject to the bail-in tool and all secured assets relating to the relevant cover pool should remain unaffected, segregated and with sufficient funding. However, the resolution authority may exercise its power of conversion or write down, where appropriate, in relation to any part of such secured liability to the extent that exceeds the value of the security. Therefore, to the extent secured, any Covered Bonds issued under the Programme are not subject to the bail-in tool.

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. As such, it is too early to anticipate the full impact of the BRRD, and there can be no assurance that Covered Bondholders and potential investors will not be adversely affected by actions taken under it. In addition, there can be no assurance that its application will not have a significant impact on the Group's results of operations, business, assets, cash flows and financial condition, as well as on its funding activities and the products and services offered.

In addition, Regulation 806/2014 establishes uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism ("SRM") and a Single Resolution Fund (the "**SRM Regulation**").

The SRM Regulation, which will complement the SSM (as discussed under *"Risk Factors – Risks Relating to the Hellenic Republic Economic Crisis — The Group may need additional capital and liquidity as a result of regulatory changes*" above), applies to all banks supervised by the SSM, including the Bank. These uniform rules and uniform procedure established under the SRM Regulation will be applied by a single resolution board (the "**Single Resolution Board**") together with the EU Council and the European Commission and the national resolution authorities within the framework of the Single Resolution Mechanism. The Single Resolution Board shall have available the

same range of tools as are available under the BRRD and described above. The Single Resolution Mechanism will be supported by a single resolution fund (the "**Fund**").

In the Banking Union, the national resolution funds set up under the BRRD were superseded by the Fund as at 1 January 2016 and those funds will be pooled together gradually. Therefore, as at 2016, the Single Resolution Board, calculates the annual contributions of all institutions authorized in the Member States participating in the SSM and the SRM. The Fund is financed by the European banking sector. The manner for calculating contributions of banks under the SRM compared to the BRRD results in significant variations and can result in abrupt changes in the banks' expected contributions. In order to prevent such abrupt changes, the Council Implementing Regulation (EU) 2015/81 provides for an adjustment mechanism to remedy these distortions during the transitional period by way of a gradual phasing in of the SRM methodology.

The Single Resolution Board will be responsible for the effective and consistent functioning of the Single Resolution Mechanism and shall use the Fund only for the purpose of ensuring the efficient application of the resolution tools and exercise of the resolution powers. The owner of the Fund shall be the Single Resolution Board.

The provisions relating to the cooperation between the SRB and the national resolution authorities for the preparation of the banks' resolution plans apply from 1 January 2015 and the Single Resolution Mechanism is fully operational from 1 January 2016. On 22 February 2016, the SRB, acting through the national resolution authorities of the Banking Union Member States, has started to collect the data required for resolution planning and the determination of MREL from all banking groups under its direct responsibility, including the Group.

Application of the Minimum Requirements for Own Funds and Eligible Liabilities under the BRRD may impose further restrictions on the Issuer's ability to pay dividends in the future or may require us to raise further capital.

As at 2016 European banks must comply with the rules under the BRRD, which, inter alia, introduced the Minimum Requirement for Own Funds and Eligible Liabilities ("MREL"). However, the specific MREL threshold has not been set in respect of the Bank yet. These rules require that a financial institution hold at all times sufficient loss absorbing instruments to ensure that shareholders and creditors primarily bear losses in the event of the resolution of the financial institution in order to facilitate the orderly resolution of the institution. MREL includes own funds (including, for the avoidance of doubt, ordinary shares) as well as eligible liabilities (as defined in the BRRD) and is expressed as a percentage of the total liabilities and own funds of the institution. The BRRD does not mandate a minimum threshold for MREL, but instead provides for a case by case assessment of the MREL for each institution or group, against a minimum set of criteria prescribed by the rules made under the BRRD and applied by the Single Resolution Board (the "SRB") in the case of financial institutions which are part of the Banking Union, such as the Group. Commission Delegated Regulation 2016/1450 further defines the way in which resolution authorities, including the SRB, are to determine MREL but there remains significant uncertainty as to how these will be operationally implemented or the amount of MREL banks will be required to hold. The SRB will determine its methodology in 2017 to calculate binding consolidated MREL targets taking into account resolution strategies and business models. Accordingly, binding MREL targets for the Bank are expected to be set by end-2017. In addition, the BRRD requires the EBA to prepare and submit a report reviewing the implementation of MREL at a national level. The EBA published the final report on December 14, 2016 and in its main conclusions and recommendations did not identify a need to change the key principles underlined in the regulatory technical standards on MREL. However, it assessed certain necessary changes in order to improve the technical soundness of the MREL framework.

Since January 1, 2016, the resolution authority for the Issuer is the SRB and the Issuer has been subject to the authority of the SRB for the purposes of determination of its MREL requirement. The

SRB has indicated that it may make decisions on the quality (in particular a subordination requirement) for all or part of the MREL.

In order to ensure compliance with MREL requirements, the BRRD Reforms propose that in case a bank does not have sufficient eligible liabilities to comply with its MREL, the resultant shortfall is automatically filled up with CET1 Capital that would otherwise be counted towards meeting the combined capital buffer requirement.

The Group may not hold sufficient MREL as at the date such requirement becomes effective and/or raising such levels could be prohibitively costly, which could have a material adverse effect on the Group's financial condition. Although a breach of the MREL rules will not trigger automatic penalties, such a limitations on distributions, the consequences of such a breach are uncertain as the relevant supervisory authorities will assess the appropriate response which may range from extensive discussions with the regulators to the application of certain of the tools available under the BRRD (in the event the breach is such that the bank is non-viable or enters into resolution).

The Issuer may be subject to a proposed EU regulation on mandatory separation of certain banking activities.

On 29 January 2014, the European Commission adopted a proposal for a new regulation following the recommendations released on 31 October 2012 by the High Level Expert Group (the "**Liikanen Group**") on the mandatory separation of certain banking activities. The proposed regulation, which remains subject to change and review and approval by the relevant European institutions, contains new rules to stop the biggest and most complex banks from engaging in the activity of proprietary trading in financial instruments and commodities. The new rules would also give supervisory authorities the power and, in certain instances, the obligation to require the transfer of other high-risk trading activities (such as market-making, complex derivatives and securitization operations) to separate legal trading entities within the group ("ring-fencing"). Should a mandatory separation be imposed, additional costs at Group level cannot be ruled out, including higher funding costs, additional capital requirements and operational cost which could have a material adverse impact on the Group's results of operations, business, assets and capital position.

The Issuer may be affected by a proposed EU Financial Transactions Tax.

On 14 February 2013, the European Commission published a proposal for a Directive for a common financial transactions tax (the "**FTT**") in certain participating member states of the European Union (the "**Participating Member States**"), including Greece (see I "Regulation and Supervision of Banks in Greece—*EU Regulation Proposals—EU Financial Transactions Tax"* for more information).

The European Commission's Proposal could, if introduced, apply to certain dealings in the ordinary shares as well as apply to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Covered Bonds where at least one party is a financial institution, and at least one party is established in a Participating Member State.

Potential investors are advised to seek their own professional advice in relation to the FTT. Any additional taxes imposed on or transactions carried out by the Issuer in the future, or any increases in tax rates, may have a material adverse effect on the Issuer's business, results of operations or financial condition.

Laws governing the bankruptcy of individuals and regulations governing creditors' rights in Greece and various SEE countries may limit the Issuer's ability to receive payments on past due loans, and anticipated changes to such laws may not have the desired effect.

Laws governing the bankruptcy of individuals who are not merchants (including Greek law 3869/2010, as in force, regarding the debt arrangement of debts for over-indebted individuals)

and other laws and regulations governing creditors' rights generally vary significantly within the region in which the Issuer operates (See – *General Risk Factors - Rescheduling of debts of distressed debtors – Special Procedures for Over-Indebted Business Undertakings and Professionals - Insolvency Procedures*). In some countries, the laws offer significantly less protection for creditors than the bankruptcy regimes in Western Europe and the United States. In Greece, foreclosures and auctions of all properties were prohibited until 31 October 2015. Although the Greek suspension of every enforcement action due to capital controls was lifted by the 29 October 2015 official announcement of Ministry of Justice, Transparency and Human Rights on 2 November 2015, a prolonged lawyers', bailiffs' and notaries' abstention commencing in 12 January 2016 has restrained the Issuer from proceeding to enforcement, seizures and auctions of any real estate. Such strike ended on 16 September 2016. However, due to the social pressure for the protection of main residence, since October 2016 the notaries have decided to abstain from auctions of real property (with certain exemptions) especially when commenced by banks, the Greek state, the social security funds and the municipal authorities. Finally, on 28 November 2017, the notaries decided to lift the abstention from auctions of foreclosed properties and the first online auction is expected to take place on 29 November 2017.

Although measures under the Third Program are in principle designed to address certain of the foregoing concerns in respect of creditors' rights in Greece, and reduce legal impediments to, and the tax consequences of, the enforcement of such rights, these measures may not be enacted as proposed or may not provide any of the protections to creditors that are hoped for. As a consequence, the Issuer may continue to encounter difficulties recovering or enforcing collateral on past due loans, which could have a material adverse effect on its financial condition and results of operations.

If the current economic conditions persist or worsen, 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 Issuer's business, results of operations and financial condition.

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

In May 2013, two regulations were enacted by the European Parliament:

1. 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

2. 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% of GDP (i.e., the EU's debt reference value) without diminishing at an adequate rate (i.e., by 5% 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% 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 Issuer's ability to pay interest and principal on the Covered Bonds in full and in a timely manner.

Changes in consumer protection laws might limit the fees that the Issuer may charge in certain banking transactions.

Changes in consumer protection laws in Greece and other jurisdictions where the Group operates could limit the fees that banks may charge for certain products and services such as mortgage loans, unsecured loans and credit cards. If introduced, such laws could reduce the Issuer's profit for the period, though the amount of any such reduction cannot be estimated at this time. There can be no assurance that such effects will not have an adverse effect on the Issuer's business, results of operations and financial condition.

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

The Covered Bonds may not be a suitable investment for all investors

Each potential investor in the Covered Bonds 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 Covered Bonds, the merits and risks of investing in the Covered Bonds and the information contained or incorporated by reference in this Base Prospectus and any applicable supplement and/or Final Terms;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Covered Bonds and the impact the Covered Bonds 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 Covered Bonds, including Covered Bonds with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Covered Bonds 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.

Some Covered Bonds are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments 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 Covered Bonds which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Covered Bonds will perform under changing conditions, the resulting effects on the value of the Covered Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to the Covered Bonds

Extendable obligations under the Covered Bonds

Unless specified otherwise in the Final Terms or previously redeemed as provided in the Conditions, the Covered Bonds of each Series will be redeemed at their Final Redemption Amount on the relevant Final Maturity Date. If the Covered Bonds are not redeemed in full on the relevant Final Maturity Date or (as described below) where the Covered Bonds are subject to an Extended Final Maturity Date, on the relevant Extended Final Maturity Date, then the Trustee shall, serve a Notice of Default on the Issuer pursuant to the Conditions. Following the service of a Notice of Default: (a) any Covered Bond which has not been redeemed on or prior to its Final Maturity Date or, as applicable, Extended Final Maturity Date shall remain outstanding at its Principal Amount Outstanding, until the date on which such Covered Bond is cancelled or redeemed; and (b) interest shall continue to accrue on any Covered Bond which has not been redeemed on its Final Maturity Date or, as applicable, Extended Final Maturity Date and any payments of interest or principal in respect of such Covered Bond shall be made in accordance with the relevant Priority of Payments until the date on which such Covered Bond is cancelled or redeemed.

The applicable Final Terms may provide that the Issuer's obligations under the relevant Covered Bonds to pay the Principal Amount Outstanding on the relevant Final Maturity Date may be deferred past the Final Maturity Date until the Extended Final Maturity Date (as specified in the Final Terms) (such date the "**Extended Final Maturity Date**"). In such case, such deferral will occur automatically if the Issuer fails to pay any amount representing the amount due on the Final Maturity Date as set out in the Final Terms, being an amount equal to at least 100% of the nominal amount of the relevant Covered Bonds (the "**Final Redemption Amount**") in respect of the relevant Series of Covered Bonds on their Final Maturity Date provided that, any amount representing the Final Redemption Amount due and remaining unpaid on the Final Maturity Date may be paid by the Issuer on any Interest Payment Date thereafter up to (and including) the relevant Extended Final Maturity Date. Interest will continue to accrue and be payable on any unpaid amounts on each Interest Payment Date up to the Extended Final Maturity Date in accordance with the Conditions and the Issuer (or the Servicer on its behalf) will make payments on each relevant Interest Payment Date and Extended Final Maturity Date.

Appointment of a Replacement Servicer

In the event of insolvency of the Issuer, the Greek Covered Bond Legislation (in conjunction with certain Greek insolvency law provisions) provides that the Cover Pool will at all times remain segregated from the insolvency estate of the Issuer until payment of all amounts due to the Covered Bondholders have been made in full. To ensure continuation of the servicing of the Cover Pool in the event of insolvency of the Issuer (acting as the Servicer) the Greek Covered Bond Legislation provides that the Transaction Documents may provide for the substitution of the Servicer upon the insolvency of the Issuer.

In the event that no Replacement Servicer is appointed pursuant to the Transaction Documents and:

(i) in the event of the Issuer's insolvency under Greek law 4261/2014 (special liquidation), the Bank of Greece may appoint a servicer, if the Trustee fails to do so. Any such person appointed shall be obliged to service the Cover Pool in accordance with the terms of the Servicing and Cash Management Deed. Such replacement might not be made immediately upon the Issuer's insolvency.

There can be no assurance that replacement of the Issuer as Servicer (or any delay in making such replacement) would not cause delays in payment on the Covered Bonds and Covered Bondholders might suffer loss as a result. See also "*Insolvency of the Issuer*" below.

Limited description of the Cover Pool

Covered Bondholders will not receive detailed statistics or information in relation to the Loan Assets in the Cover Pool, because it is expected that the constitution of the Cover Pool will frequently change due to, for instance:

(ii) the Issuer assigning Additional Cover Pool Assets to the Cover Pool; and

(iii) the Issuer removing Cover Pool Assets from the Cover Pool or substituting existing Cover Pool Assets in the Cover Pool with Additional Cover Pool Assets.

There is no assurance that the characteristics of the Loan Assets assigned to the Cover Pool will be the same as those Loan Assets in the Cover Pool as at that date. However, each Loan Asset will be required to meet the Individual Eligibility Criteria and be subject to the representations and warranties set out in the Servicing and Cash Management Deed. In addition, the Nominal Value Test is intended to ensure that the Principal Amount Outstanding of all Series of Covered Bonds, together with all accrued interest thereon, is not greater than 80.0%. of the Nominal Value of the Cover Pool for so long as Covered Bonds remain outstanding (although there is no assurance that it will do so) and the Asset Monitor will provide annual agreed upon procedures report on the required tests by the Bank of Greece (including Nominal Value Test) where exceptions, if any, will be noted.

Ratings of the Covered Bonds

The credit ratings assigned to the Covered Bonds address:

(i) the likelihood of full and timely payment to Covered Bondholders of all payments of interest on each Interest Payment Date (in respect of Moody's only);

(ii) the probability of default and loss given default; and

(iii) the likelihood of ultimate payment of principal in relation to Covered Bonds on (a) the Final Maturity Date thereof, or (b) if the Covered Bonds are subject to an Extended Final Maturity Date in accordance with the applicable Final Terms, the Extended Final Maturity Date thereof (in respect of Moody's only).

The expected credit ratings of the Covered Bonds are set out in the relevant Final Terms for each Series of Covered Bonds. Any Rating Agency may lower its rating or withdraw its rating if, in the sole judgment of the Rating Agency, the credit quality of the Covered Bonds has declined or is in question. If any credit rating assigned to the Covered Bonds is lowered or withdrawn, the market value of the Covered Bonds may reduce. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (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 the 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 is set out on the cover of this Base Prospectus.

Rating Agency Confirmation in respect of Covered Bonds

The terms of certain of the Transaction Documents provide that, in certain circumstances (including, *inter alia*, amendments to the Transaction Documents), the Issuer must, and the Trustee may, obtain confirmation from one or more of the Rating Agencies that any particular action proposed to be taken by the Issuer, the Servicer or the Trustee will not adversely affect or cause to be withdrawn the then current ratings of the Covered Bonds (a "**Rating Agency Confirmation**").

By acquiring the Covered Bonds, investors will be deemed to have acknowledged and agreed that, notwithstanding the foregoing, a credit rating is an assessment of credit and does not address other matters that may be of relevance to Covered Bondholders, including, without limitation, in the case of a Rating Agency Confirmation, whether any action proposed to be taken by the Issuer, Servicer, the Trustee or any other party to a Transaction Document is either (i) permitted by the terms of the relevant Transaction Document, or (ii) in the best interests of, or not prejudicial to, some or all of the Covered Bondholders. In being entitled to have regard to the fact that one or more of the Rating Agencies have confirmed that the then current ratings of the Covered Bonds would not be adversely affected or withdrawn, each of the Issuer, the Trustee and the other Secured Creditors (including the Covered Bondholders) is deemed to have acknowledged and agreed that the above does not impose or extend any actual or contingent liability on the Rating Agencies to the Issuer, the Trustee, the Secured Creditors (including the Covered Bondholders) or any other person or create any legal relations between the Rating Agencies and the Issuer, the Trustee, the Secured Creditors (including the Covered Bondholders) or any other person whether by way of contract or otherwise.

Any such Rating Agency Confirmation may or may not be given at the sole discretion of each Rating Agency. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a Rating Agency Confirmation in the time available or at all, and the Rating Agency will not be responsible for the consequences thereof. Such confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time, and in the context of cumulative changes to the transaction of which the securities form part since the issuance closing date. A Rating Agency Confirmation represents only a restatement of the opinions given, and is given on the basis that it will not be construed as advice for the benefit of any parties to the transaction.

Covered Bonds issued under the Programme

Covered Bonds issued under the Programme will either be fungible with an existing Series of Covered Bonds or have different terms to an existing Series of Covered Bonds (in which case they will constitute a new Series). All Covered Bonds will rank *pari passu* and rateably without any preference or priority among themselves, irrespective of their Series, except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Following the occurrence of an Event of Default and service by the Trustee of a Notice of Default, the Covered Bonds of all outstanding Series will become immediately due and payable against the Issuer.

Further Issues

The Issuer may from time to time, without the consent of the Covered Bondholders or the Couponholders, create and issue further Covered Bonds, provided that, *inter alia*: :

(i) the Statutory Tests will be required to be met both before and immediately after any further issue of Covered Bonds; and

(ii) on or prior to the date of issue of any further Covered Bonds, Fitch and DBRS have confirmed that the then current rating of all Covered Bonds issued and outstanding under the

Programme and that the rating of such Covered Bonds will not be adverserly affected or withdrawn as a result of such issuance and Moody's has been notified of such issuance.

Obligations under the Covered Bonds

The Covered Bonds will not represent an obligation or be the responsibility of any of the Arranger, the Dealer, the Trustee or any other party to the Programme, their officers, members, directors, employees, security holders or incorporators, other than the Issuer. The Issuer will be liable solely in its corporate capacity for their obligations in respect of the Covered Bonds and such obligations will not be the obligations of their respective officers, members, directors, employees, security holders or incorporators.

The Trustee may agree to modifications to the Transaction Documents without the Covered Bondholders' or Secured Creditors' prior consent

Pursuant to the terms of the Trust Deed and the Deed of Charge, the Trustee may, without the consent or sanction of any of the Covered Bondholders or any of the other Secured Creditors (other than the Swap Providers in respect of modification to the Pre-Event of Default Priority of Payments, the Post-Event of Default Priority of Payments, the Conditions of the Covered Bonds, the Individual Eligibility Criteria or the Servicing and Cash Management Deed), concur with the Issuer and any other party in making any modification (other than a Series Reserved Matter) to the Transaction Documents and the Terms and Conditions of the Covered Bonds:

(i) provided that the Trustee is of the sole opinion that such modification will not be materially prejudicial to the interests of any of the Covered Bondholders of any Series; or

(ii) which in the sole opinion of the Trustee is of a formal, minor or technical nature or is to correct a manifest error,

and each Rating Agency has confirmed in writing to the Issuer that such modification will not adversely affect the then current ratings of the Covered Bonds.

Certain decisions of Covered Bondholders taken at Programme level

Any Extraordinary Resolution to direct the Trustee to take any enforcement action must be passed at a single meeting of the holders of all Covered Bonds of all Series then outstanding.

Absence of secondary market

There is not, at present, an active and liquid secondary market for the Covered Bonds, and no assurance is provided that a secondary market for the Covered Bonds will re-emerge. The Arranger is not obliged to and do not intend to make a market for the Covered Bonds. None of the Covered Bonds has been, or will be, registered under the Securities Act or any other applicable securities laws and they are subject to certain restrictions on the resale and other transfer thereof as set forth under Subscription and Sale and Transfer and Selling Restrictions. If a secondary market does re-emerge, it may not continue for the life of the Covered Bonds or it may not provide Covered Bondholders with liquidity of investment with the result that a Covered Bondholder may not be able to find a buyer to buy its Covered Bonds readily or at prices that will enable the Covered Bondholder to realise a desired yield.

In addition, Covered Bondholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date hereof), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Covered Bonds. As a result of the current liquidity crisis, there exist significant additional risks to the Issuer and the investors which may affect the returns on the Covered Bonds to investors.

In addition, the current liquidity crisis has stalled the primary market for a number of financial products including instruments similar to the Covered Bonds. While it is possible that the current liquidity crisis may soon alleviate for certain sectors of the global credit markets, there can be no assurance that the market for securities similar to the Covered Bonds will recover at the same time or to the same degree as such other recovering global credit market sectors.

Credit ratings may not reflect all risks

One or more independent Rating Agencies may assign credit ratings to the Covered Bonds. 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 Covered Bonds. 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.

General legal investment considerations

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 (1) Covered Bonds are legal investments for it, (2) Covered Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Covered Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Covered Bonds under any applicable risk-based capital or similar rules.

Risks related to the structure of a particular issue of Covered Bonds

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

Covered Bonds subject to optional redemption by the Issuer

An optional redemption feature of Covered Bonds is likely to limit their market value. During any period when the Issuer may elect to redeem Covered Bonds, the market value of those Covered Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Covered Bonds when its cost of borrowing is lower than the interest rate on the Covered Bonds. 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 Covered Bonds 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.

Fixed/Floating Rate Covered Bonds

Fixed/Floating Rate Covered Bonds may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Covered Bonds since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Covered Bonds may be less favourable than then prevailing spreads on comparable Floating Rate Covered Bonds tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Covered Bonds. If the Issuer converts from a

floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Covered Bonds.

Covered Bonds issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal 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.

General risk factors

Set out below is a description of risks relating to the Covered Bonds that have not been indicated in the previous paragraphs:

Modification, waivers and substitution

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

Insurance

Under the terms and conditions of the Loan Documentation, each Borrower is required to obtain and maintain fire and earthquake insurance only, unless the property was built before 1 January 1960, in which case only fire insurance is available in the market. Accordingly, a claim under such policy for damage to the relevant property can be made only if the damage results from the occurrence of a fire or earthquake. However, this is not inconsistent with the terms and conditions of loans similar to the Loans made by other mortgage lenders in Greece who also only require borrowers to obtain and maintain fire and earthquake insurance. In addition, certain Borrowers, at their option, take out life insurance policies, with the Issuer as the primary loss payee, to secure their obligations under the relevant Loans.

Suspension of Enforcement Proceedings

There are various provisions of Greek law which could result in enforcement proceedings against a Borrower being delayed or suspended. Without prejudice to the procedures required under the Banks' Code of Conduct introduced by virtue of decision number 116/25.8.2014 of the Credit and Insurance Committee of the Bank of Greece, as revised by decision number 195/29.7.2016 (published in Government Gazette 2376/B/2.8.2016) (the "**Code of Conduct**") (see for further details "*Code of Conduct for the management of non-accruing loans and loans in arrears*" below), enforcement proceedings are usually commenced against a Borrower in respect of a Loan once it becomes 270 Days in Arrears, at which point the Loan is terminated. An order of payment is obtained from the Judge of the competent court of first instance (i.e. the Single-Member Court of First Instance or the Magistrate's Court, as the case may be, the "**Competent Court of First Instance**") following service of the notice of termination of the Loan on the Borrower and non-payment by the Borrower. Enforcement is commenced by service of the order for payment and a demand to pay on the Borrower, with the ultimate target being the collection of the proceeds of the auction of the relevant property securing the Loan. See for further details "*The Mortgage Market in Greece - Enforcing Security*" below.

However, a Borrower may delay enforcement against the relevant property by contesting the order for payment and/or the procedure for enforcement which in turn will delay the receipt of proceeds from an enforcement against the property by the Issuer after the relevant Loan has been terminated. Following the amendment of Greek Civil Procedure Code by virtue of Greek law 4335/2015 (published in Government Gazette 87/A/23.7.2015), the following apply in relation to enforcement proceedings commencing from 1 January 2016 onwards and in respect of demands for immediate payment served to the Borrower after 1st of January 2016:

A Borrower can file a petition of annulment against the order for payment pursuant to Articles 632-633 of the Greek Civil Procedure Code (an "**Article 632-633 Annulment Petition**") with the Competent Court of First Instance or Magistrate's Court within 15 business days (or within 30 business days if the Borrower is of an unknown address or resides abroad) after service of the order for payment contesting the substantive or procedural validity of the order of payment. If the Borrower fails to contest the order for payment, the order may be served again on the Borrower and a further 15 business days are available to the Borrower to file an Article 632-633 Annulment Petition. The order for payment will be final either if both terms of 15 business days elapse or if the Court of Appeal rejects the Article 632-633 Annulment Petition.

The filing of an Article 632-633 Annulment Petition entitles the Borrower to file a petition for suspension of the enforcement against the relevant property pursuant to Article 632 of the Greek Civil Procedure Code (an "**Article 632 Suspension Petition**"). Upon filing an Article 632 Suspension Petition, enforcement procedures may be suspended until the hearing of the Article 632 Suspension Petition. Following the issue of a decision in relation to the hearing of the Article 632 Suspension Petition enforcement may be suspended until the Competent Court of First Instance has issued a final decision in respect of the Article 632-633 Annulment Petition. In some cases suspension of enforcement may be granted until the Court of Appeal (or the Single-Member Court of First Instance acting as a Court of Appeal, as the case may be) reaches a final decision which means an additional delay in enforcement.

The Borrower may also file with the Competent Court of First Instance a petition for the annulment of certain actions of the foreclosure proceedings based on reasons pertaining to the validity of the order of payment, to the relevant claim and/or to procedural irregularities (an "**Article 933 Annulment Petition**") pursuant to Article 933 of the Greek Civil Procedure Code. Both Annulment Petitions may be filed either concurrently or consecutively, but it should be noted that the Article 933 Annulment Petitions may not be based on reasons pertaining to the validity of the order for payment or the relevant claim, once the order for payment has become final as mentioned above. The time for the filing of an Article 933 Annulment Petition varies depending on the foreclosure action that is contested. In particular, the Article 933 Annulment Petition should be filed within 45 days as from the date of attachment of the Borrower's property, except for an Article 933 Annulment Petition contesting the auction which should be filed within 60 days as from registration with the competent land registry or cadastre of the relevant auction deed. The hearing of the Article 933 Annulment Petition is scheduled within 60 days from the date of the filing of such petition and the relevant decision must be issued within 60 days from the hearing before the court.

The filing of an Article 933 Annulment Petition entitles the Borrower to file a petition for the suspension of the enforcement until the decision of the Competent Court of First Instance on the annulment motion is issued pursuant to Article 937 of the Greek Civil Procedure Code (an "**Article 937 Suspension Petition**"). Again, foreclosure proceedings may be suspended until the hearing of the Article 937 Suspension, which, in a normal case where the Borrower seeks the suspension of the auction, takes place five days prior to the auction and the relevant decision is issued by 12.00 pm on the Monday prior to the auction. It should nevertheless be noted that such suspension is more difficult to obtain if the Competent Court of First Instance has already rejected a suspension requested for similar reasons under Article 632.

The Borrower may seek the postponement of the auction by alleging that the value of the property has been underestimated by the enforcing party or that the fixed first offer is too low. Pursuant to Article 954 of the Greek Civil Procedure Code, the minimum auction price is determined within the statement of the court bailiff and can be contested by the Borrower or any other lender or anyone having a legal interest by filing an annulment petition against such court bailiff statement at the latest twenty days before the auction date. The relevant court's decision should be published by 12.00 p.m. ten days before the auction date. However, it is to be noted that the initial auction price cannot be less than 2/3 of the estimated value of the property (in accordance with Article 993 para. 2 of the Greek Civil Procedure Code, in conjunction with Article 954 para. 2 of the Greek Civil Procedure Code). The evaluation of the property cannot be less than the property's "commercial value", as calculated in accordance with presidential decree 59/2016 (published in Government Gazette 95/A/27.5.2016). In particular, pursuant to such presidential decree the property's "commercial value" is determined by the relevant bailiff who is obliged to appoint a certified appraiser for this purpose, namely an individual or legal person that shall be included in the Certified Appraisers Registry held at the General Directorate for Financial Policy of the Ministry of Finance and published on the Ministry of Finance's website. The latter submits to the bailiff an appraisal report in accordance with European or international recognised appraising standards and in accordance with the Code of Conduct issued by the Bank of Greece on the management of non-performing loans. Appraisal fees are borne by the creditor who ordered the enforcement against the relevant property, but ultimately burden the Borrower. Furthermore, pursuant to Article 1000 of the Greek Civil Procedure Code, the suspension of auction for up to six (6) months may be sought by the Borrower, on the grounds that there is a good chance of the Borrower being able to satisfy the enforcing party or that, following the suspension period, a better offer would be received at auction, provided that there is no risk of damage of the creditor who ordered the enforcement and that the borrower pays at least one quarter of the claimed capital and the enforcement expenses.

Pursuant to Article 966 of the Greek Civil Procedure Code, if no bidders appear at the auction, the immovable property is awarded at the minimum auction price to the person in favour of whom the enforcement proceedings were initiated, upon the latter's request. If no such request is submitted, a repetitive auction takes place within forty (40) days. If such repetitive auction is unsuccessful, the competent court, upon request of persons having legal interest, may order the conduct of another auction within thirty (30) days, at the same or a reduced auction price or allow the sale of the property to the person in favour of whom the enforcement proceedings were initiated or to third persons at a price determined by the court, which may also provide that part of the consideration may be paid in instalments. If such auction or disposal is unsuccessful, the competent court, upon request of persons having legal interest, may rescind the seizure or order the conduct of another auction at the same or a further reduced auction price.

In the auction, the property is sold to the highest bidder who then has 15 days to make the relevant payment. Once the price of the property is paid, the notary public prepares a special deed listing all the creditors and allocating the proceeds of the auction. Pursuant to Article 972 of the Greek Civil Procedure Code, each creditor must announce its claim, along with the documents substantiating its claim, to the notary public at least 5 days prior to the day of the auction and submit all documents proving such claims otherwise the notary public will not take his claim into account.

Once the allocation of proceeds amongst the creditors of the Borrower has been determined pursuant to a deed issued by a notary public, the creditors of the Borrower are invited by the notary public to be informed respectively and may dispute the allocation of proceeds and file a petition contesting the deed, pursuant to Article 979 in conjuction with Article 933 of the Greek Civil Procedure Code. Such petition must be heard within 60 days from its filing, in case the contesting creditor is a Greek resident, or within 120 days from its filing, in case the contesting creditor has no residence in Greece, and the decision by the Court of First Instance must be issued within 60 days from the hearing date. The Court of First Instance will adjudicate the matter but the relevant creditor is entitled to appeal

against the decision to the Court of Appeal. However, the law provides that a creditor is entitled to the payment of its claim even if its allocation priority is subject to a challenge, provided that such creditor provides a letter of guarantee issued by a bank lawfully established in Greece securing repayment of the money in the event that such challenge is upheld. In addition, there is a period of mandatory suspension for all enforcement procedures, including auctions, between 1 and 31 August of each year, and a prohibition for auctions on the Wednesday prior to and on the Wednesday following the date of national, European Community and Municipality elections.

The reforms of the Greek Civil Procedure Code by virtue of Greek law 4335/2015 aims at speeding up the pace of enforcement proceedings. However, it should be noted that the new regime remains largely untested. It is yet unknown whether the implementation of such new regime will succeed above aims (esp. whether the Competent Courts of First Instance will be in a position to observe the strict deadlines for the hearing of the relevant annulment petitions and the issuance of decisions thereon). Therefore, the length, complexity and uncertainty of success of enforcement procedures in Greece may lead to a substantial delay in recovering any amounts due under any defaulted or delinquent Loan which may adversely affect the Issuer's ability to meet its obligations under the Covered Bonds.

Rescheduling of debts of distressed debtors

Greek law 3869/2010 of the Hellenic Republic (published in the Government Gazette issue No. A/130/3.8.2010), as subsequently amended by Greek laws 3996/2011, 4019/2011, 4161/2013, 4336/2015, 4346/2015 and most recently by Greek law 4366/2016, regulates the readjustment of overdue debts of individuals that do not have the ability to be declared bankrupt pursuant to general bankruptcy provisions under Greek law. Eligible individuals are only those who are in permanent and general financial inability to repay their overdue debts. Debts that have been undertaken during the year preceding the filing of the application with the competent Magistrate's Court and debts that derive from torts owing to wilful misconduct or gross negligence, administrative or penal fines and debts from alimony or child maintenance are excluded from the scope of the law. Greek law 4336/2015 extended the scope of Greek law 3869/2010 to also include debts towards the Greek State, Tax Authorities, Local Authorities and Social Security Organizations, provided however that the relevant application includes also debt to private entities or persons.

The law provides for out-of-court and judicial settlement procedures aiming to enable such individuals to develop, in agreement with creditors holding the majority at a minimum of the overdue debts, a plan to repay their debts in the course of time. Should these procedures fail, their debts may be readjusted by the competent Magistrate's Court. In particular, 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, as such procedure is set forth below:

The debtor must file a petition to the competent Magistrate's Court and present evidence regarding his/her property and income (as well as the property and income of his/her spouse) and his/her creditors and their claims, along with a solemn declaration for the completence and accuracy of his/her petition. Within 2 business days as from filing of the relevant petition, the secretary of the Magistrate's Court shall examine the documents submitted and in case of deficiencies, debtor shall be invited to provide the requested documents within 15 days; such deadline may be extended up to 2 months. If the debtor does not submit the requested documents within above deadline, the filing of the petition is not completed and no hearing date is set.

Following completion of the filing of the petition, the Magistrate's Court sets a date, no later than 6 months as from the completion of the filing of the relevant petition, for the hearing of the petition, and also a date, no later than 2 months as from the completion of the filing of the relevant petition, for the ratification of the proposed settlement.

On the date set for the ratification of the proposed settlement, either the settlement will be ratified, or the debtor's request for the issuance of an injunction measure will be heard. Until this date, enforcement proceedings against the debtor are suspended and no disposal of the debtor's assets is permitted, and the debtor is obliged to pay monthly instalments which cannot be less than 10 per cent. of the monthly instalments that would be payable by the debtor to all his/her creditors and, in any case, not less than €40 in the aggregate. Such instalments will be allocated among creditors on a *pro rata* basis.

If a settlement has not been reached and ratified by the Magistrate's Court, the latter may order on that date (either upon the debtor's or the creditor's request or *ex officio*) the suspension of enforcement proceedings against the debtor, the maintenance of his/her assets, as well as the payment of monthly instalments until the issuance of a final decision. Such instalments will be allocated among creditors on a *pro rata* basis. The Court when determining the amount of monthly instalments applies *inter alia* the criterion of "reasonable living expenses", however these instalments cannot be less than 10 per cent. of the monthly instalments that would otherwise be payable by the debtor to all his/her creditors. In any case, these monthly instalments payable to all creditors may not be less than €40 in the aggregate. Exceptionally, according to article 8 par. 5 of Greek law 3869/2010, the Magistrate's Court may determine monthly instalments at a lower amount, or even zero. Above court order is granted for the time period up to the hearing date set for debtor's petition, such time period however may not exceed in total six months as from the completion of the filing of such petition. If such a court order has not been issued, any enforcement proceedings against the debtor for the same period (i.e. up to the hearing date) and subject to the same time limitation (i.e. 6 months as from the completion of the filing of the petition) by the creditors included in the relevant petition, may be suspended by court decision upon filing of relevant application by the debtor or any other interested party.

If these procedures fail, debts may be readjusted by the competent Magistrate's Court (on the basis of the family income and property and after taking into consideration the family needs based on criterion of "reasonable living expenses" of the debtor and his/her family, as these expenses are defined by the Hellenic Statistical Authority) by way of payment in monthly instalments of an amount set by the court within a period of three years, such instalments to be paid directly to the creditors on a *pro rata* basis. Proper repayment of the amount adjudicated by the court shall release the debtor from its debts. In extreme circumstances, such as chronic unemployment, or serious health problems, the Magistrate's Court may determine monthly instalments at a lower amount, or even zero, but in such a case the court would re-examine on a regular basis whether those circumstances continue to apply.

The law provides that from the time of notification to the creditors of a readjustment plan by the debtor until the final decision interest stops accruing, except interest relating to secured debts that continues to accrue until the issuance of the court decision in respect of the application. However, in this case no default interest or compound interest shall accrue. . In addition, a liquidator may be appointed in order to liquidate any property assets and distribute the proceeds to the creditors or to monitor and assist the proper consummation of the readjustment plan. The debtor, under certain circumstances, may also apply for the exclusion of his or her primary residence from liquidation. In particular, for petitions filed until 31st December 2015 such exclusion is subject to the total area of such residence not exceeding the limit provided by law for the non-application of transfer tax, plus 50% thereon. While, for petitions filed from 1st January 2016 onwards, the debtor may, until 31st December 2018, apply for the exclusion of his/her main residence subject to the following requirements being cumulatively met: debtor's family monthly income does not exceed the "reasonable living expenses" of the debtor and his family, plus 70% thereon, the "objective" value of the residence does not exceed €180.000, increased by €40.000 in case of married debtor and by €20.000 per child up to three children, and finally the debtor is a "cooperative borrower" within the meaning of the Code of Conduct as defined in decision No 116/25.8.2014 of the Credit and Insurance Committee of the Bank of Greece, as revised by decision number 195/29.7.2016 (published in Government Gazette 2376/B/2.8.2016). In this case, the court will readjust the debt for a period not

exceeding twenty years (or thirty-five years, in case the relevant loan tenor is more than twenty years) in an amount corresponding to the debtor's payment ability, provided however that secured creditors will not be placed in a worse position than that it would have been in case of foreclosure proceedings, as determined in accordance with the Act of Executive Committee of the Bank of Greece No. 54/15.12.2015.

In all above cases, the rights of the creditors against co-debtor(s) or guarantors remain unaffected.

Furthermore, effective from 1st January 2016, a new procedure for express settlement of minor debts has also been introduced. This procedure concerns lightly indebted individuals, provided that the following requirements are cumulatively met: (i) the total amount of debts (including any interest, expenses and surcharges) does not exceed the amount of €20,000, (ii) as at the date of the filing of the relevant petition and the date of ratification the debtor does not have any real property and has not transferred any real property during a 3 year period preceding the petition filing date, (iii) debtor's other assets, including bank deposits, does not exceed the amount of €1,000, (iv) the debtor did not have any income during the year preceding the date of ratification, (v) there are no secured creditors and (vi) the debtor is a "cooperative borrower" within the meaning of the Code of Conduct. In such case, provided that the relevant creditors do not contest the fulfilment of the above requirements, the Magistrate's Court may upon relevant request by the debtor temporary discharge the debtor from the debts included in the petition for a time period of 18months; during such period, all enforcement proceedings against the debtor are suspended by operation of law. During such time the debtor must notify, at least every 3 months, the secretary of the competent Magistrate's Court of any change in his/her income and property status. In case the debtor breaches this obligation or otherwise in case of a change in the debtor's income or property status, debtors are entitled to request the lifting of the temporary discharge status of the debtor. If after the expiration of the above 18 months period the status of the debtors remains unchanged, the debtor is discharged from his/her debts.

This law may have an adverse effect on the timing or the amount of collections under certain Loans concluded with Borrowers that fall under its scope and make use of its provisions, which may in turn affect the Issuer's ability to meet its obligations in respect of the Covered Bonds.

Special Procedures for Over-Indebted Business Undertakings and Professionals

1) Greek law 4307/2014, as amended by Greek laws 4374/2016, and 4380/2016 (art. 2) and 4403/2016 and in force, among others, provides for urgent interim measures for the relief of private debt, especially debt of viable small businesses and professionals towards financial institutions (namely credit institutions, leasing and factoring companies, provided they are under the supervision of the Bank of Greece), the Hellenic Republic and Social Security Institutions, as well as for emergency procedures for the reorganization or liquidation of operating indebted but viable businesses, provided that the aforementioned persons are considered as "*eligible debtors*" under the relevant provisions, namely, they have submitted the relevant application by 30 September 2016 (as extended most recently by article 56 of Greek law 4403/2016) and cumulatively meet the following criteria:they have not submitted an application to be subject to the provisions of Greek law 3869/2010, as in force, or have validly resigned from such application;

2) they have not stopped their operations or dissolved and (if applicable) they have not submitted an application to be declared bankrupt or have validly resigned from such application;

3) they have not been convicted in any capacity for fraud against the Hellenic Republic of State Pension Funds or for smuggling; and

4) their turnover of the fiscal year 2013 must not exceed the limit of EUR 2,500,000.

In particular the new measures deal with the following:

a) Provide incentives to small businesses and professionals on the one hand and to other funding entities to regulate / delete private debt,
b) Relief and settlement of debts of small businesses and professionals to the Hellenic Republic and Social Security Institutions that are settling their debts to financial institutions;
c) Provide for an extraordinary debt business regulation process (with binding force for all the creditors),
d) Provide for extraordinary special management procedure and
e) Set up the monitoring and coordination committee with a view to their imminent and effective implementation.

Greek law 4307/2014 provides for the write off of specific claims that cumulatively meet the criteria set by the relevant provisions of Greek law 4307/2014.

For the implementation of the above procedure the Ministerial Decision 4837/16.1.2015 has been issued. As already mentioned, The deadline for such applications has expired on 30 September 2016. However, a revision of the Greek law 4 307/2014 is anticipated following negotiations with the Institutions.

Out-of-court Mechanism for Settlement of Business Debts

Greek law 4469/2017 (published in the Government Gazette 62/A/3.5.2017) introduces an out-of-court mechanism for the settlement of debts owed by a debtor to its 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.

The new law 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 two 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 conditions, 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; and
(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). If the court ratifies the debt restructuring agreement, then such agreement is mandatory for all the creditors, irrespective of their participation or not in the negotiation or the restructuring agreement.

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.

The new 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.

Insolvency Procedures

The bankruptcy code was enacted by Greek 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 and most recently by virtue of Greek law 4446/2016 (effective as of 22 December 2016) and Greek law 4472/2017 (effective as of 19 May 2017). The latest amendments modified and replaced several provisions of the Bankruptcy Code, with respect to restructuring and insolvency proceedings. 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:

(a) bankruptcy, which is regulated by Articles 1-98 of the Bankruptcy Code (except for the simplified bankruptcy proceedings in respect of small debtors (where the value of the bankruptcy estate does not exceed €100,000), 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);
(b) a rehabilitation agreement under the Bankruptcy Code (Articles 99-106) between a debtor and a qualifying majority of its creditors;
(c) a restructuring plan under the Bankruptcy Code (Articles 107-131, as amended by article 7 of Greek law 4446/2016) following its approval by the court and the creditors.
(d) special liquidation under Article 106(ia) of the Bankruptcy Code.

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 latest amendments of the Bankruptcy Code 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.

Auction Proceeds

The proceeds of an auction following enforcement against a property securing a Loan must be allocated in accordance with Articles 975, 976 and 977 of the Greek Civil Procedure Code as amended by Greek law 4335/2015. As of 1st January 2016 and onwards and in respect of orders of execution served to the debtor after 1st of January 2016, the auction proceeds are allocated, after deduction of the enforcement expences justifiably defined by the auction clark, to the following creditors of the Borrower, to the extent applicable, in the following order:

(a) creditors enjoying general privileges under Article 975 of the Greek Civil Procedure Code, namely (in the following ranking order):

(i) claims for hospitalisation and funeral costs of the Borrower and his family arising in the previous 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%) or more that arose until the day of the public auction or the declaration of bankruptcy;

(ii) costs for the nourishment of the Borrower and his family arising in the previous six months before the day of the public auction or the declaration of bankruptcy;

(iii) claims based on employees' salaries and claims for fees, expenses and compensation of lawyers paid under fixed regular remuneration that arose during the last 2 years prior to the day of the public auction or the declaration of bankruptcy. However, such time limit does not apply on any compensation claims raised by employees or in-house lawyers arising by reason of termination of their agreements. 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 organizations, alimony claims in case of death of the person owing such alimony and compensation claims due to disability exceeding sixty seven percent (67%) which arose up to the day of the public auction or the declaration of bankruptcy;

(iv) claims by farmers or farming partnerships arising from the sale of agricultural goods arising within the last year prior to the day that the public auction was first set to occur or the declaration of bankruptcy;

(v) claims of the Greek state and municipal authorities arising out of any cause, together with any increments and interest imposed on such claims; and

(vi) claims by the Athens Stock Exchange Members' Guarantee Fund (if the borrower is or was an investment services company) arising in the previous 24 months prior to the day of the public auction or the declaration of bankruptcy (this should not be relevant for any Borrower).

(b) creditors enjoying special privileges under Article 976 of the Greek Civil Procedure Code (which include secured creditors through a mortgage or a mortgage pre-notation over the property or a pledge); and

(c) unsecured creditors.

In case of concurrence of general privileges (as mentioned above) and special privileges (as mentioned above), the percentage of satisfaction of the creditors with general privileges is limited to up to 1/3 of the auction proceeds whereas the percentage of satisfaction of creditors with special privileges is up to 2/3. In case of concurrence of general privileges (as mentioned above) and special privileges (which include claims secured by pledge or mortgage) and non - privileged claims, the percentage of satisfaction of the creditors with general privileges is limited to up to 25%, whereas the percentage of satisfaction of creditors with special privileges is up to 65%. The remaining amount of 10% of the auction proceeds is allocated to the non -privileged creditors. In case of concurrence of creditors with special privileges and non - privileged creditors, an amount of 90% is allocated to creditors with special privileges, while an amount of 10% of the auction proceeds is allocated to the non-privileged creditors. In case of concurrence of claims with general privileges and non - privileged claims, the percentage of satisfaction of the former is 70%.

Accordingly, the Issuer, as owner of a first ranking pre-notation could be limited to receiving approximately 2/3or 65% (as applicable) of the proceeds raised by an auction of a property securing a Loan if a claim under Article 975 of the Greek Civil Procedure Code exists. In such case, the proceeds may not be sufficient to discharge the amount that is owed by the Borrower to the Issuer under the Loan, which may in turn affect the Issuer's ability to meet its obligations in respect of the Covered Bonds.

However, given that the loans are given a maximum 80% LTV indexed value for the purpose of calculating the Statutory Tests and the Amortisation Test the value of the property securing a Loan should exceed the Outstanding Principal Balance of that portion of the Loan accredited value for the purposes of the Statutory Tests. Accordingly, the possibility that the Issuer will not receive sufficient proceeds following the enforcement against a property securing a Loan to discharge the amounts that are owed to it by the relevant Borrower is reduced.

Greek Covered Bond Legislation

The Greek Covered Bond Legislation came into force in 2007 by virtue of article 91 of Greek law 3601/2007, which has been abolished by Greek law 4261/2014. Article 152 of the Greek Covered Bond Legislation, which constitutes a repetition of article 91 of Greek law 3601/2007, came into force on 5 May 2014, while the Secondary Covered Bond Legislation came into force on 21 November 2007 and was amended and restated on 29 September 2009. Finally, the legislative framework is supplemented by Greek law 3156/2013 to the extend Greek Covered Bond Legislation cross refers to it. The transactions contemplated in this Base Prospectus are based, in part, on the provisions of the Greek Covered Bond Legislation. So far as the Issuer is aware, as at the date of this Base Prospectus there have been several similar issues of securities based upon the Greek Covered Bond Legislation and there has been no judicial authority as to the interpretation of any of the provisions of the Greek Covered Bond Legislation. For further information on the Greek Covered Bond Legislation, see "Overview of the Greek Covered Bond Legislation". There are a number of aspects of Greek law which are referred to in this Base Prospectus with which potential Covered Bondholders are likely to be unfamiliar. Particular attention should be paid to the sections of this Base Prospectus containing such references.

Changes of law

The structure of the issue of the Covered Bonds and the ratings which are to be assigned to them are based on English and Greek law, respectively, in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible change to English or Greek law or administrative practice in the U.K. or Greece after the date of this Base Prospectus.

Covered Bonds where denominations involve integral multiples: definitive Covered Bonds

In relation to any issue of Covered Bonds that have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Covered Bonds may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a Covered Bondholder who, as a result of trading such amounts, holds an amount which (after deducting integral multiples of such minimum Specified Denomination) is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Covered Bond in respect of such holding (should definitive Covered Bonds be printed) and would need to purchase a principal amount of Covered Bonds such that its holding amounts to a Specified Denomination.

If definitive Covered Bonds are issued, Covered Bondholders should be aware that definitive Covered Bonds that have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Exchange rate risks and exchange controls

The Issuer (or the Servicer on its behalf) will pay principal and interest on the Covered Bonds in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than the Specified Currency (the Investor's Currency). These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency 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 Specified Currency would decrease (1) the Investor's Currency equivalent yield on the Covered Bonds, (2) the Investor's Currency-equivalent value of the principal payable on the Covered Bonds and (3) the Investor's Currency-equivalent market value of the Covered Bonds.

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.

Greek Withholding Tax

Potential investors of Covered Bonds should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing Covered Bonds and receiving payments of interest, principal and/or other amounts or delivery of securities under the Covered Bonds and the consequences of such actions under the tax laws of those countries. Please refer to the "*Taxation*" section.

In particular, investors should note that the Greek income taxation framework is regulated by virtue of Greek law 4172/2013, as amended by virtue of Greek law 4254/2014, and most recently by Greek law 4389/2016. Accordingly, though a number of interpretative circulars were issued, very little (if any) precedent exists as to the application of this income tax code. See "*Taxation"* below for further details.

GENERAL DESCRIPTION OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Series or Tranche of Covered Bonds, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Covered Bonds shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, if appropriate, a supplement to the Base Prospectus will be published.

Words and expressions defined in the "Terms and Conditions of the Covered Bonds" below or elsewhere in this Base Prospectus have the same meanings in this summary.

PRINCIPAL PARTIES

Issuer	National Bank of Greece S.A. ("**NBG**" or the "**Issuer**").
Arranger	NBG (the "**Arranger**").
Dealer	NBG or any other dealers appointed from time to time in accordance with the Programme Agreement.
Servicer	NBG (in its capacity as the servicer and, together with any replacement servicer appointed pursuant to the Servicing and Cash Management Deed from time to time, the "**Servicer**") will service, the Loans and Related Security in the Cover Pool pursuant to the Servicing and Cash Management Deed. The Servicer shall also undertake certain notification and reporting services together with account handling services in relation to moneys from time to time standing to the credit of the Transaction Account and cash management activities (the "**Servicing and Cash Management Activities**") in accordance with the Servicing and Cash Management Deed and the Greek Covered Bond Legislation, including the calculation of the Statutory Tests and the Amortisation Test. See *"Servicing and Collection Procedure"* below.
Asset Monitor	A reputable independent institution of auditors and accountants, not being the auditors of the Issuer for the time being, appointed pursuant to the Asset Monitor Agreement as an independent monitor to perform tests in respect of (i) the Statutory Tests when required in accordance with the requirements of the Bank of Greece and (ii) the Amortisation Test when required in accordance with the Servicing and Cash Management Deed. The initial Asset Monitor will be Ernst & Young (Hellas) Certified Auditors-Accountants S.A., acting through its office at 8B Chimarras str., Maroussi 151 25 Athens, Greece (the "**Asset Monitor**").
Account Bank	Citibank, N.A., London Branch acting through its office at Citigroup Centre, Canada Square, Canary Wharf London E14

	5LB has agreed to act as account bank (the "**Account Bank**") pursuant to the Bank Account Agreement. In the event that the Account Bank ceases to be an Eligible Institution, the Servicer will be obliged to transfer the Transaction Account to a credit institution with the appropriate minimum ratings.
Eligible Institution	means any bank whose short-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least F1 by Fitch, P-1 by Moody's and the DBRS Account Bank Required Rating.
Principal Paying Agent	Citibank, N.A., London Branch (the "**Principal Paying Agent**" and, together with any agent appointed from time to time under the Agency Agreement, the "**Paying Agents**"). The Principal Paying Agent will act as such pursuant to the Agency Agreement.
Trustee	Citibank, N.A., London Branch acting through its office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (the "**Trustee**") has been appointed to act as bond trustee for the Covered Bondholders in respect of the Covered Bonds and will also act as security trustee to hold the benefit of all security granted by the Issuer (on trust for itself, the Covered Bondholders and the other Secured Creditors) under the Deed of Charge and the Statutory Pledge granted pursuant to the Greek Covered Bond Legislation. See "*Security for the Covered Bonds*" below.
Hedging Counterparties	The Issuer may, from time to time, enter into Hedging Agreements with various swap providers to hedge certain currency and/or other risks (each a Covered Bond Swap Provider) and interest risks (each an Interest Rate Swap Provider and, together with the Covered Bond Swap Providers, the Hedging Counterparties) associated with the Covered Bonds. The Hedging Counterparties will act as such pursuant to the relevant Hedging Agreements (as defined herein). Each Hedging Counterparty will be required to satisfy the conditions under paragraph I. 2(b)(bb) of the Secondary Covered Bond Legislation.
Custodian	A custodian (the "**Custodian**") to be appointed at such time as a custody agreement is entered into.
Listing Agent	Dexia Banque Internationale à Luxembourg acting through its offices at 69, route d'Esch, L-2953 Luxembourg (the "**Luxembourg Listing Agent**").
Rating Agencies	Fitch Ratings Limited (Fitch), Moody's Investors Service Limited and DBRS Ratings Limited (Moody's, DBRS and, together with Fitch, the "**Rating Agencies**").

PROGRAMME DESCRIPTION

Description	NBG €10 billion Global Covered Bond Programme.
Programme Amount	Up to €10 billion (or its equivalent in other currencies determined as described in the Programme Agreement) outstanding at any time as described herein. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Issuance in Series	Covered Bonds will be issued in Series, but on different terms from each other, subject to the terms set out in the relevant Final Terms in respect of such Series. Save in respect of the first issue of Covered Bonds, Covered Bonds issued under the Programme will either be fungible with an existing Series of Covered Bonds or have different terms from an existing Series of Covered Bonds (in which case they will constitute a new Series). The Issuer will issue Covered Bonds without the prior consent of the Covered Bondholders pursuant to Condition 15 (*Further Issues*). See "*Conditions Precedent to the Issuance of a new series of Covered Bonds*" below. As used herein, "**Tranche**" means Covered Bonds which are identical in all respects (including as to listing and admission to trading) and Series means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.
Final Terms	Final terms (the "**Final Terms**") will be issued and published in accordance with the terms and conditions set out herein under "*Terms and Conditions of the Covered Bonds*" (the "**Conditions**") prior to the issue of each Series or Tranche detailing certain relevant terms thereof which, for the purposes of that Series only, complete the Conditions and the Base Prospectus and must be read in conjunction with the Conditions and the Base Prospectus. The terms and conditions applicable to any particular Series are the Conditions as completed by the relevant Final Terms.
Conditions Precedent to the Issuance of a new Series or Tranche of Covered Bonds	It is a condition precedent to the issuance of a new Series or Tranche of Covered Bonds that (i) there is no Issuer Event outstanding and that such issuance would not cause an Issuer Event, (ii) such issuance would not result in a breach of any of the Statutory Tests, (iii) Fitch and DBRS have confirmed that the then current rating of all Covered Bonds issued and outstanding under the Programme and that the ratings of such Covered Bonds will not be adversely affected or withdrawn as a result of such issuance and Moody's has been notified of such issuance, (iv) such issuance has been approved by the Bank of Greece in accordance with paragraph II.3 of the Secondary Covered Bond Legislation and (v) if applicable, in

	respect of any Series or Tranche, a Hedging Agreement is entered into.
Proceeds of the Issue of Covered Bonds	The gross proceeds from each issue of Covered Bonds will be used by the Issuer to fund its general corporate purposes.
Form of Covered Bonds	The Covered Bonds will be issued in bearer form, see "*Form of the Covered Bonds*".
Issue Dates	The date of issue of a Series or Tranche as specified in the relevant Final Terms (each, the "**Issue Date**" in relation to such Series or Tranche).
Specified Currency	Subject to any applicable legal or regulatory restrictions, such currency or currencies as may be agreed from time to time by the Issuer and the relevant Dealer(s) (as set out in the applicable Final Terms).
Denominations	The Covered Bonds will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and set out in the applicable Final Terms save that, except in certain limited circumstances, the minimum denomination of each Covered Bond will be at least €100,000 (or, if the Covered Bonds are denominated in a currency other than Euro, at least the equivalent amount in such currency) or such other higher amount as is required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.
Redenomination	The applicable Final Terms may provide that certain Covered Bonds may be redenominated in Euro. If so, the redenomination provisions will be set out in the applicable Final Terms.
Fixed Rate Covered Bonds	The applicable Final Terms may provide that certain Covered Bonds will bear interest at a fixed rate ("**Fixed Rate Covered Bonds**"), which will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s) (as set out in the applicable Final Terms).
Floating Rate Covered Bonds	The applicable Final Terms may provide that certain Covered Bonds bear interest at a floating rate ("**Floating Rate Covered Bonds**"). Floating Rate Covered Bonds will bear interest at a rate determined: (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions; or (b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or

(c) on such other basis as may be agreed between the Issuer and the relevant Dealer(s),

as set out in the applicable Final Terms.

Other Provisions in relation to Floating Rate Covered Bonds

Floating Rate Covered Bonds may also have a Maximum Rate of Interest, a Minimum Rate of Interest or both (as indicated in the applicable Final Terms). Interest on Floating Rate Covered Bonds in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer(s), will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, in each case as may be agreed between the Issuer and the relevant Dealer(s).

Zero Coupon Covered Bonds

The Final Terms may provide that Covered Bonds, bearing no interest ("**Zero Coupon Covered Bonds**"), may be offered and sold at a discount to their nominal amount.

Ranking of the Covered Bonds

All Covered Bonds will rank *pari passu* and rateably without any preference or priority among themselves, irrespective of their Series, for all purposes except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Taxation

All payments (if any) of principal, interest and other proceeds (if any) on the Covered Bonds will be made free and clear of any withholding or deduction for, or on account of, any taxes, unless the Issuer or any intermediary that intervenes in the collection of interest and other proceeds on the Covered Bonds is required by applicable law to make such a withholding or deduction. In the event that such withholding, or deduction is required by law, the Issuer will not be required to pay any additional amounts in respect of such withholding or deduction.

Status of the Covered Bonds

The Covered Bonds are issued on an unconditional basis and in accordance with Article 152 of Greek law 4261/2014 (published in the Government Gazette No 107/A/5-5-2014 which constitutes a repetition of Article 91 of Greek law 3601/2007 that has been abolished by Greek law 4261/2014) ("**Article 152**") and the Act of the Governor of the Bank of Greece No. 2598/2007, as amended and restated by the codifying Act of the Governor of the Bank of Greece No. 2620/2009 (the "**Secondary Covered Bond Legislation**" and, together with Article 152 the "**Greek Covered Bond Legislation**"). The Covered Bonds are backed by assets forming the Cover Pool of the Issuer and to the extent such assets are governed by Greek law, have the benefit of a statutory pledge established pursuant to paragraph 4 of Article 152 (the "**Statutory Pledge**") by virtue of registration statement(s) filed with the Athens Pledge Registry (each a "**Registration Statement**") pursuant to paragraph 5 of Article 152. The form of the Registration Statement is defined in Ministerial Decree No 95630/8-9-2008 (published in the Government Gazette No 1858/B/12-9-2008) of the Minister of

	Justice. See also "*Overview of Greek Covered Bond Legislation*" below.
Payments on the Covered Bonds	Payments on the Covered Bonds will be direct and unconditional obligations of the Issuer. Prior to an Issuer Event on each Cover Pool Payment Date the Issuer will apply any funds available to it (including, but not limited to, funds arising in relation to the assets comprised in the Cover Pool) to pay all items which are listed in the Pre Event of Default Priority of Payments. After the occurrence of an Issuer Event on each Cover Pool Payment Date, the Servicer will apply the Covered Bonds Available Funds in accordance with the relevant Priority of Payments.
Security for the Covered Bonds	In accordance with the Greek Covered Bond Legislation, by virtue of the Transaction Documents and pursuant to any Registration Statement, the Cover Pool and all cashflows derived therefrom (including any amounts standing to the credit of the Collection Account) will be available both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Covered Bondholders and the other Secured Creditors in priority to the Issuer's obligations to any other creditors, until the repayment in full of the Covered Bonds. In accordance with the Deed of Charge, security will be created for the benefit of the Trustee on behalf of the Secured Creditors in respect of the Hedging Agreements and any other Transaction Documents governed by English law. "**Secured Creditors**" means the Covered Bondholders, the Receiptholders, the Couponholders, the Trustee, any Receiver, the Asset Monitor, the Account Bank, the Agents, the Servicer, the Hedging Counterparties and any other creditor of the Issuer pursuant to any Transaction Document entered into in the course of the Programme having recourse to the Cover Pool (provided that where NBG performs any of the above roles, NBG will not be a Secured Creditor). "**Receiver**" means any person or persons appointed (and any additional person or persons appointed or substituted) as an administrative receiver, receiver, manager, or receiver and manager of the Charged Property by the Trustee pursuant to the Deed of Charge. "**Charged Property**" means the property, assets and undertakings charged by the Issuer pursuant to Clause 3 of the Deed of Charge together, where applicable, the property pledged pursuant to the Statutory Pledge.
Cross-collateralisation and Recourse	By operation of Article 152 and in accordance with the Transaction Documents, the Cover Pool Assets shall form a single portfolio, irrespective of the date of assignment to the Cover Pool and shall be held for the benefit of the Covered Bondholders and the other Secured Creditors irrespective of the Issue Date of the relevant Series. The Covered Bondholders

and the other Secured Creditors shall have recourse to the Cover Pool.

The Cover Pool Assets may not be seized or attached in any form by creditors of the Issuer other than by the Trustee on behalf of the Covered Bondholders and the other Secured Creditors.

In order to ensure that the Cover Pool is, at any time, sufficient to meet the payment obligations of the Issuer under the Covered Bonds, the Issuer shall be obliged, within certain limits and upon certain conditions, to effect certain changes to the Cover Pool Assets comprising the Cover Pool. See "*Optional Changes to the Cover Pool*" below.

Issue Price

Covered Bonds of each Series may be issued at par or at a premium or discount to par on a fully-paid basis (in each case, the "**Issue Price**" for such Series or Tranche) as specified in the relevant Final Terms in respect of such Series.

Interest Payment Dates

In relation to any Series of Covered Bonds, the meaning given in the applicable Final Terms (as the case may be).

Cover Pool Payment Date

The 20th day of each month and if such day is not an Athens Business Day the first Athens Business Day thereafter (the "**Cover Pool Payment Date**").

"**Athens Business 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 Athens.

Final maturity and extendable obligations under the Covered Bonds

The final maturity date for each Series (the "**Final Maturity Date**") will be specified in the relevant Final Terms as agreed between the Issuer and the relevant Dealer(s). Unless specified otherwise in the Final Terms or previously redeemed as provided in the Conditions, the Covered Bonds of each Series will be redeemed at the Final Redemption Amount on the relevant Final Maturity Date. If the Covered Bonds are not redeemed in full on the relevant Final Maturity Date or (as described below) where the Covered Bonds are subject to an Extended Final Maturity Date, on the Extended Final Maturity Date, then the Trustee shall serve a Notice of Default on the Issuer pursuant to Condition 9 (*Events of Default and Enforcement*). Following the service of a Notice of Default the Covered Bonds of each Series shall become immediately due and payable.

The applicable Final Terms may also provide that the Issuer's obligations under the relevant Covered Bonds to pay the Principal Amount Outstanding on the relevant Final Maturity Date may be deferred past the Final Maturity Date until the extended final maturity date (as specified in the Final Terms) (such date the "**Extended Final Maturity Date**"). In such case,

	such deferral will occur automatically if the Issuer fails to pay any amount representing the amount due on the Final Maturity Date as set out in the Final Terms, being an amount equal to at least 100% of the nominal amount of the relevant Covered Bonds (the "**Final Redemption Amount**") in respect of the relevant Series of Covered Bonds on their Final Maturity Date provided that, any amount representing the Final Redemption Amount due and remaining unpaid on the Final Maturity Date may be paid by the Issuer on any Interest Payment Date thereafter up to (and including) the relevant Extended Final Maturity Date. Interest will continue to accrue and be payable on any unpaid amounts on each Interest Payment Date up to the Extended Final Maturity Date in accordance with Condition 4 (*Interest*) and the Issuer (or the Servicer on its behalf) will make payments on each relevant Interest Payment Date and Extended Final Maturity Date. The Final Redemption Amount will always be at least 100% of the nominal value. Following service of a Notice of Default, any amount outstanding shall bear interest in accordance with Condition 6.8 (*Late Payment*). No Covered Bonds having a maturity at issue of less than 12 months will be offered to the public or admitted to trading on a regulated market under this Base Prospectus.
Ratings	Each Series issued under the Programme will be assigned a rating by each of the Rating Agencies.
Listing and admission to trading	Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made and will be made to the Luxembourg Stock Exchange for Covered Bonds issued under the Programme after the date hereof to be admitted to trading on the official list of the Luxembourg Stock Exchange's regulated market and to be listed on the official list of the Luxembourg Stock Exchange. Covered Bonds may be unlisted or may be listed or admitted to trading, as the case may be, on a regulated market for the purposes of the Markets in Financial Instruments Directive, as may be agreed between the Issuer, the Trustee and the relevant Dealer(s) in relation to each issue. The Final Terms relating to each Tranche of the Covered Bonds will state whether or not the Covered Bonds are to be listed and/or admitted to trading and, if so, on which regulated markets.
Clearing Systems	Euroclear Bank S.A./N.V. (Euroclear), and/or Clearstream Banking, *société anonyme* (Clearstream, Luxembourg) in relation to any Series of Covered Bonds or any other clearing system as may be specified in the relevant Final Terms.
Selling Restrictions	There are restrictions on the offer, sale and transfer of the Covered Bonds in the United States, the European Economic

	Area (including the United Kingdom, the Hellenic Republic and Luxembourg) and Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Covered bonds. See "*Subscription and Sale*" below.
Greek Covered Bond Legislation	The Covered Bonds will be issued pursuant to the Greek Covered Bond Legislation. For further information on the Greek Covered Bond Legislation, see "*Overview of Greek Covered Bond Legislation*" below.
Governing law	The Servicing and Cash Management Deed, the Trust Deed, the Deed of Charge, the Agency Agreement, the Asset Monitor Agreement, the Bank Account Agreement, the Programme Agreement, each Custody Agreement, each Subscription Agreement and each Hedging Agreement will be governed by, and construed in accordance with, English law. The Covered Bonds are governed by and construed in accordance with English law. The Statutory Pledge referred to in Condition 2 (*Status of the Covered Bonds*), is governed by and construed in accordance with Greek law.

CREATION AND ADMINISTRATION OF THE COVER POOL

Principal source of payments under Covered Bonds	Payments on the Covered Bonds will be direct and unconditional obligations of the Issuer. Prior to an Issuer Event on each Cover Pool Payment Date the Issuer will apply any funds available to it (including, but not limited to, funds arising in relation to the assets comprised in the Cover Pool) to pay all items in the Pre Event of Default Priority of Payments. After the occurrence of an Issuer Event on each Cover Pool Payment Date, the Servicer will apply the Covered Bonds Available Funds in accordance with the relevant Priority of Payments.
The Cover Pool	Pursuant to the Greek Covered Bond Legislation, the Issuer will be entitled to create the Statutory Pledge over: (a) certain eligible assets set out in paragraph 8(b) of Section B of the Bank of Greece Act No 2588/20-8-2007 "Calculation of Capital Requirements for Credit Risk according to the Standardised Approach", including, but not limited to claims deriving from loans and credit facilities of any nature comprising the aggregate of all principal sums, interest, costs, charges, expenses, and other moneys, all additional loan advances under such loans and credit facilities due or owing with respect to such loan and/or credit facilities

provided that such loans and credit facilities are secured by residential real estate (the "**Loans**") together with any mortgages, mortgage pre-notations, guarantees or indemnity payments which may be granted or due, as the case may be, in connection therewith (the "**Related Security**", and together with the Loans the "**Loan Assets**"); following the entry into force of Regulation 575/2013 on 1 January 2014, the reference to paragraph 8(b) should be read as a reference to article 129 of Regulation 575/2013;

(b) derivative financial instruments including but not limited to the Hedging Agreements satisfying the requirements of paragraph I. 2(b) of the Secondary Covered Bond Legislation;

(c) deposits with credit institutions (including any cash flows deriving therefrom) provided that such deposits comply with paragraph 8(b) of Section B of the Bank of Greece Act No. 2588/20-8-2007, as amended and in force, (including the Transaction Accounts, to the extent that they comply with the relevant regulations but excluding the Collection Account); and

(d) Marketable Assets (as defined below).

(each a "**Cover Pool Asset**" and collectively the "C**over Pool**").

By virtue of the Registration Statement(s) filed with the Athens Pledge Registry on or prior to the Issue Date for the first Series of Covered Bonds, the Issuer shall segregate the Cover Pool in connection with the issuance of Covered Bonds for the satisfaction of the rights of the Covered Bondholders and the other Secured Creditors.

CHANGES TO THE COVER POOL

Optional changes to the Cover Pool The Issuer shall be entitled, subject to filing a Registration Statement so providing, to:

(a) *Allocation of Further Assets*: allocate to the Cover Pool Additional Cover Pool Assets for the purposes of issuing further Series of Covered Bonds and/or complying with the Statutory Tests and/or maintaining the initial rating(s) assigned to the Covered Bonds provided that, in respect of any New Asset Type (A) each of the Rating Agencies has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected by, or withdrawn as a result of such addition of the New Asset Type to the Cover Pool; and (B) the risk weighting of the Covered Bonds will not be negatively affected; and

(b) *Removal or substitution of Cover Pool Assets*: prior to the occurrence of an Issuer Event and provided that no breach of any Statutory Test has occurred or would occur as a result of such removal or substitution (i) remove Cover Pool Assets from the Cover Pool or (ii) substitute Cover Pool Assets with Additional Cover Pool Assets, provided that for any substitution of Additional Cover Pool Assets which are New Asset Types, each of the Rating Agencies has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected by, or withdrawn as a result of such substitution.

Any further assets added to the Cover Pool at the option of the Issuer in accordance with the above shall form part of the Cover Pool.

Upon any addition to the Cover Pool of any additional Cover Pool Assets where the relevant transfer date is also an Issue Date or the Issuer ceases to have the Minimum Credit Ratings, the Issuer shall deliver to the Trustee a solvency certificate stating that the Issuer is, at such time, solvent.

"**New Asset Type**" means a new type of mortgage loan originated by the Issuer, which the Issuer intends to assign to the Cover Pool as an Additional Cover Pool Asset, the terms and conditions of which are materially different (in the opinion of the Issuer acting reasonably) from any of the Cover Pool Assets in the Cover Pool. For the avoidance of doubt, a mortgage loan will not constitute a New Asset Type if it differs from any of the Cover Pool Assets in the Cover Pool solely due to it having different interest rates and/or interest periods and/or time periods for which it is subject to a fixed rate, capped rate or any other interest rate or the benefit of any discounts, cash-backs and/or rate guarantees.

"**Minimum Credit Rating**" means at least Baa3 by Moody's, BBB- by Fitch and BB(L) by DBRS.

Disposal of the Loan Assets

Following the occurrence of an Issuer Event, the Servicer shall be obliged to sell in whole or in part the Loan Assets in accordance with the provisions of the Servicing and Cash Management Deed. The proceeds from any such sale will be credited to the Transaction Account and applied in accordance with the relevant Priority of Payments.

In certain circumstances the Issuer shall have the right to prevent the sale of Loan Assets to third parties by removing the Loan Assets made subject to sale from the Cover Pool and transferring within 10 Athens Business Days from the receipt of an offer letter, to the Transaction Account, an amount equal to the price set forth in such offer letter, subject to the provision of a solvency certificate. See "*Description of the Transaction Documents – The Servicing and Cash Management Deed*".

Following the occurrence of an Event of Default, the Trustee shall be entitled to direct the Servicer to dispose of the Cover Pool.

Undertakings of the Issuer in respect of the Cover Pool

Pursuant to the Transaction Documents, the Issuer undertakes to manage the Cover Pool in the interest of the Covered Bondholders and the other Secured Creditors and undertakes to take any actions required in order to ensure that the servicing of the Loan Assets is conducted in accordance with the collection policy and recovery procedure applicable to the Issuer.

Representations and Warranties of the Issuer

Under the Servicing and Cash Management Deed, the Issuer has made and will make certain representations and warranties regarding itself and the Cover Pool Assets including, *inter alia*:

(i) its status, capacity and authority to enter into the Transaction Documents and assume the obligations expressed to be assumed by it therein;

(ii) the legality, validity, binding nature and enforceability of the obligations assumed by it;

(iii) the existence of the Cover Pool Assets, the absence of any lien attaching to the Cover Pool Assets;

(iv) its full, unconditional, legal title to the Cover Pool Assets; and

(v) the validity and enforceability against the relevant debtors of the obligations from which the Cover Pool Assets arise.

Individual Eligibility Criteria

Each Loan Asset to be included in the Cover Pool shall comply with the following criteria (the "**Individual Eligibility Criteria**"):

(i) it is an existing Loan, denominated in euro and is owed by Borrowers who are individuals;

(ii) it is governed by Greek law and the terms and conditions of such Loan do not provide for the jurisdiction of any court outside Greece;

(iii) its nominal value remains a debt, which has not been paid or discharged;

(iv) it is secured by a valid and enforceable first ranking Mortgage and/or Pre-Notation over property located in Greece that may be used for residential purposes;

(v) notwithstanding (iv) above, if the Mortgage and/or Pre-Notation is of lower ranking, the Loans that rank higher

have also been originated by the Issuer and are included in the Cover Pool;

(vi) only completed properties secure the Loan;

(vii) all lending criteria and preconditions applied by the relevant Originator's credit policy and customary lending procedures and the "European Code of Conduct on Mortgage Loans" have been satisfied with regards to the granting of such Loan;

(viii) the purpose of such Loan is either to buy, construct or renovate a property or refinance a loan granted by another bank for one of these purposes;

(ix) it is either a fixed or floating rate Loan or a combination of both;

(x) it is not an interest only Loan;

(xi) on the date on which such Loan is added to the Cover Pool, the total Outstanding Principal Balance in respect of all Loans made to employees of the Issuer will not exceed 10 per cent. of the aggregate Outstanding Principal Balance of all the Loans;

(xii) on the date on which such loan is added to the Cover Pool, the total Outstanding Principal Balance in respect of all Subsidised Loans will not exceed 15 per cent. of the aggregate Outstanding Principal Balance of the Loans.

"**Mortgage**" means the legal charge, standard security, mortgage or charge securing a Loan.

Pre-Notation means a judicial mortgage pre-notation under Articles 1274 et seq. of the Greek Civil Code granted in respect of a Property.

"**OEK**" means the Greek Worker Housing Association.

"**Subsidised Interest Amounts**" means the interest subsidy amounts, which for the avoidance of doubt shall only be denominated in euro, due and payable from the Greek State in respect of the State Subsidised Loans and/or from the OEK in respect of the OEK Subsidised Loans and/or from any other Greek State subsidised entity in respect of any other Subsidised Loan (as the case may be).

"**Subsidised Loan**" means either the OEK Subsidised Loans, the State Subsidised Loans or the State/OEK Subsidised Loan or loans subsidised by any additional Greek State subsidised or owned entity, which for the avoidance of doubt are only denominated in euro.

"**OEK Subsidised Loans**" means those Loans, which for the avoidance of doubt are only denominated in euro, in respect of which the OEK makes payment of Subsidised Interest Amounts pursuant to the applicable laws and the bilateral agreements pursuant to which the OEK pays subsidies to the Issuer in respect of such Loans.

"**State/OEK Subsidised Loans**" means those Loans, which for the avoidance of doubt are only denominated in euro, which are both State Subsidised Loans and OEK Subsidised Loans.

"**State Subsidised Loans**" means those Loans, which for the avoidance of doubt are only denominated in euro, in respect of which the Hellenic Republic makes payment of Subsidised Interest Amounts pursuant to all applicable laws.

Monitoring of the Cover Pool

Prior to an Issuer Event, the Servicer shall verify that the Cover Pool satisfies the following aggregate criteria:

(i) the Cover Pool satisfies the Nominal Value Test;

(ii) the Cover Pool satisfies the Net Present Value Test; and

(iii) the Cover Pool satisfies the Interest Cover Test, (collectively, the "**Statutory Tests**" and each a "**Statutory Test**").

The Servicer shall provide such verifications on each Applicable Calculation Date.

"**Applicable Calculation Date**" means:

(a) in respect of the Nominal Value Test, each Calculation Date; and

(b) in respect of the Net Present Value Test and the Interest Cover test, each Calculation Date which falls in March, June, September and December of each year.

Statutory Tests

Pursuant to the Greek Covered Bond Legislation, the Cover Pool is subject to the Statutory Tests as set out in the Secondary Covered Bond Legislation. Failure of the Issuer to cure a breach of any one of the Statutory Tests within two Athens Business Days will result in the Issuer not being able to issue further Covered Bonds. The Statutory Tests will include the following:

(a) *The Nominal Value Test:* Prior to an Issuer Event the Issuer must ensure that on each Calculation Date, the Principal Amount Outstanding of all Series of Covered Bonds, together with all accrued interest thereon, is not greater than 80 per cent. (or any lower percentage as determined in accordance with any alternative methodologies that the Rating Agencies may prescribe

and notified to Moody's in accordance with the Servicing and Cash Management Deed) of the nominal value of the Cover Pool (as determined in accordance with the Servicing and Cash Management Deed). In order to assess compliance with this test, all of the assets comprising the Cover Pool shall be evaluated at their Nominal Value but not including the Interest Rate Swap and the Covered Bond Swaps.

"**Nominal Value**" has the meaning ascribed to it in the Servicing and Cash Management Deed.

"**Marketable Assets**" has the meaning given to that term in the Act of the Monetary Policy Council of the Bank of Greece No. 96/22.4.2015 (which replaced the Act of the Monetary Policy Council of the Bank of Greece No. 54/27-2-2004), as in force and amended from time to time, and which comply with the requirements for Eligible Investments, are allowed to be included in the Cover Pool and will be included in assessing compliance with the Nominal Value Test, provided that such assets in the Cover Pool do not exceed the difference in value between the Principal Amounts Outstanding of Covered Bonds then outstanding plus accrued interest and the nominal value of the Cover Pool plus accrued interest.

(b) *The Net Present Value Test*: Prior to an Issuer Event, the Issuer must ensure that on each Calculation Date falling in March, June, September and December of each year the Net Present Value of liabilities under the Covered Bonds then outstanding is less than or equal to the Net Present Value of the Cover Pool, including the Interest Rate Swap and the Covered Bond Swaps.

The Net Present Value Test must also be satisfied under the assumption of parallel shifts of the yield curve by 200 basis points.

In addition, the Issuer must ensure that on each Calculation Date, the Net Present Value of the Interest Rate Swap, the Covered Bond Swaps and the Transaction Account (if not held with the Issuer) are in aggregate less than or equal to 15% of the nominal value (being principal) of the Covered Bonds plus accrued interest thereon.

For the purposes of calculating the net present value of the Cover Pool, all amounts denominated in a currency other than euro shall be converted into euro on the basis of the exchange rate published by the ECB as at such Calculation Date.

(c) *The Interest Cover Test:* Prior to the occurrence of an Issuer Event the Issuer must ensure that on each

Calculation Date falling in March, June, September and December of each year the amount of interest due on all Series of Covered Bonds does not exceed the amount of interest expected to be received (including, in respect of Subsidised Loan, for these purposes any Subsidised Interest Amounts that are expected to be received during such period but excluding any amounts from Borrowers which represent the cost to the Issuer of the Levy in respect of such Loan) in respect of the assets comprised in the Cover Pool (including the Interest Rate Swap and the Covered Bond Swaps) and the Marketable Assets which are to be included for the purpose of valuation in accordance with paragraph I.6 of the Secondary Covered Bond Legislation, in each case, during the period of 12 months from such Calculation Date and the Hedging Agreements (if included, at the discretion of the Issuer) must be included for assessing compliance with this test.

"**Calculation Date**" means five Athens Business Days prior to each Cover Pool Payment Date.

"**Eligible Investments**" means any Marketable Assets denominated in Euro, provided that, in all cases:

(a) such investments are immediately repayable on demand, disposable without penalty or have a maturity date falling on or before the next Cover Pool Payment Date;

(b) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount); and

(c) (i) each of the debt securities or other debt instruments and the issuing entity or (in the case of debt securities or other debt instruments which are fully and unconditionally guaranteed on an unsubordinated basis) the guaranteeing entity are rated at least:

(A) AA- and/or F1+ by Fitch, A2 and P-1 by Moody's or AAA and R-1 (high) by DBRS with regards to investments having a maturity of up to 365 days where such investments are given both a short-term and a long-term rating by the relevant rating agency; or

(B) F1+ by Fitch, P-1 by Moody's or R-1 (middle) by DBRS with regards to investments having a maturity of up to 365 days where such investments

are given a short-term rating but not a long-term rating by the relevant rating agency,

provided that if the then outstanding Covered Bonds are BB+ or lower by Fitch or rated Ba1 or lower by Moody's or BB(H) or lower by DBRS:

(1) AA- and/or F1+ by Fitch, A or R-1 (low) by DBRS or A2 or P-1 by Moody's with regards to investments having a maturity of up to 365 days where such investments carry both short-term and long-term ratings provided that where the maturity of the relevant investment is less than 30 days the relevant rating (as required by Fitch) must not be less than the current rating of the Covered Bonds; and

(2) F1+ by Fitch, P-1 by Moody's or R-1 (low) by DBRS with regards to investments having a maturity of up to 365 days where such investment are given a short-term rating but not a long-term rating by the relevant rating agency; or

(ii) each of the debt securities or other debt instruments is issued by a money market fund or variable net asset value fund, in each case having a money market fund rating from Fitch, Moody's or DBRS in each case that would comply with the requirement in (c)(i) above.

For the purposes of calculating the Interest Cover Test set out above, each Loan will be deemed to have an outstanding principal balance of and bear interest on an amount equal to the lower of:

(a) the Euro Equivalent of the actual Outstanding Principal Balance of the relevant Loan in the Cover Pool as calculated on each Application Calculation Date; and

(b) the Euro Equivalent of the latest of either the physical valuation or the Prop Index Valuation relating to that Loan multiplied by 0.80, less the Outstanding Principal Balance of any first-ranking Loan if such Loan is a second-ranking Loan, provided that such Loan can never be given a value of less than zero;

(c) if the relevant Loan is in arrear of more than 90 days, zero; and

(d) and each Loan shall be deemed to bear interest on the lower of the amounts calculated in (i), (ii) and (iii) above.

In addition, in calculating such tests, all Loans that do not comply with the representations and warranties during the immediately preceding calculation period, shall be given a zero value.

"**Prop Index Valuation**" means the index of movements in house prices issued by Prop Index SA in relation to residential properties in Greece.

Breach of Statutory Tests

If on an Applicable Calculation Date any one or more of the Statutory Tests being tested on such Applicable Calculation Date are not satisfied, the Issuer must take immediate action to cure any breach(es) of the relevant Statutory Tests.

The Servicer or (where NBG is not the Servicer) the Issuer, as the case may be will immediately notify in writing the Trustee of any breach of any of the Statutory Tests.

In the event that the Issuer breaches any Statutory Test, the Issuer will not be permitted to issue any further Covered Bonds until such time as such Statutory Test breach has been cured.

Amortisation Test

In addition to the Statutory Tests and pursuant to the Servicing and Cash Management Deed, following an Issuer Event will be subject to an amortisation test (the "**Amortisation Test**"). The Amortisation Test is intended to ensure that the Cover Pool Assets are sufficient to meet the obligations under all Covered Bonds outstanding together with senior expenses that rank in priority or *pari passu* with amounts due on the Covered Bonds.

The Amortisation Test will be tested by the Servicer on each Calculation Date following the occurrence of an Issuer Event. A breach of the Amortisation Test will constitute an Event of Default, which will entitle the Trustee to serve a Notice of Default declaring the Covered Bonds immediately due and repayable and the Trustee may enforce the Security over the Charged Property.

The Servicer will immediately notify in writing the Trustee of any breach of any of the Amortisation Test.

Amendment to definitions

The Servicing and Cash Management Deed will provide that the definitions of Cover Pool, Cover Pool Asset, Statutory Test and Amortisation Test may be amended by the Issuer from time to time as a consequence of, *inter alia*, the inclusion in the Cover Pool, of a New Asset Type without the consent of the Trustee provided that each of the Rating Agencies has provided

confirmation in writing that the rating on the Covered Bonds would not be adversely affected by, or withdrawn as a result of such amendment. The Servicing and Cash Management Deed shall set forth the conditions for any such amendment to be effected.

See "*Description of the Transaction Documents – The Servicing and Cash Management Deed – Amendment to Definitions*".

Issuer Events

Prior to the occurrence of an Event of Default, if any of the following events (each, an Issuer Event) occurs:

(a) an Issuer Insolvency Event;

(b) the Issuer fails to pay any principal or interest in respect of the Covered Bonds within a period of seven Athens Business Days from the due date thereof;

(c) default is made by the Issuer in the performance or observance of any obligation, condition or provision binding on it (other than any obligation for the payment of amounts due under the Covered Bonds or Coupons of any Series) under the Trust Deed, the Deed of Charge or any other Transaction Document to which the Issuer is a party which, in the opinion of the Trustee would have a materially prejudicial effect on the interests of the Covered Bondholders of any Series and (except where such default is or the effects of such default are, in the opinion of the Trustee, not capable of remedy when no such continuation and notice as is hereinafter mentioned will be required), such default continues for 30 days (or such longer period as the Trustee may permit) after written notice has been given by the Trustee to the Issuer requiring the default to be remedied;

(d) any present or future Indebtedness in respect of moneys borrowed or raised in an amount of €10,000,000 or more (other than Indebtedness under this Programme) of the Issuer becomes due and payable prior to the stated maturity thereof as extended by any grace period originally applicable thereto; or if any present or future guarantee of, or indemnity given by the Issuer in respect of such Indebtedness is not honoured when called upon or within any grace period originally applicable thereto; or

(e) if there is a breach of a Statutory Test on an Applicable Calculation Date and such breach is not remedied within two Athens Business Days,

then (i) no further Covered Bonds will be issued, (ii) the Servicer will procure that any and all payments due under the Cover Pool Assets are effected henceforth directly to the

Transaction Account, (iii) all collections of principal and interest on the Cover Pool Assets will be dedicated exclusively to the payment of interest and repayment of principal on the Covered Bonds and to the fulfilment of the obligations of the Issuer *vis-à-vis* the Secured Creditors in accordance with the relevant Priority of Payments and (iv) if NBG is the Servicer, its appointment as Servicer will be terminated and a new servicer will be appointed pursuant to the terms of the Servicing and Cash Management Deed and the Secondary Covered Bond Legislation.

However, for the avoidance of doubt, an Issuer Event shall not be deemed to have occurred where there has been a failure to pay the Principal Amount Outstanding on the Covered Bonds on the Final Maturity Date where the Extended Final Maturity Date is applicable.

"**Indebtedness**" means all indebtedness in respect of moneys borrowed on the capital markets.

Authorised Investments

Pursuant to the Servicing and Cash Management Deed, the Servicer is entitled to draw sums from time to time standing to the credit of the Transaction Account for effecting Authorised Investments.

In accordance with the terms of the Servicing and Cash Management Deed, prior to an Issuer Event, the Servicer may, in its discretion, invest sums in Authorised Investments.

"**Authorised Investments**" means each of:

(a) Euro denominated demand or time deposits, certificates of deposit, long-term debt obligations and short-term debt obligations (including commercial paper) provided that in all cases such investments are rated at least F1+ by Fitch, the DBRS Minimum Rating by DBRS, and at least P-1 by Moody's, have a remaining period to maturity of 30 days or less and mature on or before the next following Cover Pool Payment Date and the long-term and short-term issuer default rating of the issuing or guaranteeing entity or the entity with which the demand or the deposits are made are rated at least the DBRS Minimum Rating by DBRS short-term, unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposits are made are rated at least F1 by Fitch and P-1 by Moody's;

(b) Euro denominated government and public securities, provided that such investments have a remaining period to maturity of 30 days or less and mature on or before the next following Cover Pool Payment Date and which are rated Aaa by Moody's, AAA by Fitch and the DBRS Minimum Rating by DBRS; and

(c) Euro denominated residential mortgage backed securities provided that such investments have a remaining period to maturity of 30 days or less and mature on or before the next following Cover Pool Payment Date, are actively traded in a continuous, liquid market on a recognised stock exchange, are held widely across the financial system, are available in an adequate supply and which are rated at least Aaa by Moody's, AAA by Fitch and the DBRS Minimum Rating by DBRS,

provided that such Authorised Investments satisfy the requirements for eligible assets that can collateralise covered bonds under paragraph I.2(a) of the Secondary Covered Bond Legislation.

Servicing and collection procedures

The Servicer will be responsible for the servicing of the Cover Pool, including, *inter alia*, for the following activities:

(a) collection and recovery in respect of each Cover Pool Asset;

(b) administration and management of the Cover Pool;

(c) management of any judicial or extra judicial proceeding connected to the Cover Pool;

(d) keeping accounting records of the amounts due and collected under the Loan Assets and the Hedging Agreements;

(e) preparation, upon request of the Issuer, the Trustee or the Rating Agencies, of monthly reports (to be delivered to the Issuer, the Trustee and the Rating Agencies (in each case if requested) on the amounts due by debtors, and on the collections and recoveries made in respect of the Loan Assets and Hedging Agreements; and

(f) carrying out the reconciliation of the amounts due and the amounts effectively paid by the debtors under the Loans on the relevant Cover Pool Payment Date.

ACCOUNTS AND CASH FLOW STRUCTURE:

Segregation Event and Collection Account

Prior to an Issuer Event, the Servicer will deposit on a daily basis within one Athens Business Day of receipt, all collections of interest and principal it receives on the Cover Pool Assets and all moneys received from Marketable Assets and Authorised Investments, if any, included in the Cover Pool into a segregated euro-denominated account maintained at NBG (the "**Collection Account**"). NBG will not commingle any of its own funds and general assets with amounts standing to the credit of the Collection Account. For the avoidance of doubt, any cash amounts standing

to the credit of the Collection Account shall not comprise part of the Cover Pool for purposes of the Statutory Tests.
To the extent not otherwise pre-funded by the Servicer, prior to the occurrence of an Issuer Event which is continuing, the Servicer shall procure that all Subsidy Payments received from the OEK and/or the Greek State or any other Greek State owned entity in respect of the Subsidised Loans will be deducted from the applicable Subsidy Bank Account and paid into the Collection Account within three Athens Business Days of receipt.
All amounts deposited in, and standing to the credit of, the Collection Account shall constitute segregated property distinct from all other property of NBG pursuant to paragraph 9 of Article 152 and by virtue of an analogous application of paragraphs 14 through 16 of Article 10 of Greek law 3156/2003 or other than as created under or permitted pursuant to the Deed of Charge.

Prior to a reduction in the long-term senior unsecured credit rating of NBG to or below the Minimum Credit Rating (such occurrence, a "**Segregation Event**"), the Issuer will be entitled to withdraw any sums standing to the credit of the Collection Account at any time.

Following the occurrence of a Segregation Event, and for so long as such Segregation Event remains outstanding, the Issuer shall only be entitled to make withdrawals from the Collection Account for the purpose of (a) transferring fund to the Transaction Account in accordance with the Servicing and Cash Management Deed or (b) making payments due on any Cover Pool Payment Date on any of the items listed in the applicable Priority of Payments.

If NBG's rating(s) are reinstated above the level at which a Segregation Event occurs and so long as no Issuer Event has occurred and is continuing, then NBG will be entitled to draw sums standing to the credit of the Collection Account and make payments on the Covered Bonds using any funds available to it.

"**Subsidy Bank Account**" means the OEK Savings Account, the NBG BoG Account and any other bank accounts in the name of the OEK, the Greek State or any other Greek State owned entity maintained in respect of the Subsidised Loans with either the Bank of Greece, NBG, the Replacement Servicer, or if the Replacement Servicer is not a Credit Institution, with the Credit Institution appointed by such Replacement Servicer in accordance with the Servicing and Cash Management Deed, as applicable;

"**Subsidy Payments**" means the aggregate of all amounts, which for the avoidance of doubt shall only be denominated in euro, actually received from the OEK, the Greek State and any other Greek State subsidised entity representing the Subsidised Interest Amounts in respect of the Subsidised Loans comprised in the Cover Pool.

"**OEK Savings Account**" means the savings bank account in the name of the OEK maintained in respect of the OEK Subsidised Loans with NBG, the Replacement Servicer or, if the

Replacement Servicer is not a Credit Institution, with the Credit Institution appointed by such Replacement Servicer in accordance with Servicing and Cash Management Deed, as applicable.

"**NBG BoG Account**" means the bank account in the name of NBG, maintained in respect of the State Subsidised Loans with the Bank of Greece.

"**Credit Institution**" means a credit institution for the purposes of Greek law 4261/2014 of the Hellenic Republic.

"**Replacement Servicer**" means any entity appointed as a substitute servicer in accordance with Clause 22 of the Servicing and Cash Management Deed.

Transaction Account

On or about the Programme Closing Date, a segregated Euro denominated account will be established with the Account Bank (the "**Transaction Account**").

Following the occurrence of an Issuer Event (as defined above), the Servicer shall (i) procure that within two days after the occurrence of such Issuer Event, all collections of principal and interest on deposit in the Collection Account be transferred to the Transaction Account. Following the occurrence of an Issuer Event, the Transaction Account will be used for the crediting of the following amounts:

(a) any amounts standing to the credit of the Collection Account;

(b) any amounts received by the Issuer or the Servicer in respect of the Loan Assets and the Marketable Assets;

(c) all amounts received by the Issuer for effecting payments on the Covered Bonds;

(d) all amounts received by the Issuer to effect an optional substitution of Cover Pool Assets (including any amount deposited by the Issuer to prevent a sale of the Loan Assets to a third party);

(e) all amounts received in connection with the sale of a Cover Pool Asset;

(f) all amounts received by the Issuer pursuant to the Interest Rate Swap and the Covered Bond Swaps (other than Swap Collateral Excluded Amounts (if any);

(g) all amounts deriving from the maturity or liquidation of Authorised Investments; and

(h) any Subsidy Payments received from the OEK and/or the Greek State and/or any other Greek State subsidised or owned entity.

The Issuer (or the Servicer on its behalf) will maintain records in relation to the Transaction Account in accordance with the Transaction Documents.

Covered Bonds Available Funds

Following the occurrence of an Issuer Event, the Issuer shall transfer any amounts it receives in respect of any Cover Pool Assets to the Transaction Account within two Athens Business Days of receipt.

The Transaction Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

Following the occurrence of an Issuer Event, payments on the Covered Bonds will be made from the Covered Bonds Available Funds in accordance with the relevant Priority of Payments.

"**Covered Bonds Available Funds**" means, at any time upon or after the occurrence of an Issuer Event in respect of any Cover Pool Payment Date, as the case may be, the aggregate of:

(a) all amounts standing to the credit of the Transaction Account at the immediately preceding Calculation Date (other than amounts standing to the credit of the General Reserve Ledger);

(b) all amounts (if any) paid or to be paid on or prior to such Cover Pool Payment Date by the Hedging Counterparties into the Transaction Accounts pursuant to the Hedging Agreement(s);

(c) all amounts of interest paid on the Transaction Account during the Interest Period immediately preceding such Cover Pool Payment Date;

(d) the General Reserve Withdrawal Amount; and

(e) all amounts deriving from repayment at maturity of any Authorised Investment on or prior to such Cover Pool Payment Date.

For the avoidance of doubt:

(i) should there be any duplication in the amounts included in the different items of the Covered Bonds Available Funds above, the Servicer shall avoid such duplication when calculating the Covered Bonds Available Funds; and

(ii) the Covered Bonds Available Funds will not include any asset (including, without limitation, cash or securities) which is paid or transferred by any Hedging Counterparty to the Issuer as collateral to secure the performance by such Hedging Counterparty of its obligations under a Hedging Agreement together with any income or distributions received in respect of such asset and any equivalent or

replacement of such asset into which such asset is transferred but which may not be applied at such time in satisfaction of the obligations of the relevant Hedging Counterparty under the terms of such Hedging Agreement.

"**Swap Collateral**" means, at any time, any asset (including, without limitation, cash and/or securities) which is paid or transferred by a Swap Provider to the Issuer as collateral in respect of the performance by such Swap Provider of its obligations under the relevant Hedging Agreement together with any income or distributions received in respect of such asset and any equivalent of such asset into which such asset is transformed.

Event of Default

If one of the following events occurs (an "**Event of Default**"):

(a) on the Final Maturity Date or where the relevant Series of Covered Bonds has an Extended Final Maturity Date (as specified in the Final Terms) the Extended Final Maturity Date, as applicable, in respect of any Series or on any Interest Payment Date on which principal is due and payable thereon, there is a failure to pay any amount of principal due on such Covered Bonds on such date and such default is not remedied within a period of seven Athens Business Days from the due date thereof;

(b) on any Interest Payment Date, a default in the payment of the amount of interest due on any Series occurs and such default is not remedied within a period of 14 Athens Business Days from the due date thereof; or

(c) a breach of the Amortisation Test pursuant to the Servicing and Cash Management Deed on any Calculation Date following an Issuer Event.

then the Trustee shall, upon receiving notice from the Principal Paying Agent, or the Servicer in the case of (c), of the occurrence of such Event of Default, serve a notice (a "**Notice of Default**") on the Issuer.

Following the service of a Notice of Default, the Covered Bonds of each Series shall become immediately due and payable.

Following the occurrence of an Event of Default, the Trustee shall be entitled to direct the Servicer to dispose of the Cover Pool. See "*Description of Principal Documents - Servicing and Cash Management Deed*".

Priority of Payments Prior to the delivery of a Notice of Default

Following an Issuer Event but prior to the delivery of a Notice of Default, the Servicer shall apply all Covered Bonds Available Funds on each Cover Pool Payment Date in making the following payments and provisions in the following order of priority (the "**Pre Event of Default Priority of Payments**") (in each case only

if and to the extent that payments of a higher priority have been made in full):

(i) *first*, in or towards satisfaction of all amounts then due and payable or to become due and payable prior to the next Cover Pool Payment Date to the Trustee (including remuneration payable to it) under the provisions of the Trust Deed together with interest and applicable VAT (or other similar taxes) thereon to the extent provided therein;

(ii) *second*, *pari passu* and *pro rata* according to the respective amounts thereof to pay any additional fees, costs, expenses and taxes due and payable on the Cover Pool Payment Date or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date to fund any notice to be given to any parties in accordance with any of the Transaction Documents or to the Covered Bondholders;

(iii) *third*, to pay all amounts due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date (and for which payment has not been provided for elsewhere in the relevant Priorities of Payments), to any Secured Creditors other than the Covered Bondholders with the exception of any amount due to be paid, or that will become due and payable prior to the next Cover Pool Payment Date, to the Hedging Counterparties under the Hedging Agreements;

(iv) *fourth*, *pari passu* and *pro rata*, according to the respective amounts thereof (a) to pay all amounts of interest due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date on any Covered Bonds and (b) to pay any amounts due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date under any Hedging Agreement other than Subordinated Termination Payments to any Hedging Counterparties under any such Hedging Agreements;

(v) *fifth*, to pay all amounts of principal due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date (if any) on any Covered Bonds;

(vi) *sixth*, for so long as any Covered Bonds remain outstanding, any remaining Covered Bonds Available Funds will remain standing to the credit of the Transaction Account, or, as applicable, be deposited in the Transaction Account;

(vii) *seventh*, to pay *pari passu* and *pro rata*, according to the respective amounts thereof, any amount due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date to any Hedging Counterparties arising out of any Subordinated Termination Payment; and

(viii) *eighth*, to pay any excess to the Issuer.

"**Subordinated Termination Payment**" means any termination payments due and payable to any Hedging Counterparty under a Hedging Agreement where such termination results from (a) an Additional Termination Event - "Ratings Event" as specified in the schedule to the relevant Hedging Agreement, (b) bankruptcy of the relevant Hedging Counterparty, or (c) any default and/or failure to perform by such Hedging Counterparty under the relevant Hedging Agreement, other than, in the event of (a) or (c) above, the amount of any termination payment due and payable to such Hedging Counterparty in relation to the termination of such transaction to the extent of any premium received by the Issuer from a replacement hedging counterparty.

Following delivery of a Notice of Default all funds deriving from the Cover Pool Assets and the Transaction Documents, standing to the credit of the Transaction Account shall be applied on any Athens Business Day in accordance with the following order of priority of payments (the "**Post Event of Default Priority of Payments**" and, together with the Pre Event of Default Priority of Payments, the "**Priorities of Payments**" and, each of them a "**Priority of Payments**") (in each case only if and to the extent that payments of a higher priority have been made in full) provided that any such amount has not been paid by the Issuer using funds not forming part of the Cover Pool:

(i) *first*, to pay any Indemnity to which the Trustee is entitled pursuant to the Trust Deed and any costs and expenses incurred by or on behalf of the Trustee (a) following the occurrence of a Potential Event of Default in connection with or as a result of serving on the Issuer a Notice of Default (to the extent that any such amounts have not yet been paid out of the Covered Bonds Available Funds before the delivery of a Notice of Default) and (b) following the delivery of a Notice of Default in connection with or as a result of the enforcement of (A) the security granted under the Statutory Pledge and the Deed of Charge and/or (B) any other right or remedy that the Trustee is entitled to, or is required to pursue, under or in connection with the Transaction Documents and the Covered Bonds for the purpose of protecting the interests of the Covered Bondholders and the other Secured Creditors;

(ii) *second*, *pari passu* and *pro rata* according to the respective amounts thereof, (a) to pay all amounts of

interest and principal then due and payable on any Covered Bonds, (b) to pay any additional fees, costs, expenses and taxes due and payable in connection with any listing or deposit of the Covered Bonds or to fund any notice to be given to any parties in accordance with any of the Transaction Documents or to the Covered Bondholders, (c) to pay all amounts due and payable to any Secured Creditors, other than the Covered Bondholders and (d) any amounts due and payable under any Hedging Agreement other than the Subordinated Termination Payments to any Hedging Counterparties under any such Hedging Agreements; and

(iii) *third*, to pay *pari passu* and *pro rata*, according to the respective amounts thereof, any amount due and payable to any Hedging Counterparties arising out of any Subordinated Termination Payment; and

(iv) *fourth*, following the payment in full of all items under (i) to (iii) above, to pay all excess amounts to the Issuer.

"**Indemnity**" means any indemnity amounts due to the Trustee under Clause 14 of the Trust Deed.

Servicing and Cash Management Deed

Under the terms of the Servicing and Cash Management Deed entered into on the Programme Closing Date between the Issuer, the Trustee and the Servicer (as amended and restated, the "**Servicing and Cash Management Deed**"), the Issuer has been authorised, subject to the conditions specified therein, to administer the cash flows arising from the Cover Pool.

The Servicing and Cash Management Deed sets forth the terms and conditions upon which the Servicer shall be required to administer the Cover Pool Assets.

Pursuant to the Servicing and Cash Management Deed the Servicer has undertaken to prepare and deliver certain reports in connection with the Loan Assets. Pursuant to the Servicing and Cash Management Deed, the Servicer will agree to perform certain obligations in connection with the management of the Cover Pool.

The Servicing and Cash Management Deed contains provisions under which the Issuer shall be obliged upon the terms and subject to the conditions specified therein, to appoint an appropriate entity to perform the Servicing and Cash Management Activities to be performed by the Servicer.

"**Programme Closing Date**" means 26 November 2008.

See "*Description of the Principal Documents – The Servicing and Cash Management Deed*".

Asset Monitor Agreement

Under the terms of the asset monitor agreement entered into on the Programme Closing Date between the Asset Monitor, the Servicer, the Issuer and the Trustee (as amended and restated, the "**Asset Monitor Agreement**"), the Asset Monitor has agreed to carry out various testing and notification duties in relation to the calculations performed by the Servicer in relation to the Statutory Tests and, if required, the Amortisation Test.

Trust Deed

Under the terms of the Trust Deed entered into on the Programme Closing Date (as amended and restated) between the Issuer and the Trustee, the Trustee will be appointed to act as the Covered Bondholders' representative in accordance with paragraph 2 of Article 152.

Deed of Charge

The Issuer shall, where necessary, assign its rights arising under the Hedging Agreements and any Transaction Document governed by English law to the Trustee (on trust for itself and on behalf of the Covered Bondholders and the other Secured Creditors) in accordance with a deed of charge (the "**Deed of Charge**").

In addition, the Covered Bondholders and the other Secured Creditors have agreed that, upon the occurrence of an Issuer Event, all the Covered Bonds Available Funds will be applied in or towards satisfaction of all the Issuer's payment obligations towards the Covered Bondholders and the other Secured Creditors, in accordance with the terms of the Servicing and Cash Management Deed and the relevant Priority of Payments.

The Trustee has been authorised, in accordance with the Servicing and Cash Management Deed, subject to a Notice of Default being delivered to the Issuer following the occurrence of an Event of Default or upon failure by the Issuer to exercise its rights under the Transaction Documents, to exercise, in the name and on behalf of the Issuer, all the Issuer's rights arising out of the Transaction Documents to which the Issuer is a party.

The Deed of Charge shall be governed by English Law.

Agency Agreement

Under the terms of an agency agreement entered into on the Programme Closing Date between the Issuer, the Agents and the Trustee (as amended and restated) (the "**Agency Agreement**"), the Agents have agreed to provide the Issuer with certain agency services and the Paying Agents have agreed, *inter alia*, to make available for inspection such documents as may be required from time to time by the rules of the Luxembourg Stock Exchange and to arrange for the publication of any notice to be given to the Covered Bondholders.

Bank Account Agreement

Under the terms of the bank account agreement entered into on the Programme Closing Date between the Account Bank, the Servicer, the Issuer and the Trustee (as amended and restated) (the "**Bank Account Agreement**"), the Account Bank has agreed to operate the Transaction Account and any Swap Collateral

Accounts (together with the Transaction Account, the "**Bank Accounts**") in accordance with the instructions given by the Servicer.

Custody Agreement

The Issuer may enter into any custody agreement, after the Programme Closing Date, between, *inter alios*, the Custodian and the Issuer (the "**Custody Agreement**") (as any of the same may be amended, restated, supplemented, replaced or novated from time to time).

Hedging Agreements

The Issuer may, from time to time during the Programme, enter into Interest Rate Swap Agreements and Covered Bond Swap Agreements, (together the "**Hedging Agreements**") with one or more Hedging Counterparties for the purpose of, *inter alia*, protecting itself against certain risks (including, but not limited to, interest rate, liquidity, currency and credit) related to the Loan Assets and/or the Covered Bonds. In accordance with the terms set forth in the Servicing and Cash Management Deed, the Issuer may include the claims of the Issuer arising from the Hedging Agreements, together with the cash flows deriving therefrom in the Cover Pool provided that, *inter alia* the terms and conditions of such Hedging Agreements shall not adversely affect the ratings of the then outstanding Covered Bonds.

The Hedging Agreements shall be governed by English Law.

The Issuer's rights arising from the Hedging Agreements will be included as part of the Cover Pool at the Issuer's discretion.

Transaction Documents

The Servicing and Cash Management Deed, the Programme Agreement, each Subscription Agreement, the Agency Agreement, the Trust Deed, the Deed of Charge, the Bank Account Agreement, the Asset Monitor Agreement, the Master Definitions and Construction Schedule, each of the Final Terms, each Registration Statement, the Conditions, the Hedging Agreements, any agreement entered into with a new Servicer, any custody agreement entered into from time to time in connection with the holding of any Authorised Investments or the Swap Collateral together with any additional document entered into in respect of the Covered Bonds and/or the Cover Pool and designated as a Transaction Document by the Issuer and the Trustee, are together referred to as the "**Transaction Documents**".

"**Subscription Agreement**" means an agreement supplemental to the Programme Agreement (by whatever name called) in or substantially in the form set out in the Programme Agreement or in such other form as may be agreed between the Issuer and the Lead Manager or one or more Dealers (as the case may be).

Investor Report

On the day which falls two Athens Business Days prior to the Cover Pool Payment Date falling in March, June, September and December of each year (each an "**Investor Report Date**"), the Servicer will produce an investor report (the "**Investor Report**"), which will contain information regarding the Covered Bonds and the Cover Pool, including statistics relating to the financial

performance of the Cover Pool Assets. Such report will be available to the prospective investors in the Covered Bonds and to Covered Bondholders at the offices of Citibank, N.A., London Branch, on Bloomberg and on the website www.nbg.gr.

DOCUMENTS INCORPORATED BY REFERENCE

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

(a) Unaudited interim condensed consolidated financial statements of National Bank of Greece S.A. as at and for the six-month period ended 30 June 2017 (the "**Six Months 2017 Financial Statements**") which have been prepared in accordance with International Financial Reporting Standards ("**IFRS"**) as endorsed by the European Union (the "**EU**");

(b) Group and Bank 2016 Annual Financial Report, which includes the Certification of the Board of Directors, the Board of Directors' Report, the Independent Auditor's Report and the Audited Separate and Consolidated Financial Statements for the Bank and the Group as at and for the year ended 31 December 2016, which have been prepared in accordance with IFRS as endorsed by the EU (the "**2016 Annual Financial Statements**");

(c) Unaudited interim condensed consolidated financial statements of National Bank of Greece S.A. as at and for the six-month period ended 30 June 2016 (the "**Six Months 2016 Financial Statements**") which have been prepared in accordance with IFRS as endorsed by the EU;

(d) Group and Bank 2015 Annual Financial Report, which includes the Certification of the Board of Directors, the Board of Directors' Report, the Independent Auditor's Report and the Audited Separate and Consolidated Financial Statements for the Bank and the Group as at and for the year ended 31 December 2015, which have been prepared in accordance with IFRS as endorsed by the EU (the "**2015 Annual Financial Statements**");

(e) the sections entitled "*Terms and Conditions of the Covered Bond*" set out on pages 92 – 126 (inclusive) of the base prospectus dated 10 August 2016 and on pages 67 to 98 (inclusive) of the base prospectus dated 12 January 2011 (for the avoidance of doubt, the applicable Final Terms for a Series or Tranche of Covered Bonds will indicate the Terms and Conditions applicable to such Series or Tranche and unless otherwise indicated in the applicable Final Terms, the Terms and Conditions of all Covered Bonds issued after the date hereof shall be those set out in full in this Base Prospectus). The remaining portions of the base prospectuses dated 10 August 2016 and 12 January 2011 are not relevant for prospective investors and are not incorporated by reference in this Base Prospectus.

The 2016 Annual Financial Statements and the 2015 Annual Financial Statements are collectively referred to as the "**Annual Financial Statements**".

Following the publication of this Base Prospectus a supplement to this Base Prospectus may be prepared by the Issuer 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 Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained free of charge from the registered office of the Issuer at 86 Eolou Street, Athens, the Issuer's website www.nbg.gr, the Luxembourg Stock Exchange website www.bourse.lu and from the specified offices of the Paying Agents for the time being in London and Luxembourg.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Covered Bonds, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Covered Bonds.

CROSS-REFERENCE LIST RELATING TO THE AUDITORS' REPORT AND AUDITED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS OF NATIONAL BANK OF GREECE S.A. AS AT AND FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2016 AND 31 DECEMBER 2015

	31 December	31 December 2015
Information Incorporated		
Statement of Financial Position	p. 60	p. 55
Income Statement	p. 61	p. 56
Statement of changes in equity	p. 63-64	p. 58-59
Cash-flow statement	p. 65	p. 60
Accounting policies and explanatory notes	p. 66-176	p. 61-175
Auditor's report	p. 58-59	p. 53-54

Any information not listed in the cross reference list but included in the documents incorporated by reference is given for information purposes only.

CROSS-REFERENCE LIST RELATING TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL BANK OF GREECE S.A. AS AT AND FOR THE-SIX MONTH PERIODS ENDED 30 JUNE 2017 AND 30 JUNE 2016

	30 June 2017	30 June 2016
Information Incorporated		
Statement of Financial Position	p. 20	p. 17
Income Statement	p. 21	p. 18
Accounting policies and explanatory notes	p. 28-54	p. 25-48

Any information not listed in the cross reference list but included in the documents incorporated by reference is given for information purposes only.

TERMS AND CONDITIONS OF THE COVERED BONDS

The following are the Terms and Conditions of the Covered Bonds which will be incorporated by reference into each Global Covered Bond (as defined below) and each Definitive Covered Bond (as defined below), in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Definitive Covered Bond will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Series or Tranche of Covered Bonds may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, modify the following Terms and Conditions for the purpose of such Covered Bonds. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Covered Bond and Definitive Covered Bond. Reference should be made to "Form of the Covered Bonds" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Covered Bonds.

This Covered Bond is one of a Series (as defined below) of Covered Bonds issued by National Bank of Greece S.A. (the "**Issuer**") pursuant to the Trust Deed (as defined below).

References herein to the Covered Bonds shall be references to the Covered Bonds of this Series and shall mean:

(a) in relation to any Covered Bonds represented by a global Covered Bond (a "**Global Covered Bond**"), units of the lowest denomination specified in the relevant Final Terms ("**Specified Denomination**") in the currency specified in the relevant Final Terms ("**Specified Currency**");

(b) any Global Covered Bond; and

(c) any definitive Covered Bonds (each a "**Definitive Covered Bond**") issued in exchange for a Global Covered Bond.

The Covered Bonds and the Coupons (as defined below) are constituted by a trust deed (such trust deed as amended and/or supplemented and/or restated from time to time, the "**Trust Deed**") dated the Programme Closing Date and made between *inter alios* the Issuer, Citibank, N.A., London Branch (the "**Trustee**", which expression includes the trustee or trustees for the time being of the Trust Deed) as trustee for the Covered Bondholders.

The Covered Bonds and the Coupons (as defined below) have the benefit of an agency agreement (such agency agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated the Programme Closing Date and made between *inter alios* the Issuer, Citibank N.A. as principal paying agent (the "**Principal Paying Agent**", which expression shall include any successor principal paying agent), and the other paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

Interest bearing Definitive Covered Bonds have interest coupons ("**Coupons**") and, if indicated in the applicable Final Terms, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Covered Bonds do not have Coupons or Talons attached on issue.

The Final Terms for this Covered Bond (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Covered Bond which complete these Terms and

Conditions (the "**Conditions**") 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 Covered Bond. References to the applicable Final Terms are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Covered Bond.

Any reference to Covered Bondholders or holders in relation to any Covered Bonds shall mean the holders of the Covered Bonds and shall, in relation to any Covered Bonds represented by a Global Covered Bond, be construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, "**Tranche**" means Covered Bonds which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the applicable Final Terms are available for viewing at the registered office of the Issuer and of the Principal Paying Agent and copies may be obtained from those offices save that, if this Covered Bond 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, the applicable Final Terms will only be obtainable by a Covered Bondholder holding one or more Covered Bonds and such Covered Bondholder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of such Covered Bonds and identity. The Covered Bondholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed.

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Conditions shall bear the meanings given to them in the applicable Final Terms and/or the master definitions and construction schedule made between the parties to the Transaction Documents on or about the Programme Closing Date as the same may be amended, varied or supplemented from time to time (the "**Master Definitions and Construction Schedule**"), a copy of each of which may be obtained as described above.

1. Form, Denomination and Title

The Covered Bonds are in bearer form and, in the case of Definitive Covered Bonds, serially numbered, in the Specified Currency and the Specified Denomination(s). Covered Bonds of one Specified Denomination may not be exchanged for Covered Bonds of another Specified Denomination.

This Covered Bond may be a Fixed Rate Covered Bond, a Floating Rate Covered Bond, a Zero Coupon Covered Bond or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

The Covered Bonds will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and set out in the applicable Final Terms save that the minimum denomination of each Covered Bond will be €100,000 (or, if the Covered Bonds are denominated in a currency other than euro, the equivalent amount in such currency) or such other higher amount as is required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

It is a condition precedent to the issuance of a new Series or Tranche of Covered Bonds that (i) there is no Issuer Event outstanding and that such issuance would not cause an Issuer Event, (ii) such issuance would not result in a breach of any of the Statutory Tests, (iii) Fitch and DBRS have confirmed that the then current rating of all Covered Bonds issued and outstanding under the Programme and that the ratings of such Covered Bonds will not be adversely affected or withdrawn as a result of such issuance and Moody's has been notified of such issuance, (iv) such issuance has been approved by the Bank of Greece in accordance with paragraph II.3 of the Secondary Covered Bond Legislation and (v) if applicable, in respect of any Series or Tranche, a Hedging Agreement is entered into.

Definitive Covered Bonds are issued with Coupons attached, unless they are Zero Coupon Covered Bonds in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to the Covered Bonds and Coupons will pass by delivery. The Issuer, the Paying Agents and the Trustee will (except as otherwise required by law) deem and treat the bearer of any Covered Bond or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Covered Bond, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Covered Bonds are represented by a Global Covered Bond held on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and/or Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Covered Bonds (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Covered Bonds standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error and any such certificate or other document may comprise any form of statement or printout of electronic records provided by the relevant clearing system (including, without limitation, Euroclear's EUCLID or Clearstream's Cedcom system) in accordance with its usual procedures and in which the holder of a particular nominal amount of the Covered Bonds is clearly identified with the amount of such holding) shall be treated by the Issuer, the Paying Agents and the Trustee as the holder of such nominal amount of such Covered Bonds for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Covered Bonds, for which purpose the bearer of the relevant Global Covered Bond shall be treated by the Issuer, any Paying Agent and the Trustee as the holder of such nominal amount of such Covered Bonds in accordance with and subject to the terms of the relevant Global Covered Bond and the expressions "**Covered Bondholder**" and "**holder of Covered Bonds**" and related expressions shall be construed accordingly.

Covered Bonds which are represented by a Global Covered Bond will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Trustee.

2. Status of the Covered Bonds

Status

The Covered Bonds constitute direct, unconditional and unsubordinated obligations of the Issuer secured by the (i) statutory pledge provided by paragraph 4 of Article 152 of the Greek Covered Bond Legislation (the "**Statutory Pledge**") in respect of the Greek law governed Cover Pool Assets and (ii) the Deed of Charge in respect of the other Cover Pool Assets. They are issued in accordance with Greek Covered Bond Legislation and are backed by the assets of the Cover Pool. They will at all times rank *pari passu* without any preference among themselves.

3. Priorities of Payments

Following an Issuer Event but prior to the delivery of a Notice of Default, the Servicer shall apply all Covered Bonds Available Funds on each Cover Pool Payment Date in making the following payments and provisions in the following order of priority (the "**Pre Event of Default Priority of Payments**") (in each case only if and to the extent that payments of a higher priority have been made in full):

(i) *first*, in or towards satisfaction of all amounts then due and payable or to become due and payable prior to the next Cover Pool Payment Date to the Trustee (including remuneration payable to it) under the provisions of the Trust Deed together with interest and applicable VAT (or other similar taxes) thereon to the extent provided therein;

(ii) *second*, *pari passu* and *pro rata* according to the respective amounts thereof to pay any additional fees, costs, expenses and taxes due and payable on the Cover Pool Payment Date or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date to fund any notice to be given to any parties in accordance with any of the Transaction Documents or to the Covered Bondholders;

(iii) *third*, to pay all amounts due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date (and for which payment has not been provided for elsewhere in the relevant Priorities of Payments), to any Secured Creditors other than the Covered Bondholders with the exception of any amount due to be paid, or that will become due and payable prior to the next Cover Pool Payment Date, to the Hedging Counterparties under the Hedging Agreements;

(iv) *fourth*, *pari passu* and *pro rata*, according to the respective amounts thereof (a) to pay all amounts of interest due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date on any Covered Bonds and (b) to pay any amounts due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date under any Hedging Agreement other than Subordinated Termination Payments to any Hedging Counterparties under any such Hedging Agreement;

(v) *fifth*, to pay all amounts of principal due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date (if any) on any Covered Bonds;

(vi) *sixth*, for so long as any Covered Bonds remain outstanding, any remaining Covered Bonds Available Funds will remain standing to the credit of the Transaction Account, or, as applicable, be deposited in the Transaction Account;

(vii) *seventh*, to pay *pari passu* and *pro rata*, according to the respective amounts thereof, any amount due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date to any Hedging Counterparties arising out of any Subordinated Termination Payment; and

(viii) *eighth*, to pay any excess to the Issuer.

Following delivery of a Notice of Default all funds deriving from the Cover Pool Assets and the Transaction Documents, standing to the credit of the Transaction Account shall be applied on any Athens Business Day in accordance with the following order of priority of payments (the "**Post Event of Default Priority of Payments**" and, together with the Pre Event of Default Priority of Payments, the "**Priorities of Payments**" and, each of them a "**Priority of Payments**") (in each case only if and to the extent that payments of a higher priority have been made in full) provided that any such amount has not been paid by the Issuer using funds not forming part of the Cover Pool:

(i) *first*, to pay any Indemnity to which the Trustee is entitled pursuant to the Trust Deed and any costs and expenses incurred by or on behalf of the Trustee (a) following the occurrence of a Potential Event of Default in connection with or as a result of serving on the Issuer a Notice of Default (to the extent that any such amounts have not yet been paid out of the Covered Bonds Available Funds before the delivery of a Notice of Default) and (b) following the delivery of a Notice of Default in connection with or as a result of the enforcement of (A) the security granted under the Statutory Pledge and the Deed of Charge and/or (B) any other right or remedy that the Trustee is entitled to, or is required to pursue, under or in connection with the Transaction Documents and the Covered Bonds for the purpose of protecting the interests of the Covered Bondholders and the other Secured Creditors;

(ii) *second*, *pari passu* and *pro rata* according to the respective amounts thereof, (a) to pay all amounts of interest and principal then due and payable on any Covered Bonds, (b) to pay any additional fees, costs, expenses and taxes due and payable in connection with any listing or deposit of the Covered Bonds or to fund any notice to be given to any parties in accordance with any of the Transaction Documents or to the Covered Bondholders, (c) to pay all amounts due and payable to any Secured Creditors, other than the Covered Bondholders and (d) any amounts due and payable under any Hedging Agreement other than the Subordinated Termination Payments to any Hedging Counterparties under any such Hedging Agreements;

(iii) *third*, to pay *pari passu* and *pro rata*, according to the respective amounts thereof, any amount due and payable to any Hedging Counterparties arising out of any Subordinated Termination Payment; and

(iv) *fourth*, following the payment in full of all items under (i) to (iii) above, to pay all excess amounts to the Issuer.

4. Interest

4.1. Interest on Fixed Rate Covered Bonds

Each Fixed Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable, subject as provided in these Conditions, in arrear on the Interest Payment Date(s) in each year up to (and including) the Final Maturity Date.

Except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on but excluding such date ("**Fixed Coupon Amount**"). Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the broken amount specified in the relevant Final Terms (the "**Broken Amount**") so specified.

As used in the Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

4.2. Floating Rate Covered Bond Provisions

(a) Interest on Payment Dates

Each Floating Rate Covered Bond bears interest on its Principal Amount Outstanding (subject to Condition 4.5 (*Partly Paid Covered Bond Provisions*) from (and including) the Interest Commencement Date and such interest will be payable in arrear on either*:*

(i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an "**Interest Payment Date**") which falls the number of months or other period specified as the "**Specified Period**" in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Conditions, the expression "**Interest Period**" shall mean the period from (and including) an Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Covered Bonds will be determined in the manner specified in the applicable Final Terms.

(i) ISDA Determination for Floating Rate Covered Bonds

Where "**ISDA Determination**" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent or other person specified in the applicable Final Terms under an interest rate swap transaction if the Principal Paying

Agent or that other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Covered Bonds (the "**ISDA Definitions**"), and under which:

(A) the Floating Rate Option is as specified in the applicable Final Terms;

(B) the Designated Maturity is the period specified in the applicable Final Terms; and

(C) the relevant Reset Date is either (I) if the applicable Floating Rate Option is based on the London inter-bank offered rate (LIBOR) or on the Euro-zone inter-bank offered rate (EURIBOR), the first day of that Interest Period or (II) in any other case, as specified in the applicable Final Terms.

For the purposes of this subparagraph (i), (1) "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions and (2) "**Euro-zone**" means the region comprising the member states of the European Union that adopt or have adopted the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

When this subparagraph (i) applies, in respect of each relevant Interest Period the Principal Paying Agent or the above-mentioned person will be deemed to have discharged its obligations under Condition 4.2(d) below in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this subparagraph (i).

(ii) Screen Rate Determination for Floating Rate Covered Bonds

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(A) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

(B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest pursuant to this subparagraph (ii) in the event that the Relevant Screen Page is not

available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Covered Bonds is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Covered Bonds will be determined as provided in the applicable Final Terms.

(c) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms for a Floating Rate Covered Bond specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms for a Floating Rate Covered Bond specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) Determination of Rate of Interest and calculation of Interest Amounts

The Principal Paying Agent, in the case of Floating Rate Covered Bonds will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the Interest Amount) payable on the Floating Rate Covered Bonds for the relevant Interest Period by applying the Rate of Interest to:

(i) in the case of Floating Rate Covered Bonds which are represented by a Global Covered Bond, the aggregate outstanding nominal amount of the Covered Bonds represented by such Global Covered Bond (or, if they are Partly Paid Covered Bonds, the aggregate amount paid up); or

(ii) in the case of Floating Rate Covered Bonds in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Covered Bond in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Covered Bond shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

(e) Notification of Rate of Interest and Interest Amounts

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and to any stock exchange or other relevant competent authority or quotation system on

which the relevant Floating Rate Covered Bonds are for the time being listed, quoted and/or traded or by which they have been admitted to listing or trading and to be published in accordance with Condition 16 (*Notices*) as soon as possible after their determination but in no event later than the fourth Business Day (as defined in Condition 4.5) thereafter and in the case of any notification to be given to the Luxembourg Stock Exchange on or before the first Business Day of each Interest Period. Each Interest Amount and 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 the Interest Period. Any such amendment or alternative arrangements will be promptly notified to the Trustee and each stock exchange or other relevant authority on which the relevant Floating Rate Covered Bonds are for the time being listed, quoted and/or traded or by which they have been admitted to listing or trading and to Covered Bondholders in accordance with Condition 16 (Notices).

(f) Determination or Calculation by Trustee

If for any reason at any relevant time after the Issue Date, the Principal Paying Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Principal Paying Agent defaults in its obligation to calculate any Interest Amount in accordance with subparagraph 4.2(b)(i) or 4.2(b)(ii) above or as otherwise specified in the applicable Final Terms, as the case may be, and in each case in accordance with paragraph 4.2(d) above, the Trustee may determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it may think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee may calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances. In making any such determination or calculation, the Trustee may appoint and rely on a determination or calculation by a calculation agent (which shall be an investment bank or other suitable entity of international repute). If such determination or calculation is made the Trustee shall as soon as reasonably practicable notify the Issuer and the Stock Exchange of such determination or calculation and each such determination or calculation shall be deemed to have been made by the Principal Paying Agent or the Calculation Agent, as the case may be.

(g) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.2, whether by the Principal Paying Agent, the Calculation Agent or the Trustee shall (in the absence of wilful default or manifest error) be binding on the Issuer, the Principal Paying Agent, the Calculation Agent, the other Paying Agents, the Trustee and all Covered Bondholders, Receiptholders and Couponholders and (in the absence of wilful default, gross negligence, bad faith or fraud) no liability to the Issuer the Covered Bondholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

4.3. Interest on Zero Coupon Covered Bonds

Zero Coupon Covered Bonds will be offered and sold at a discount to their nominal amount and will not bear interest. When a Zero Coupon Covered Bond becomes repayable prior to its Maturity Date it will be redeemed at the Early Redemption Amount calculated in accordance with Condition 6.5 (*Early Redemption Amounts*). In the case of late payment the amount due and repayable shall be calculated in accordance with Condition 6.8 (*Late Payment*).

4.4. Accrual of interest

Interest (if any) will cease to accrue on each Covered Bond (or in the case of the redemption of part only of a Covered Bond, that part only of such Covered Bond) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused or unless default is otherwise made in respect of payment, in which event, interest will continue to accrue as provided in Condition 6.8 (*Late Payment*).

4.5. Business Day, Business Day Convention, Day Count Fractions and other adjustments

(a) In these Conditions, "**Business Day**" means:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and Athens and any Additional Business Centre specified in the applicable Final Terms; and

(ii) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre) or as otherwise specified in the applicable Final Terms or (B) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("**TARGET2**") System (the "**TARGET2 System**") is open.

(b) If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(i) in any case where Specified Periods are specified in accordance with Condition 4.2(a)(ii), the "**Floating Rate Convention**", such Interest Payment Date (1) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (II) below shall apply mutatis mutandis, or (2) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (I) such Interest Payment Date shall be brought forward to the immediately preceding Business Day, and (II) each subsequent Interest Payment Date shall be the last Business Day in the month which falls within the Specified Period after the preceding applicable Interest Payment Date occurred; or

(ii) the "**Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(iii) the "**Modified Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(iv) the "**Preceding Business Day Convention**", such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

(c) "**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:

(i) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:

(A) in the case of Covered Bonds where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period (as defined in Condition 4.5(e)) during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(B) in the case of Covered Bonds where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of (I) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and (II) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;

(ii) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366, and (ii) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(iv) if "**Actual/365 (Sterling)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(v) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x\ (Y^2 - Y^1)] + [30x(M^2 - M^1)] + (D^2 - D^1)}{360}$$

where:

"Y^1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y^2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M^1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M^2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D^1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 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 Interest Period, unless such number would be 31 and D^1 is greater than 29, in which case D^2 will be 30;

(vii) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x\ (Y^2 - Y^1)] + [30x(M^2-M^1)] + (D^2 - D^1)}{360}$$

where:

"Y^1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y^2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M^1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M^2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D^1" is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless such number would be 31, in which case D^2 will be 30;

(viii) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360x\ (Y^2 - Y^1)] + [30x(M^2-M^1)] + (D^2 - D^1)}{360}$$

where:

"Y^1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y^2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M^1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M^2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D^1" is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless (i) that day is the last day of February but not the Final Maturity Date or (ii) such number would be 31 and D^2 will be 30; or

such **other** Day Count Fraction as may be specified in the applicable Final Terms.

(d) "**Determination Date**" has the meaning given in the applicable Final Terms.

(e) "**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

(f) "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

(g) "**Interest Commencement Date**" means in the case of interest-bearing Covered Bonds, the date specified in the applicable Final Terms from (and including) which the relevant Covered Bonds will accrue interest.

(h) "**Interest Payment Date**" means, in respect of Fixed Rate Covered Bonds, the meaning given in the applicable Final Terms and in respect of Floating Rate Covered Bonds, the meaning given in Condition 4.2, together the "**Interest Payment Dates**".

(i) "**Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

(j) "**Principal Amount Outstanding**" means in respect of a Covered Bond on any day the principal amount of that Covered Bond on the relevant Issue Date thereof less principal amounts received by the relevant Covered Bondholder in respect thereof on or prior to that day provided that the Principal Amount Outstanding in respect of a Covered Bond that has been purchased and cancelled by the Issuer shall be zero.

(k) If "**adjusted**" is specified in the applicable Final Terms against the Day Count Fraction, interest in respect of the relevant Interest Period shall be payable in arrear on the relevant Interest Payment Date and calculated from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, as such Interest Payment Date shall, where applicable, be adjusted in accordance with the Business Day Convention.

(l) If "**not adjusted**" is specified in the applicable Final Terms against the Day Count Fraction, interest in respect of the relevant Interest Period shall be payable in arrear on the relevant Interest Payment Date and calculated from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, but such Interest Payment Dates shall not be adjusted in accordance with any Business Day Convention.

(m) "**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, euro 0.01.

5. Payments

5.1. Method of payment

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively);

(ii) payments in euro will be made by credit or electronic transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and

(iii) payments in U.S. Dollars will be made by transfer to a U.S. Dollar account maintained by the payee with a bank outside of the United States (which expression, as used in this Condition 5, means the United States of America, including the State and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction), or by cheque drawn on a United States bank.

In no event will payment in respect of Covered Bonds be made by a cheque mailed to an address in the United States. All payments of interest in respect of Covered Bonds will be made to accounts located outside the United States except as may be permitted by United States tax law in effect at the time of such payment without detriment to the Issuer.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment but without prejudice to the provisions of Condition 7 (*Taxation*). References to Specified Currency will include any successor currency under applicable law.

5.2. Presentation of Definitive Covered Bonds and Coupons

Payments of principal and interest (if any) (other than instalments of principal prior to the final instalment) will (subject as provided below) be made in accordance with Condition 5.1 (*Method of payment*) only against presentation and surrender of Definitive Covered Bonds or Coupons (or, in the case of part payment of any sum due, endorsement of the Definitive Covered Bond (or Coupon), as the case may be, only at a specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction).

Fixed Rate Covered Bonds in definitive bearer form (other than Long Maturity Covered Bonds) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall include Coupons falling to be issued on exchange of matured Talons), failing which an amount equal to the face value of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 10 (*Prescription*) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10 (*Prescription*) or, if later, five years from the date on which such Coupon would otherwise have become due but in no event thereafter.

Upon amounts in respect of any Fixed Rate Covered Bond in definitive bearer form becoming due and repayable by the Issuer prior to its Final Maturity Date (or, as the case may be, Extended Final Maturity Date), all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the due date for redemption of any Floating Rate Covered Bond in definitive bearer form, all unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Covered Bond**" is a Fixed Rate Covered Bond (other than a Fixed Rate Covered Bond which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Covered Bond shall cease to be a Long Maturity Covered Bond on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the Principal Amount Outstanding of such Covered Bond.

If the due date for redemption of any Definitive Covered Bond is not an Interest Payment Date, interest (if any) accrued in respect of such Covered Bond from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against presentation and surrender of the relevant Definitive Covered Bond.

5.3. Payments in respect of Global Covered Bonds

Payments of principal and interest (if any) in respect of Covered Bonds represented by any Global Covered Bond will (subject as provided below) be made in the manner specified above in relation to Definitive Covered Bonds and otherwise in the manner specified in the relevant Global Covered Bond against presentation or surrender, as the case may be, of such Global Covered Bond if the Global Covered Bond is not intended to be issued in new global covered bond ("**NGCB**") form at the specified office of any Paying Agent outside the United States. On the occasion of each payment, (i) in the case of any Global Covered Bond which is not issued in NGCB form, a record of such payment made on such Global Covered Bond, distinguishing between any payment of principal and any payment of interest, will be made on such Global Covered Bond by the Paying Agent and such record shall be prima facie evidence that the payment in question has been made and (ii) in the case of any Global Covered Bond which is issued in NGCB form, the Paying Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such payment. No payments of principal, interest or other amounts due in respect of a Global Covered Bond will be made by mail to an address in the United States or by transfer to an account maintained in the United States.

5.4. General provisions applicable to payments

The bearer of a Global Covered Bond or the Trustee shall be the only person entitled to receive payments in respect of Covered Bonds represented by such Global Covered Bond and the obligations of the Issuer will be discharged by payment to, or to the order of, the holder of such Global Covered Bond (or the Trustee, as the case may be) in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Covered Bonds represented by such Global Covered Bond must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Covered Bond (or the Trustee, as the case may be). No person other than the holder of the relevant Global Covered Bond (or, as provided in the Trust Deed, the Trustee) shall have any claim against the Issuer in respect of any payments due on that Global Covered Bond.

Notwithstanding the foregoing provisions of this Condition, payments of principal and/or interest in respect of Covered Bonds in U.S. Dollars will only be made at the specified office of a Paying Agent in the United States if:

(i) 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 in U.S. Dollars at such specified offices outside the United States of the full amount of principal and/or interest on the Covered Bonds in the manner provided above when due;

(ii) payment of the full amount of such principal and interest at such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. Dollars; and

(iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer adverse tax consequences to the Issuer.

5.5. Payment Day

If the date for payment of any amount in respect of any Covered Bond or Coupon is not a Payment Day (as defined below), the holder thereof shall not be entitled to payment of the relevant amount due until the next following Payment Day and shall not be entitled to any

interest or other sum in respect of any such delay. In this Condition (unless otherwise specified in the applicable Final Terms), "**Payment Day**" means any day which (subject to Condition 10 (*Prescription*) is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are

open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(A) the relevant place of presentation;

(B) London;

(C) Athens; and

(D) any Additional Financial Centre specified in the applicable Final Terms; and

(ii) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, Athens, London and any Additional Financial Centre) or as otherwise specified in the applicable Final Terms or (ii) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

5.6. Interpretation of principal and interest

Any reference in these Conditions to principal in respect of the Covered Bonds shall be deemed to include, as applicable:

(i) any additional amounts which may be payable with respect to principal under Condition 7 (*Taxation*) or under any undertakings or covenants given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;

(ii) the Final Redemption Amount (as defined in the Final Terms) (the "**Final Redemption Amount**") of the Covered Bonds;

(iii) the Early Redemption Amount of the Covered Bonds but excluding any amount of interest referred to therein;

(iv) the Optional Redemption Amount(s) (if any) of the Covered Bonds;

(v) in relation to Zero Coupon Covered Bonds, the Amortised Face Amount (as defined in Condition 6.5(iii); and

(vi) any premium and any other amounts (other than interest) which may be payable under or in respect of the Covered Bonds.

Any reference in these Conditions to interest in respect of the Covered Bonds shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 (*Taxation*) or under any undertakings given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

5.7. Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Covered Bondholders, the Receiptholders and the Couponholders, on giving prior written notice to the Trustee and the Agents, Euroclear and Clearstream, Luxembourg and at least 30 days' prior notice to the Covered Bondholders in accordance with Condition 16 (*Notices*), elect that, with effect from the Redenomination Date specified in the notice, the Covered Bonds shall be redenominated in euro. In relation to any Covered Bonds where the applicable Final Terms provides for a minimum Specified Denomination in the Specified Currency which is equivalent to at least €50,000 in respect of Series 3 Covered Bonds and for all other Covered Bonds €100,000 and which are admitted to trading on a regulated market in the European Economic Area, it shall be a term of any such redenomination that the holder of any Covered Bonds held through Euroclear and/or Clearstream, Luxembourg must have credited to its securities account with the relevant clearing system a minimum balance of Covered Bonds of at least in respect of Series 3 Covered Bonds €50,000 and for all other Covered Bonds €100,000.

The election will have effect as follows:

(i) the Covered Bonds and any Receipts shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for the Covered Bond equal to the nominal amount of that Covered Bond in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, in consultation with the Agents that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Covered Bondholders, the competent listing authority, stock exchange and/or market (if any) on or by which the Covered Bonds may be listed and/or admitted to trading and the Paying Agents of such deemed amendments;

(ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Covered Bonds will be calculated by reference to the aggregate nominal amount of Covered Bonds presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;

(iii) if Definitive Covered Bonds are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of €100,000 and/or such higher amounts as the Agents may determine and notify to the Covered Bondholders and any remaining amounts less than €100,000 shall be redeemed by the Issuer and paid to the Covered Bondholders in euro in accordance with Condition 7 (*Taxation*);

(iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Covered Bonds) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro-denominated Covered Bonds and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Covered Bonds and Coupons so issued will also become void on that date although those Covered Bonds and Coupons will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Covered Bonds, Receipts and Coupons will be issued in exchange for Covered Bonds, Receipts and Coupons denominated in the Specified Currency in such manner as the Agents may specify and as shall be notified to the Covered Bondholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Covered Bonds;

(v) after the Redenomination Date, all payments in respect of the Covered Bonds, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Covered Bonds to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;

(vi) if the Covered Bonds are Fixed Rate Covered Bonds and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;

(vii) (if the Covered Bonds are Floating Rate Covered Bonds, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and

(viii) such other changes shall be made to this Condition (and the Transaction Documents) as the Issuer may decide, after consultation with the Agents and as may be specified in the notice, to conform it to conventions then applicable to instruments denominated in euro.

5.8. Definitions

In these Conditions, the following expressions have the following meanings:

"**Accrual Yield**" has, in relation to a Zero Coupon Covered Bond, the meaning given in the applicable Final Terms.

"**Calculation Amount**" has the meaning given in the applicable Final Terms.

"**Earliest Maturing Covered Bonds**" means, at any time, the Series of the Covered Bonds (other than any Series which is fully collateralised by amounts standing to the credit of the Transaction Account) that has or have the earliest Final Maturity Date as specified in the applicable Final Terms (ignoring any acceleration of amounts due under the Covered Bonds prior to an Event of Default).

"**Early Redemption Amount**" means the amount calculated in accordance with Condition 6.5 (*Early Redemption Amounts*).

"**Established Rate**" means the rate for the conversion (if any) of the relevant Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty.

"**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty.

"**Extraordinary Resolution**" means a resolution of the Covered Bondholders passed as such under the terms of the Trust Deed.

"**Minimum Rate of Interest**" means in respect of Floating Rate Covered Bonds the percentage rate per annum (if any) specified in the applicable Final Terms.

"**Notice of Default**" has the meaning given to it in Condition 9 (*Events of Default and Enforcement*).

"**Optional Redemption Amount**" has the meaning (if any) given in the applicable Final Terms.

"**Potential Event of Default**" means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Event of Default.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of Fixed Rate Covered Bonds, Floating Rate Covered Bonds, as determined in, or as determined in the manner specified in, the applicable Final Terms.

"**Redenomination Date**" means (in the case of interest bearing Covered Bonds) any date for payment of interest under the Covered Bonds or (in the case of Zero Coupon Covered Bonds) any date, in each case specified by the Issuer in the notice given to the Covered Bondholders pursuant to Condition 5.7 (*Redenomination*) above and which falls on or after the date on which the country of the relevant Specified Currency first participates in the third stage of European economic and monetary union.

"**Reference Price**" has, in respect of a Zero Coupon Covered Bond, the meaning given in the applicable Final Terms.

"**Screen Rate Determination**" means, if specified as applicable in the applicable Final Terms, the manner in which the Rate of Interest on Floating Rate Covered Bonds is to be determined in accordance with Condition 4.2(b)(ii).

"**Secured Creditors**" means the Covered Bondholders, the Couponholders, the Trustee, any Receiver, the Asset Monitor, the Account Bank, the Agents, the Servicer, the Hedging Counterparties and any other creditor of the Issuer pursuant to any Transaction Document entered into in the course of the Programme having recourse to the Cover Pool (provided that where NBG performs any of the above roles, NBG will not be a Secured Creditor).

"**Treaty**" means the Treaty establishing the European Community, as amended.

6. Redemption and Purchase

6.1. Final redemption

(i) Unless previously redeemed in full or purchased and cancelled as specified below, each Covered Bond will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Final Maturity Date.

(ii) If an Extended Final Maturity Date is specified in the applicable Final Terms for a Series of Covered Bonds and the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the Final Terms, then (subject as provided below) payment of the unpaid amount by the Issuer shall be deferred until the Extended Final Maturity Date, provided that any amount representing the Final Redemption Amount due and remaining unpaid on the Final Maturity Date may be paid by the Issuer on any Interest Payment Date occurring thereafter up to (and including) the relevant Extended Final Maturity Date.

(iii) The Issuer shall confirm to the Rating Agencies, any relevant Hedging Counterparty, the Trustee and the Principal Paying Agent as soon as reasonably practicable and in any event at least four Athens Business Days prior to the Final Maturity Date of any inability of the Issuer to pay in full the Final Redemption Amount in respect of a Series of Covered Bonds on the Final Maturity Date. Any failure by the Issuer to notify such parties shall not affect the validity of effectiveness of the extension nor give rise to any rights in any such party.

(iv) Where the applicable Final Terms for a relevant Series of Covered Bonds provides that such Covered Bonds are subject to an Extended Final Maturity Date, such failure to pay by the Issuer on the Final Maturity Date shall not constitute a default in payment.

6.2. Redemption for taxation reasons

The Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time (if the relevant Covered Bond is not a Floating Rate Covered Bond) or on any Interest Payment Date (if the relevant Covered Bond is a Floating Rate Covered Bond), on giving not less than 30 nor more than 60 days' notice to the Trustee and, in accordance with Condition 16 (*Notices*), the Covered Bondholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that on the occasion of the next date for payment of interest on the relevant Covered Bonds, the Issuer is or would be required to pay additional amounts as provided or referred to in Condition 7 (*Taxation*). Covered Bonds redeemed pursuant to this Condition 6.2 (*Redemption for taxation reasons*) will be redeemed at their Early Redemption Amount referred to in Condition 6.5 (*Early Redemption Amounts*) together (if appropriate) with interest accrued to (but excluding) the date of redemption.

6.3. Redemption at the option of the Issuer (Issuer Call)

If an issuer call is specified in the applicable Final Terms ("**Issuer Call**"), the Issuer may, having given:

(i) not less than 15 nor more than 30 days' notice to the Covered Bondholders and the Trustee in accordance with Condition 16 below with a copy of such notice to be provided to the Trustee; and

(ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Principal Paying Agent;

which notice shall be irrevocable and shall specify the date fixed for redemption (the "**Optional Redemption Date**"), redeem all or some only of the Covered Bonds then outstanding on any Optional Redemption Date and at the "**Optional Redemption Amount(s)** " specified in, or determined in the manner specified in, the applicable Final Terms together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount (if any) as specified in the applicable Final Terms. In the case of a partial redemption of Covered Bonds, the Covered Bonds to be redeemed (the "**Redeemed Covered Bonds**") will be selected individually by lot, in the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Covered Bonds represented by a Global Covered Bond, in each case, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter

called the "**Selection Date**"). In the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, a list of the serial numbers of such Redeemed Covered Bonds will be published in accordance with Condition 16 (*Notices*) not less than 15 days (or such shorter period as may be specified in the applicable Final Terms) prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Covered Bonds represented by Definitive Covered Bonds or represented by Global Covered Bonds shall, in each case, bear the same proportion to the aggregate nominal amount of all Redeemed Covered Bonds as the aggregate nominal amount of Definitive Covered Bonds or Global Covered Bonds outstanding bears, in each case, to the aggregate nominal amount of the Covered Bonds outstanding on the Selection Date, provided that such nominal amounts shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination. No exchange of the relevant Global Covered Bond will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 6.3 and notice to that effect shall be given by the Issuer to the Covered Bondholders in accordance with Condition 16 (*Notices*) at least five days (or such shorter period as is specified in the applicable Final Terms) prior to the Selection Date.

6.4. Redemption at the option of the Covered Bondholders (Investor Put)

(i) If an investor put is specified in the Final Terms (the "**Investor Put**"), then if and to the extent specified in the applicable Final Terms, upon the holder of this Covered Bond giving to the Issuer not less than 30 nor more than 60 days' (or such other notice period specified in the applicable Final Terms) notice (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem subject to, and in accordance with, the terms specified in the applicable Final Terms, such Covered Bond on the Optional Redemption Date and at the relevant Optional Redemption Amount as specified in, or determined in the manner specified in, the applicable Final Terms, together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date.

(ii) If this Covered Bond is in definitive form, to exercise the right to require redemption of this Covered Bond, the holder of this Covered Bond must deliver such Covered Bond, on any Business Day (as defined in Condition 4.5) falling within the above-mentioned notice period at the specified office of any Paying Agent, accompanied by a duly signed and completed notice of exercise of the Investor Put in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition 6.4.

(iii) Any Put Notice given by a Covered Bondholder of any Covered Bond pursuant to this Condition shall be irrevocable.

It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

6.5. Early Redemption Amounts

For the purpose of Condition 6.1 (*Final redemption*), Condition 6.2 (*Redemption for taxation reasons*) and Condition 9 (*Events of Default and Enforcement*), each Covered Bond will be redeemed at the Early Redemption Amount calculated as follows:

(i) in the case of a Covered Bond with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

(ii) in the case of a Covered Bond other than a Zero Coupon Covered Bond, with a Final Redemption Amount which is or may be less or greater than the Issuer Price or which is payable in a Specified Currency other than that in which the Covered Bond is denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its Principal Amount Outstanding, together with interest accrued to (but excluding) the date fixed for redemption; and

(iii) in the case of a Zero Coupon Covered Bond, at an amount (the "**Amortised Face Amount**") equal to the sum of:

(A) the Reference Price; and

(B) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date of the first Tranche of the Covered Bonds to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Covered Bond becomes due and repayable.

Where such calculation in paragraph (ii) above is to be made for a period which is not a whole number of years, it shall be made (A) in the case of a Zero Coupon Covered Bond payable in a Specified Currency other than euro, on the basis of a 360-day year consisting of 12 months of 30 days each, or (B) in the case of a Zero Coupon Covered Bond payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (x) the number of those days falling in a leap year divided by 366 and (y) the number of those days falling in a non-leap year divided by 365) or (C) on such other calculation basis as may be specified in the applicable Final Terms.

6.6. Purchases

The Issuer or any subsidiary of the Issuer may at any time purchase or otherwise acquire Covered Bonds (provided that, in the case of Definitive Covered Bonds, all unmatured Coupons and Talons appertaining thereto are attached thereto or surrendered therewith) at any price in the open market either by tender or private agreement or otherwise. If purchases are made by tender, tenders must be available to all Covered Bondholders alike. Such Covered Bonds may be held, reissued, resold or, at the option of the Issuer or the relevant subsidiary, surrendered to any Paying Agent for cancellation.

6.7. Cancellation

All Covered Bonds which are redeemed will forthwith be cancelled (together with, in the case of Definitive Covered Bonds, all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Covered Bonds so cancelled and any Covered Bonds purchased and surrendered for cancellation pursuant to Condition 6.6 (*Purchases*) and cancelled (together with, in the case of Definitive Covered Bonds, all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

6.8. Late Payment

If any amount payable in respect of any Covered Bond is improperly withheld or refused upon its becoming due and repayable or is paid after its due date, the amount due and repayable in respect of such Covered Bond (the "**Late Payment**") shall itself accrue interest (both before and after any judgment or other order of a court of competent jurisdiction) from (and including) the date on which such payment was improperly withheld or refused or, as the

case may be, became due, to (but excluding) the Late Payment Date in accordance with the following provisions:

(i) in the case of a Covered Bond other than a Zero Coupon Covered Bond at the rate determined in accordance with Condition 4.1 (*Interest on Fixed Rate Covered Bonds*) or 4.2 (*Floating Rate Covered Bond Provisions*), as the case may be; and

(ii) in the case of a Zero Coupon Covered Bond, at a rate equal to the Accrual Yield,

in each case on the basis of the Day Count Fraction specified in the applicable Final Terms or, if none is specified, on a 30/360 basis.

For the purpose of this Condition 6.8, the Late Payment Date shall mean the earlier of:

(i) the date which the Principal Paying Agent determines to be the date on which, upon further presentation of the relevant Covered Bond, payment of the full amount (including interest as aforesaid) in the relevant currency in respect of such Covered Bond is to be made; and

(ii) the seventh day after notice is given to the relevant Covered Bondholder (whether individually or in accordance with Condition 16 (*Notices*) that the full amount (including interest as aforesaid) in the relevant currency in respect of such Covered Bond is available for payment,

provided that in the case of both (i) and (ii), upon further presentation thereof being duly made, such payment is made.

7. Taxation

(a) All payments (if any) of principal and interest in respect of the Covered Bonds and the Coupons (if any) by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by the Hellenic Republic or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. Neither the Issuer, nor any other entity shall be obliged to pay any additional amount to any Covered Bondholder on account of such withholding or deduction.

(b) If the Issuer becomes subject at any time to any taxing jurisdiction other than the Hellenic Republic, references in the Conditions to the Hellenic Republic shall be construed as references to the Hellenic Republic and/or such other jurisdiction.

8. Issuer Events

Prior to, or concurrent with the occurrence of an Event of Default, if any of the following events (each, an "**Issuer Event**") occurs:

(i) an Issuer Insolvency Event (as defined below);

(ii) the Issuer fails to pay any principal or interest in respect of the Covered Bonds within a period of seven Athens Business Days from the due date thereof;

(iii) default is made by the Issuer in the performance or observance of any obligation, condition or provision binding on it (other than any obligation for the payment of amounts due under the Covered Bonds or Coupons of any Series) under the Trust

Deed, the Deed of Charge or any other Transaction Document to which the Issuer is a party which, in the opinion of the Trustee would have a materially prejudicial effect on the interests of the Covered Bondholders of any Series and (ii) (except where such default is or the effects of such default are, in the opinion of the Trustee, not capable of remedy when no such continuation and notice as is hereinafter mentioned will be required), such default continues for 30 days (or such longer period as the Trustee may permit) after written notice has been given by the Trustee to the Issuer requiring the default to be remedied;

(iv) any present or future Indebtedness in respect of moneys borrowed or raised in an amount of €10,000,000 or more (other than Indebtedness under this Programme) of the Issuer becomes due and payable prior to the stated maturity thereof as extended by any grace period originally applicable thereto; or if any present or future guarantee of, or indemnity given by the Issuer in respect of such Indebtedness is not honoured when called upon or within any grace period originally applicable thereto; or

(v) if there is a breach of a Statutory Test on an Applicable Calculation Date and such breach is not remedied within two Athens Business Days,

then (i) no further Covered Bonds will be issued, (ii) the Servicer will procure that any and all payments due under the Cover Pool Assets are effected henceforth directly to the Transaction Account, (iii) all collections of principal and interest on the Cover Pool Assets will be dedicated exclusively to the payment of interest and repayment of principal on the Covered Bonds and to the fulfilment of the obligations of the Issuer vis-à-vis the Secured Creditors in accordance with the relevant Priority of Payments and (iv) if NBG is the Servicer, its appointment as Servicer will be terminated and a new servicer will be appointed pursuant to the terms of the Servicing and Cash Management Deed and the Secondary Covered Bond Legislation.

"**Issuer Insolvency Event**" means, in respect of NBG:

(i) NBG stops payment of part or all of its debts;

(ii) NBG having resolved to enter into voluntary liquidation;

(iii) NBG admits in writing its inability to pay or meet its debts;

(iv) NBG is forced to enter into liquidation pursuant to Greek law;

(v) a creditors' collective enforcement procedure is commenced against NBG (including such procedure under the Greek Banking Legislation) and is not discharged or temporarily revoked (for so long as such temporary revocation remains in effect or otherwise becomes permanent) within 30 days;

(vi) the appointment of any administrator, liquidator or administrative or other receiver of NBG or all or a substantial part of its property or assets; and

(vii) any action or step is taken which has a similar effect to the foregoing.

9. Events of Default and Enforcement

9.1. Events of Default

If any of the following events occurs, and is continuing:

(a) on the Final Maturity Date or where the relevant Series of Covered Bonds has an Extended Final Maturity Date (as specified in the Final Terms) the Extended Final Maturity Date, as applicable, in respect of any Series or on any Interest Payment Date on which principal is due and payable thereon, there is a failure to pay any amount of principal due on such Covered Bonds on such date and such default is not remedied within a period of seven Athens Business Days from the due date thereof;

(b) on any Interest Payment Date, a default in the payment of the amount of interest due on any Series occurs and such default is not remedied within a period of 14 Athens Business Days from the due date thereof; or

(c) a breach of the Amortisation Test pursuant to Clause 8 of the Servicing and Cash Management Deed on any Calculation Date following an Issuer Event,

then the Trustee shall, upon receiving notice from the Principal Paying Agent or, in respect of (c) the Servicer, of such Event of Default, serve a notice (a "**Notice of Default**") on the Issuer.

Following the service of a Notice of Default, the Covered Bonds of each Series shall become immediately due and payable.

9.2. Enforcement

The Trustee may at any time, at its discretion and without further notice, take such proceedings against the Issuer and/or any other person as it may think fit to enforce the provisions of the Deed of Charge, the Trust Deed, the Covered Bonds or any other Transaction Document in accordance with its terms and the pledge created under the Greek Covered Bond Legislation and may, at any time after the Security has become enforceable, take such proceedings or steps as it may think fit to enforce the Security, but it shall not be bound to take any such proceedings or steps unless (i) it shall have been so directed by an Extraordinary Resolution of all the Covered Bondholders of all Series (with the Covered Bonds of all Series taken together as a single Series and (if applicable) converted into Euro at either the relevant Covered Bond Swap Rate (if applicable) or the Established Rate) or a request in writing by the holders of not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (taken together as a single Series and converted into Euro at either the relevant Covered Bond Swap Rate (if applicable) or the Established Rate), and (ii) it shall have been indemnified and/or secured to its satisfaction.

In exercising any of its powers, trusts, authorities and discretions under this Condition 9 the Trustee shall only have regard to the general interests of the Covered Bondholders of all Series taken together and shall not have regard to the interests of any other Secured Creditors.

No Covered Bondholder or Couponholder shall be entitled to proceed directly against the Issuer, the Guarantor or to take any action with respect to the Trust Deed, any other Transaction Document, the Covered Bonds, the Coupons, or the Security unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and such failure shall be continuing.

10. Prescription

Claims against the Issuer for payment of principal and interest in respect of the Covered Bonds 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.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for paying in respect of which would be void pursuant to this Condition 10 or Condition 5 (*Payments*).

As used herein, the "**Relevant Date**" means the date on which payment in respect of the Covered Bond or Coupon first becomes due and payable but, if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent on or prior to such date, the Relevant Date shall be the date on which such moneys shall have been so received and notice to that effect has been given to Covered Bondholders in accordance with Condition 16 (*Notices*).

11. Replacement of Covered Bonds Receipts, Coupons and Talons

If any Covered Bond, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (and, if the Covered Bonds are then listed on any stock exchange which requires the appointment of an Agent in any particular place, the Paying Agent having its specified office in the place required by such stock exchange), subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Covered Bonds, Talons or Coupons must be surrendered before replacements will be issued.

12. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Covered Bond to which it appertains) a further Talon, subject to the provisions of Condition 10 (*Prescription*). Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relevant Coupon sheet matures.

13. Trustee and Agents

(a) In acting under the Agency Agreement and in connection with the Covered Bonds and the Coupons, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Covered Bondholders or Couponholders.

(b) The initial Agents and their initial specified offices are set forth in the Base Prospectus and in the Master Definitions and Construction Schedule. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor Principal Paying Agent or Calculation Agent and additional or successor paying agents *provided, however, that*:

(i) so long as the Covered Bonds are listed on any stock exchange or admitted to listing by any other relevant authority there will at all times be a Paying Agent (which may be the Principal Paying Agent), in the case of Covered Bonds, with a specified office in such place as may be required by the rules and regulations of such stock exchange or other relevant authority;

(ii) if a Calculation Agent is specified in the relevant Final Terms, the Issuer (or following the occurrence of an Issuer Event, the Servicer) shall at all times maintain a Calculation Agent;

(iii) if and for so long as the Covered Bonds are listed on any stock exchange which requires the appointment of an Agent in any particular place, the Issuer (or following the occurrence of an Issuer Event, the Servicer) shall maintain an Agent having its specified office in the place required by such stock exchange; and

(iv) the Issuer (or following the occurrence of an Issuer Event, the Servicer) shall at all times

maintain a paying agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC implementing or complying with, or introduced in order to conform to, such Directive.

Notice of any change in any of the Agents or in their specified offices shall promptly be given to the Covered Bondholders in accordance with Condition 16 (*Notices*).

(c) Under the Trust Deed and the Deed of Charge, the Trustee is entitled to be indemnified and/or secured to its satisfaction and relieved from responsibility in certain circumstances and to be paid its remuneration, costs and expenses in priority to the claims of the Covered Bondholders and the other Secured Creditors.

14. Meetings of Covered Bondholders, Modification and Waiver

(a) *Meetings of Covered Bondholders*: The Trust Deed contains provisions for convening meetings of Covered Bondholders to consider matters relating to the Covered Bonds, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer upon the request in writing signed by Covered Bondholders holding not less than one-tenth of the aggregate principal amount of the outstanding Covered Bonds. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more persons holding or representing one more than half of the aggregate principal amount of the outstanding Covered Bonds or, at any adjourned meeting, two or more persons being or representing Covered Bondholders whatever the principal amount of the Covered Bonds held or represented; *provided, however, that* certain Series Reserved Matters, described in the Trust Deed, may only be sanctioned by an Extraordinary Resolution passed at a meeting of Covered Bondholders at which two or more persons holding or representing one more than half or, at any adjourned meeting, one-quarter of the aggregate principal amount of the outstanding Covered Bonds form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Covered Bondholders and Couponholders, whether present or not.

Notwithstanding the provisions of the immediately preceding paragraph, any Extraordinary Resolution to direct the Trustee to take any enforcement action pursuant to Condition 9.2 (*Enforcement*) (each a "**Programme Resolution**") shall only be capable of being passed at a single meeting of the holders of the Covered Bonds of all Series then outstanding. Any such meeting to consider a Programme Resolution may be convened by the Issuer or the Trustee or by Covered Bondholders holding at least 25.0% of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding. The quorum at any such meeting for passing a Programme Resolution is one or more persons holding or representing at least a clear majority of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing Covered Bonds whatever the nominal amount of the Covered

Bonds of all Series then outstanding. A Programme Resolution passed at any meeting of the Covered Bondholders of all Series shall be binding on all Covered Bondholders of all Series, whether or not they are present at the meeting, and on all related Receiptholders and Couponholders in respect of such Covered Bonds.

In connection with any meeting of the holders of Covered Bonds of more than one Series where such Covered Bonds are not denominated in Euro, the nominal amount of the Covered Bonds of any Series not denominated in Euro shall be converted into Euro at the relevant Covered Bond Swap Rate.

In addition, a resolution in writing signed by or on behalf of all Covered Bondholders who for the time being are entitled to receive notice of a meeting of Covered Bondholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Covered Bondholders.

(b) *Rating Agency Confirmation and Notification*: Any such modification referred to in paragraph (a) above may only be effected provided that each of the Rating Agencies has been notified.

(c) *Modification*: The Trustee may, without the consent or sanction of any of the Covered Bondholders or Couponholders of any Series or any of the other Secured Creditors (other than the Swap Providers in respect of modification to the Pre-Event of Default Priority of Payments, the Post-Event of Default Priority of Payments, the Conditions of the Covered Bonds, the Individual Eligibility Criteria or the Servicing and Cash Management Deed) at any time and from time to time concur with the Issuer and any other party, to:

(i) any modification (other than in respect of a Series Reserved Matter) of the terms and conditions applying to the Covered Bonds of one or more Series (including these Conditions), the related Coupons or any Transaction Document provided that in the sole opinion of the Trustee such modification is not materially prejudicial to the interests of any of the Covered Bondholders of such Series, or

(ii) any modification of the terms and conditions applying to Covered Bonds of any one or more Series (including these Conditions), the related Coupons or any Transaction Document which is in the sole opinion of the Trustee of a formal, minor or technical nature or is to correct a manifest error,

and each Rating Agency has confirmed to the Issuer that such amendment, modification or variation will not adversely affect the then current ratings of the Covered Bonds.

"Series Reserved Matter" in relation to Covered Bonds of a Series means:

(i) reduction or cancellation of the amount payable or, where applicable, modification of the method of calculating the amount payable or modification of the date of payment or, where applicable, modification of the method of calculating the date of payment in respect of any principal or interest in respect of the Covered Bonds other than in accordance with the terms thereof;

(ii) alteration of the currency in which payments under the Covered Bonds and Coupons are to be made other than in accordance with Condition 5.7;

(iii) alteration of the majority required to pass an Extraordinary Resolution;

(iv) the sanctioning of any such scheme or proposal for the exchange or sale of the Covered Bonds for or the conversion of the Covered Bonds into, or the cancellation

of the Covered Bonds in consideration of, shares, stock, covered bonds, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, bonds, covered bonds, debentures, debenture stock and/or other obligations; and

(v) alteration of the definition of Series Reserved Matter.

15. Further Issues

The Issuer may from time to time, without the consent of the Covered Bondholders or the Couponholders, create and issue further Covered Bonds having the same terms and conditions as the Covered Bonds in all respects (or in all respects except for the first payment of interest thereon, issue date and/or issue price) so as to form a single series with the Covered Bonds provided that (i) there is no outstanding Issuer Event and that such issuance would not cause an Issuer Event, (ii) such issuance would not result in a breach of any of the Statutory Tests, (iii) Fitch and DBRS have confirmed that the then current rating of all Covered Bonds issued and outstanding under the Programme and that the ratings of such Covered Bonds will not be adversely affected or withdrawn as a result of such issuance and Moody's has been notified of such issuance, (iv) such issuance has been approved by the Bank of Greece in accordance with paragraph II.3 of the Secondary Covered Bond Legislation and (v) if applicable, in respect of any Series or Tranche, a Hedging Agreement is entered into.

16. Notices

All notices regarding the Covered Bonds will be valid if published in one leading English language daily newspaper of general circulation in London or any other daily newspaper in London approved by the Trustee and, (for so long as any Covered Bonds are listed on the official list of the Luxembourg Stock Exchange) if published in a daily newspaper of general circulation in Luxembourg or on the website of the Luxembourg Stock Exchange www.bourse.lu. It is expected that such publication will be made in the Financial Times in London and (in relation to Covered Bonds listed on the official list of the Luxembourg Stock Exchange) in the *Luxemburger Wort* or the *Tageblatt* in Luxembourg. The Issuer or, in the case of a notice given by the Trustee, the Trustee shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or any other relevant authority on which the Covered Bonds are for the time being listed. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers or where published in such newspapers on different dates, the last date of such first publication). If publication as provided above is not practicable, notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Covered Bondholders.

Notices to be given by any Covered Bondholder shall be in writing and given by lodging the same, together (in the case of any Covered Bond in definitive form) with the relevant Covered Bond or Covered Bonds, with the Principal Paying Agent. Whilst the Covered Bonds are represented by Global Covered Bonds any notice shall be deemed to have been duly given to the relevant Covered Bondholder if sent to the Clearing Systems for communication by them to the holders of the Covered Bonds and shall be deemed to be given on the date on which it was so sent and (so long as the relevant Covered Bonds are admitted to trading on, and listed on the official list of, the Luxembourg Stock Exchange), any notice shall also be published in

accordance with the relevant listing rules (which includes publication on the website of the Luxembourg Stock Exchange, www.bourse.lu).

17. Substitution of the Issuer

(a) If so requested by the Issuer, the Trustee shall, without the consent of any Covered Bondholder or Couponholder, agree with the Issuer to the substitution in place of the Issuer of any other body incorporated in any country in the world as the debtor in respect of the Covered Bonds, any Coupons and the Trust Deed (the "**New Company**") upon notice by the Issuer and the New Company to be given in accordance with Condition 16 (*Notices*), *provided that*:

(i) the Issuer is not in default in respect of any amount payable under the Covered Bonds;

(ii) the Issuer and the New Company have entered into such documents (the "**Documents**") as are necessary to give effect to the substitution and in which the New Company has undertaken in favour of each Covered Bondholder to be bound by these Conditions and the provisions of the Trust Deed as the debtor in respect of the Covered Bonds in place of the Issuer (or of any previous substitute under this Condition 17 (*Substitution of the Issuer*);

(iii) if the New Company 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 Covered Bondholder has the benefit of an undertaking in terms corresponding to the provisions of this Condition 17 (*Substitution of the Issuer*), with the substitution of references to the Former Residence with references to the New Residence;

(iv) the New Company and the Issuer have obtained all necessary governmental approvals and consents for such substitution and for the performance by the New Company of its obligations under the Documents;

(v) legal opinions shall have been delivered to the Trustee (with a copy of such legal opinions also to be provided to the Rating Agencies) from lawyers of recognised standing in the jurisdiction of incorporation of the New Company, in England and in Greece as to matters of law relating to the fulfilment of the requirements of this Condition 17 (*Substitution of the Issuer*) and that the Covered Bonds and any Receipts, Coupons and/or Talons are legal, valid and binding obligations of the New Company;

(vi) if Covered Bonds issued or to be issued under the Programme have been assigned a credit rating by Fitch, Moody's and DBRS (together the **Rating Agencies** and each a **Rating Agency**), each Rating Agency has been notified of the proposed substitution and Fitch and DBRS have confirmed, within 30 days of receiving such notice, that the then current rating of the then outstanding Covered Bonds would not be downgraded as a result of such substitution; or

(vii) each stock exchange on which the Covered Bonds are listed shall have confirmed that, following the proposed substitution of the New Company, the Covered Bonds will continue to be listed on such stock exchange; and

(viii) if applicable, the New Company has appointed a process 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 Covered Bonds and any Coupons.

(b) Upon such substitution the New Company shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Covered Bonds, any Coupons and the Trust Deed with the same effect as if the New Company has been named as the Issuer herein, and the Issuer shall be released from its obligations under the Covered Bonds, Coupons and/or Talons and under the Trust Deed.

(c) After a substitution pursuant to Condition 17(a) the New Company may, without the consent of any Covered Bondholder or Couponholder, effect a further substitution. All the provisions specified in Conditions 17(a) and 17(b) 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 New Company.

(d) After a substitution pursuant to Condition 17(a) or 17(c) any New Company may, without the consent of any Covered Bondholder or Couponholder, reverse the substitution, *mutatis mutandis*.

(e) The Documents shall be delivered to, and kept by, the Principal Paying Agent. Copies of the Documents will be available free of charge during normal business hours at the specified office of the Principal Paying Agent.

18. Renominalisation and Reconventioning

If the country of the Specified Currency becomes or, announces its intention to become, a Participating Member State, the Issuer may, without the consent of the Covered Bondholders and Couponholders, on giving at least 30 days' prior notice to the Covered Bondholders and the Paying Agents, designate a date (the "**Redenomination Date**"), being an Interest Payment Date under the Covered Bonds falling on or after the date on which such country becomes a Participating Member State to redenominate all, but not some only, of the Covered Bonds of any series.

19. Governing Law and Jurisdiction

The Covered Bonds and all matters arising from or connected with the Covered Bonds are governed by, and shall be construed in accordance with, English law, save that the security under the Statutory Pledge referred to in Condition 2 (*Status of the Covered Bonds*) above, shall be governed by, and construed in accordance with Greek law.

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising from or connected with the Covered Bonds.

20. Third Parties

No person shall have any right to enforce any term or condition of this Covered Bond under the Contracts (Rights of Third Parties) Act 1999.

FORMS OF THE COVERED BONDS

The Covered Bonds of each Series will be in bearer form, with or without receipts, interest coupons and/or talons attached. Covered Bonds will be issued outside the United States in reliance on Regulation S.

Each Tranche of Covered Bonds will be in bearer form initially issued in the form of a temporary global covered bond without interest coupons attached (a "**Temporary Global Covered Bond**") which will:

(a) if the Global Covered Bonds (as defined below) are issued in new global covered bond ("**NGCB**") form, as stated in the applicable Final Terms, be delivered on or prior to the issue date of the relevant Tranche to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"); and

(b) if the Global Covered Bonds are not issued in NGCB form, be delivered on or prior to the issue date of the relevant Tranche to a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg.

Whilst any Covered Bond is represented by a Temporary Global Covered Bond, payments of principal, interest (if any) and any other amount payable in respect of the Covered Bonds due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Covered Bond if the Temporary Global Covered Bond is not issued in NGCB form) only to the extent that certification (in a form to be provided by Euroclear and/or Clearstream, Luxembourg) to the effect that the beneficial owners of interests in such Covered Bond are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Global Covered Bond is issued, interests in such Temporary Global Covered Bond will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a permanent global covered bond without interest coupons attached (a "**Permanent Global Covered Bond**" and, together with the Temporary Global Covered Bonds, the "**Global Covered Bonds**" and each a "**Global Covered Bond**") of the same Series or (b) for Definitive Covered Bonds of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of Definitive Covered Bonds, to such notice period as is specified in the applicable Final Terms), in each case against certification of non-U.S. beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Covered Bond will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Covered Bond for an interest in a Permanent Global Covered Bond or for Definitive Covered Bonds is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Covered Bond will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Global Covered Bond (if the Permanent Global Covered Bond is not issued in NGCB form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Covered Bond will be exchangeable (free of charge), in whole but not in part, for Definitive Covered Bonds with, where applicable, interest

coupons and talons attached upon either (a) provided the Covered Bonds have a minimum Specified Denomination, or integral multiples thereof, not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Covered Bond) to the Principal Paying Agent as described therein or (b) upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, whether statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (ii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Global Covered Bond (and any interests therein) exchanged for Definitive Covered Bonds. The Issuer will promptly give notice to Covered Bondholders of each Series of Global Covered Bonds in accordance with Condition 16 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Covered Bond) or the Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (b) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

Global Covered Bonds, Definitive Covered Bonds and any Coupons or Talons attached thereto will be issued pursuant to the Trust Deed.

The following legend will appear on all Covered Bonds that have an original maturity of more than one year and on all interest coupons relating to such Covered Bonds:

"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 provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Covered Bonds, interest coupons and will not be entitled to capital gains treatment of any gain on any sale or other disposition in respect of such Covered Bonds, or interest coupons.

Covered Bonds which are represented by a Global Covered Bond will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

General

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Covered Bonds*"), the Principal Paying Agent shall arrange that, where a further Tranche of Covered Bonds is issued which is intended to form a single Series with an existing Tranche of Covered Bonds, the Covered Bonds of such further Tranche shall be assigned a common code and ISIN and, where applicable, CINS number which are different from the common code, ISIN and CINS number assigned to Covered Bonds of any other Tranche of the same Series until at least the Exchange Date applicable to the Covered Bonds of such further Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any successor operator and/or successor clearing system and/or additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Trustee.

No Covered Bondholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become so bound to proceed, fails so to do within a reasonable period and the failure shall be continuing.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which, subject to any necessary amendment, will be completed for each Tranche of Covered Bonds issued under the Programme. Text in this section appearing in italics does not form part of the Final Terms but denotes directions for completing the Final Terms.

[*Date*]

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Covered Bonds are not intended [, from 1 January 2018,] (1) to be offered, sold or otherwise made available to and [, with effect from such date,] should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). 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 (**MiFID II**); or (ii) a customer within the meaning of Directive 2002/92/EC (**IMD**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.] (2)

(1) *This date reference should not be included in Final Terms for offers concluded on or after 1 January 2018.*

(2) *Legend to be included on front of the Final Terms (i) for offers concluded on or after 1 January 2018 if the Covered Bonds potentially constitute "packaged" products or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable" (ii) for offers concluded before 1 January 2018 at the option of the parties.*

NATIONAL BANK OF GREECE S.A.
Issue of (*Aggregate Nominal Amount of Tranche*) (*Title of Covered Bonds*)
Under the €10 billion
Global Covered Bond Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated 6 December 2017 [and the supplement to the Base Prospectus dated (*date*)] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC as amended) (the "**Prospectus Directive**"). This document constitutes the final terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of this Final Terms and the Base Prospectus. Copies of the Base Prospectus [and the supplement to the Base Prospectus] are available free of charge to the public at the registered office of the Issuer and from the specified office of each of the Paying Agents. The

Base Prospectus [and the supplement to the Base Prospectus] are published on the website of the Luxembourg Stock Exchange (www.bourse.lu).]

(*The following alternative language applies if the first Tranche of an issue which is being increased was issued under a Base 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 "**Terms and Conditions**") set forth in the Base Prospectus dated [12 January 2011 / 10 August 2016] which are being incorporated by reference in the Base Prospectus dated 6 December 2017 [and the supplement to the Base Prospectus dated (*date*)]. This document constitutes the final terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC as amended) (the "**Prospectus Directive**") and must be read in conjunction with the Base Prospectus dated [•] December 2017 [and the supplement to the Base Prospectus dated (*date*)], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Terms and Conditions which are extracted from the Base Prospectus dated 12 January 2011 and are attached hereto. Full information on the Issuer and the Group and the offer of the Covered Bonds is only available on the basis of the combination of this Final Terms and the Base Prospectus dated 12 January 2011 and (*current date*) [and the supplement to the Base Prospectus dated (*date*)]. Copies of such Base Prospectuses are available free of charge to the public at the registered office of the Issuer and from the specified office of each of the Paying Agents.] The Base Prospectus [and the supplement to the Base Prospectus] are published on the website of the Luxembourg Stock Exchange (www.bourse.lu).]

(*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs.*)

1.	(i)	Series Number:	[●]
	(ii)	Tranche Number:	[●]
	(iii)	Date on which the Covered Bonds will be consolidated and form a single Series	The Covered Bonds will be consolidated and form a single Series with (*Provide issued amount/ISIN/maturity issue/issue date of earlier Tranches*) on [the Issue Date/exchange of the Temporary Global Covered Bond for interests in the Permanent Global Covered Bond, as referred to in paragraph [•] below, which is expected to occur on or about (*date*)] / [Not Applicable]
2.	Specified Currency or Currencies:		[●]
3.	Aggregate Nominal Amount of Covered Bonds:		[●]
	[(i)]	Series:	[●]
	[(ii)]	Tranche:	[●]
4.	Issue Price:		[ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from (*insert date*) (*if applicable*)]

5.	(i)	Specified Denominations:	[●] [(*N.B. 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 Covered Bonds in definitive form will be issued with a denomination above [€199,000].*) (*N.B. If an issue of Covered Bonds is (i) NOT admitted to trading on a regulated market within the European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive, the [€100,000] minimum denomination is not required.*)
	(ii)	Calculation Amount:	[●]
6.	(i)	Issue Date:	[●]
	(ii)	Interest Commencement Date:	[●] (*NB: An Interest Commencement Date will not be relevant for certain Covered Bonds, for example Zero Coupon Covered Bonds*)
7.	(i)	Final Maturity Date:	[Fixed rate – (*specify date/Floating Rate*) - Interest Payment Date falling in or nearest to the relevant month and year]
	(ii)	Extended Final Maturity Date	[Fixed rate – specify date/Floating rate – Interest Payment Date falling in or nearest to (*specify month and year, in each case falling one year after the Final Maturity Date*)] (*N.B. Zero Coupon Covered Bonds are not to be issued with an Extended Final Maturity Date unless otherwise agreed with the Dealers and the Trustee*)
8.	Interest Basis:		[[●]% Fixed Rate] [[LIBOR/EURIBOR] [●]% [Floating Rate] [Zero Coupon]

9.	Redemption/Payment Basis:	Redemption at par (*N.B. the Covered Bonds will always be redeemed at least 100% of the nominal value*)
10.	Change of Interest Basis or Redemption/ Payment Basis:	(*Specify details of any provision for convertibility of Covered Bonds into another Interest Basis or cross refer to paragraphs 14, 15 and 16 below to identify details*)
11.	Put/Call Options:	[Not Applicable] [Investor Put] [Issuer Call]
12.	[Date [Board] approval for issuance of Covered Bonds obtained:]	[●] / [Not Applicable] (*N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Covered Bonds*)
13.	Method of distribution:	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	**Fixed Rate Covered Bond Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (*specify*)] in arrear]
	(ii)	Interest Payment Date(s):	[[●] in each year up to and including the Final Maturity Date, or the Extended Final Maturity Date, if applicable]/[(*specify other*)]
	(iii)	Business Day Convention	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[(*specify other*)]
	(iv)	Business Day(s)	[●]
	(v)	Additional Business Centre(s)	[●]
	(vi)	Fixed Coupon Amount[(s)]: (*Applicable to Covered Bonds in definitive form*)	[●] per Calculation Amount
	(vii)	Broken Amount(s): (*Applicable to Covered Bonds in definitive form*)	[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]

	(viii)	Day Count Fraction:	[30/360/Actual/Actual [(ICMA/ISDA)]/[(*specify other*)]] [adjusted/not adjusted] (*N.B. If interest is not payable on a regular basis (for example, if Broken Amounts are specified) Actual/Actual (ICMA) may not be a suitable Day Count Fraction*)
	(ix)	Determination Date	[●] in each year (*N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA)*) (*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*) (*This will need to be amended in the case of regular interest payment dates which are not of equal durations*)
15.	**Floating Rate Covered Bond Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Interest Period(s):	[●]
	(ii)	Specified Interest Payment Dates:	[●]
	(iii)	First Interest Payment Date:	[●]
	(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention/[(*specify other*)]]
	(v)	Business Day(s)	[●]
	(vi)	Additional Business Centre(s):	[●]
	(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination / ISDA Determination / [(*specify other*)]]
	(viii)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent):	[●]
	(ix)	Screen Rate Determination:	
		Reference Rate:	[●] (*Either LIBOR, EURIBOR or other. If other, provide additional information, including amendment to fallback provisions in the Agency Agreement*)

	Interest Determination Date(s):	[●] *(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or Euro LIBOR or EURIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or Euro LIBOR)* (*N.B. Specify the Interest Determination Date(s) up to and including the Extended Final Maturity Date, if applicable*)
	Relevant Screen Page:	[●] (*In the case of EURIBOR, if not Reuters EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
	Relevant Time:	[(*For example, 11.00 a.m. London time/Brussels time*)]
	Relevant Financial Centre:	[(*For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro*)]
(x)	ISDA Determination:	
	Floating Rate Option:	[●]
	Designated Maturity:	[●]
	Reset Date:	[●]
(xi)	Margin(s):	[+/-][●] per cent. per annum
(xii)	Minimum Rate of Interest:	[●] per cent. per annum
(xiii)	Maximum Rate of Interest:	[●] per cent. per annum
(xiv)	Day Count Fraction:	[Actual/Actual [(ISDA)/ICMA)]] Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 30/360 30E/360 30E/360 (ISDA) Other] (*See Condition [●] for alternatives*) [adjusted/not adjusted]

	(xv)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Conditions:	[●]
16.	**Zero Coupon Covered Bond Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	[Amortisation/Accrual] Yield:	[●] per cent. per annum
	(ii)	Reference Price:	[●]
	(iii)	Any other formula/basis of determining amount payable:	(*Consider applicable Day Count Fraction if not U.S. dollar denominated*)
	(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention/(*specify other*)]
	(v)	Business Day(s):	[●]
	(vi)	Additional Business Centre(s):	[●]
	(vii)	Day Count Fraction in relation to Early Redemption Amounts and late payments:	[Conditions 6.5 (*Early Redemption Amounts*) and 6.9 (*Late Payments*) apply/(*specify other*)]

PROVISIONS RELATING TO REDEMPTION

17.	**Issuer Call**		[Applicable/Not Applicable]
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount(s) of each Covered Bond and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iii)	(If redeemable in part:	
	(iv)	Minimum Redemption Amount:	[●] per Calculation Amount
	(v)	Maximum Redemption Amount:	[●] per Calculation Amount

	(vi)	Notice period (if other than as set out in the Terms and Conditions)	[●] (*N.B. If setting notice periods which are different to those provided in the Terms and Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent and the Trustee*)
18.	(i)	Investor Put	[Applicable/Not Applicable]
	(ii)	Optional Redemption Date(s):	[●]
	(iii)	Optional Redemption Amount(s) of each Covered Bond and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iv)	Notice period:	[●] (*N.B. If setting notice periods which are different to those provided in the Terms and Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent and the Trustee*)
19.	**Final Redemption Amount of each Covered Bond**		[●] per Calculation Amount (*N.B. the Final Redemption Amount shall be an amount equal to at least 100% of the nominal amount of the Covered Bonds*)
20.	**Early Redemption Amount**		
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):		[●]

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

21.	Form of Covered Bonds:	[Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Definitive Covered Bonds [on 60 days' notice given at any time/only upon an Exchange Event]] *(N.B. The exchange upon notice should not be expressed to be applicable if the Specified Denomination of the Covered Bonds in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].")*
22.	New Global Covered Bond:	[Yes/No]
23.	Talons for future Coupons or Receipts to be attached to Definitive Covered Bonds (and dates on which such Talons mature):	[Yes/No. (*If yes, give details*)]
24.	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition [●] ([•])] apply]

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the regulated market of the [*Bourse de Luxembourg,) and to be listed on the Official List of the Luxembourg Stock Exchange*] [*Specify relevant regulated market and, if relevant, listing on an official list*] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the [*regulated market of the Bourse de Luxembourg and to be listed on the and Official List of the Luxembourg Stock Exchange*] [*Specify relevant regulated market and, if relevant, listing on an official list*] with effect from [ ].] [Not Applicable.] (*NB: Where documenting a fungible issue need to indicate that original Covered Bonds are already admitted to trading.*)
(ii)	Estimate of total expenses related to admission to trading:	[●]

2. RATINGS

Ratings:	The Covered Bonds to be issued have been rated: [Moody's: [●]] [[DBRS: [●]] [[Other]: [●]] *(The above disclosure should reflect the rating allocated to Covered Bonds of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)* *N.B. Consult the relevant Rating Agencies in relation to Covered bonds which may have a Final Redemption Amount of less than 100% of the nominal value.*

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 Covered Bonds has an interest material to the offer." The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

[(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 Base Prospectus under Article 16 of the Prospectus Directive.)]

4. REASONS FOR THE OFFER AND TOTAL EXPENSES

(iii)	Reasons for the offer	[●]
(iv)	Estimated total expenses:	[●]

5. YIELD (Fixed Rate Covered Bonds only)

Indication of yield:	[●]/[Not Applicable]

6. HISTORIC INTEREST RATES: (Floating Rate Covered Bonds only).

Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters] / [Not Applicable].

7. OPERATIONAL INFORMATION

ISIN Code:	[●]
Common Code:	[●]
(*insert here any other relevant codes such as CINS codes*):	[●]
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s) and addresses:	[Not Applicable/give name(s) and number(s)]
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	[●]
Names and addresses of additional Paying Agent(s) (if any):	[●]

Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No] [Covered Bond that the designation "yes" simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Covered Bonds 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.] [I*nclude this text if "yes" selected in which case the Covered Bonds must be issued in NGCB form*]

INSOLVENCY OF THE ISSUER

The Greek Covered Bond Legislation contains provisions relating to the protection of the Covered Bondholders and other Secured Creditors upon the insolvency of the Issuer.

In the event of insolvency of the Issuer, the Greek Covered Bond Legislation provides that the Cover Pool will at all times remain segregated from the insolvency estate of the Issuer until payment of any amounts due to the Covered Bondholders has been made in full. Upon registration of the Registration Statements with the public registry, the issue of the Covered Bonds, the creation of the Statutory Pledge and the security *in rem* governed by foreign law (including pursuant to the Deed of Charge), the payments to Covered Bondholders and other Secured Creditors and the entry into of any agreement relating to the issue of Covered Bonds will not be affected by the commencement of insolvency proceedings in respect of the Issuer. All collections from the Cover Pool Assets shall be applied solely towards payment of amounts due to the Covered Bondholders and other Secured Creditors.

Pursuant to the Greek Covered Bond Legislation, both before and after the commencement of insolvency proceedings in respect of the Issuer, the Cover Pool may be autonomously managed until full payment of the amounts due to the Covered Bondholders and the other Secured Creditors has been made. To ensure continuation of the servicing in the event of insolvency of the Issuer acting as the Servicer the Greek Covered Bond Legislation provides that the Transaction Documents may provide for the substitution of the Servicer upon the insolvency of the Issuer.

In the event that no Replacement Servicer is appointed pursuant to the Transaction Documents, and in the event of the Issuer's insolvency under Greek law 4261/2014, (which implemented EU Directive 2013/36/EU (CRD IV) in Greece), including the appointment of an administrator (*Epitropos*) in accordance with article 137, or the placing into liquidation in accordance with article 145 of Greek law 4261/2014, the Bank of Greece may appoint a servicer, if the trustee fails to do so. Such person may either be (a) an administrator or a liquidator (under articles 137 or 145 respectively of Greek law 4261/2014), and in such an event servicing of the Cover Pool will be included in their general powers over the Issuer's assets; or (b) in addition to such persons, a person specifically carrying out the servicing of the Cover Pool. Any such person appointed as described in paragraph (a) or (b) above shall be obliged to service the Cover Pool in accordance with the terms of the Servicing and Cash Management Deed.

Any of the aforementioned parties performing the role of the servicer, as well as the special liquidator that will be appointed by the Bank of Greece to undertake the management of the Issuer, will be required to treat the Cover Pool as a segregated pool of assets on the basis of the segregation provisions of Article 152 and in accordance with the Servicing and Cash Management Deed, the terms of which, including, *inter alia*, the termination, substitution and replacement provisions, will at all times apply.

In the event that the Issuer is placed into liquidation in accordance with article 145 of Greek law 4261/2014, Covered Bondholders and the other Secured Creditors shall be satisfied in respect of the portion of their claims that is not paid off from the Cover Pool from the remaining assets of the Issuer as unsecured creditors (i.e. after satisfaction of preferred creditors in accordance with article 145A of Greek law 4261/2014 (added through para. 1 of article 120 of Greek law 4335/2015, as amended and currently in force).

Moreover, in the event that resolution measures are ordered with respect to the Issuer under Greek law 4335/2015, which implemented the BRRD in Greece, the Issuer's liabilities under Covered Bonds issued under the Programme will be excluded from the liabilities which may be subject to the BRRD

Bail-in Tool of article 44 of Greek law 4340/2015 (which transposed into Greek law article 44 of Directive 2014/59/EU) to the extent that they are secured and all Cover Pool Assets should remain unaffected, segregated and with sufficient funding.

OVERVIEW OF THE GREEK COVERED BOND LEGISLATION

The following is an overview of the provisions of the Greek Covered Bond Legislation relevant to the transactions described in this Base Prospectus and of which prospective Covered Bondholders should be aware. The overview does not purport to be, and is not, a complete description of all aspects of the Greek legislative and regulatory framework pertaining to covered bonds and prospective Covered Bondholders should also read the detailed information set out elsewhere in this Base Prospectus.

Introduction

The transactions described in this Base Prospectus are the subject of specific legislation, the Greek Covered Bond Legislation. As mentioned elsewhere in the Base Prospectus, the Greek Covered Bond Legislation includes Article 152 of Greek law 4261/2014 (such law being published in the Government Gazette No. 107/A/5-5-2014 and dealing with, *inter alia*, the capital adequacy of investment firms and credit institutions, by implementation of Directive 2013/36/EU) (defined elsewhere in this Base Prospectus as Article 152) and the Act of the Governor of the Bank of Greece No. 2598/2007 entitled "Regulatory framework for covered bonds issued by credit institutions" and published in the Government Gazette No. 2236/B/21-11-2007, as amended and restated by the codifying Act of the Governor of the Bank of Greece No. 2620/2009 (published in the Government Gazette No. 2107/B/29-9-2009) (defined elsewhere in this Base Prospectus as the "**Secondary Covered Bond Legislation**" and, together with Article 152 the "**Greek Covered Bond Legislation**"). The Greek Covered Bond Legislation has been enacted, with a view, *inter alia*, to complying with the standards of article 52(4) of Directive 2009/65/EC, and entitles credit institutions to issue (directly or through a special purpose vehicle) covered bonds with preferential rights in favour of the holders thereof and certain other creditors over a cover pool comprised by certain assets discussed in further detail below.

The provisions of the Greek Covered Bond Legislation that are relevant to the Programme may be summarised as follows:

Article 152

Covered Bonds may be issued by credit institutions pursuant to the provisions of Article 152 and the general provisions of Greek law on bonds (articles 1-9, 12 and 14 of Greek law 3156/2003).

In deviation from the Greek general bond law provisions, the bondholders' representative (also referred to as the trustee) may be a credit institution or an affiliated company of a credit institution entitled to provide services in the European Economic Area. Unless otherwise set out in the terms and conditions of the bonds the trustee is liable towards bondholders for wilful misconduct and gross negligence.

Cover Pool – composition of assets

Paragraph 3 of Article 152 provides that the assets forming part of the cover pool may include receivables deriving from loans and credit facilities of any nature and, on a supplementary basis, receivables deriving from financial instruments (such as, but not limited to, receivables deriving from interest rate swaps contracts), deposits with credit institutions and securities, as specified by a decision of the Bank of Greece.

Following authorisation originally provided by Article 91 of Greek law 3601/2007 and repeated by Article 152, the Bank of Greece has defined, in the Secondary Covered Bond Legislation, the cover pool eligible assets as follows:

(a) certain eligible assets set out in paragraph 8(b) of Section B of the Act of Governor of the Bank of Greece Act No. 2588/20-8-2007 (on the "Calculation of Capital Requirements for Credit Risk according to the Standardised Approach"), as amended, including claims deriving from loans and credit facilities of any nature secured by residential real estate. Following the entry into force of Regulation 575/2013 on 1 January 2014, the reference to paragraph 8(b) should be read as a reference to article 129 of Regulation 575/2013;

(b) derivative financial instruments satisfying certain requirements as to the scope thereof and the capacity of the counterparty;

(c) deposits with credit institutions (including any cashflows deriving therefrom) provided that such deposits comply with paragraph 8(b) of Section B of the Bank of Greece Act No. 2588/20-8-2007 as amended. Following the entry into force of Regulation 575/2013 on 1 January 2014, the reference to paragraph 8(b) should be read as a reference to article 129 of Regulation 575/2013; and

(d) Marketable Assets.

Loans that are in arrears for more than 90 days shall not be included in the Cover Pool for the purposes of the calculations required under the Statutory Tests.

The Bank of Greece has also set out requirements as to the substitution and replacement of cover pool assets by other eligible assets (including, inter alia, marketable assets, as defined in the Act of the Monetary Policy Council No. 96/22-4-2015, which replaced the Act of Monetary Policy Council of the Bank of Greece No. 54/27-2-2004).

Benefit of a prioritised claim by way of statutory pledge

Claims comprised in the cover pool are named in a document (defined elsewhere in this Base Prospectus as a Registration Statement) signed by the issuer and the trustee and registered in a summary form including the substantial parts thereof, in accordance with article 3 of Greek law 2844/2000. The form of the Registration Statement has been defined by Ministerial Decree No. 95630/8-9-2008 (published in the Government Gazette No 1858/B/12-9-2008) of the Minister of Justice. Receivables forming part of the cover pool may be substituted for others and receivables may be added to the cover pool in the same manner.

Holders of covered bonds and certain other creditors having claims relating to the issuance of the covered bonds (such as, *inter alios*, the trustee, the servicer and financial derivatives counterparties) named as secured creditors in the terms and conditions of the covered bonds are secured (by operation of paragraph 4 of Article 152) by a statutory pledge over the cover pool, or, where a cover pool asset is governed by foreign law, by a security *in rem* created under applicable law.

With respect to the preferential treatment of covered bondholders and other secured creditors and pursuant to paragraph 6 of Article 152, claims that have the benefit of a statutory pledge rank ahead of claims referred to in article 975 of the Greek Civil Procedure Code (a general provision of Greek law on creditors' ranking), unless otherwise set out in the terms and conditions of the covered bonds. In the event of bankruptcy of the issuer, covered bondholders and other creditors secured by the statutory pledge shall be satisfied in respect of the portion of their claims that is not paid off from the cover pool in the same manner as unsecured creditors from the remaining assets of the issuer.

To ensure bankruptcy remoteness of the assets in the cover pool, paragraph 7 of Article 152 provides that upon registration of the Registration Statement with the public registry, the validity of the issue of the covered bonds, the creation of the statutory pledge and the real security governed by foreign law, if any, the payments to covered bondholders and other creditors secured by the statutory pledge, as

well as of the entry into force of any agreement relating to the issue of covered bonds may not be affected by the commencement of insolvency proceedings in respect of the issuer.

Paragraph 8 of Article 152 safeguards the interests of covered bondholders and other secured creditors in providing that assets included in the cover pool may not be attached/seized nor disposed by the issuer without the written consent of the trustee, unless otherwise set out in the terms and conditions of the covered bonds.

Paragraph 9 of Article 152 deals with the servicing of the cover pool. In particular, it provides that the terms and conditions of the covered bonds may specify that either from the beginning or following the occurrence of certain events, such as, but not limited to, the commencement of insolvency proceedings in respect of the issuer, the trustee may assign to third parties or carry out itself the collection of and, in general, the servicing

of the cover pool assets by virtue of an analogous application of the Greek provisions on servicing applicable to securitisations (paragraphs 14 through 16 of article 10 of Greek law 3156/2003).

Paragraph 9 of Article 152 also provides that the trustee may also, pursuant to the terms and conditions of the bonds and the terms of its relationship with the bondholders, sell and transfer the assets forming part of the cover pool either by virtue of an analogous application of articles 10 and 14 of Greek law 3156/2003 concerning securitisation of receivables or pursuant to the general legislative provisions and utilise the net proceeds from the sale to pay the claims secured by the statutory pledge, in deviation from articles 1239 and 1254 of the Greek Civil Code on enforcement of pledges and any other legislative provision to the contrary. For the purposes of facilitating the transfer pursuant to the above mentioned securitisation provisions of Greek law 3156/2003 the transferor shall not be required to have a permanent establishment in Greece.

In the event of the issuer's insolvency the Bank of Greece may appoint a servicer, if the trustee fails to do so. Sums deriving from the collection of the receivables that are covered by the statutory pledge and the liquidation of other assets covered thereby are required to be applied towards the payment of the covered bonds and other claims secured by the statutory pledge pursuant to the terms and conditions of the covered bonds.

Paragraph 9 of Article 152 also deals with banking secrecy and personal data processing. In particular, it provides that the provisions of paragraphs 20 through 22 of article 10 of Greek law 3156/2003 that regulate these issues in the securitisation transactions shall apply *mutatis mutandis* to the sale, transfer, collection and servicing, in general, of the assets constituting the cover pool

Paragraph 11 of Article 152 confirms that covered bonds may be listed on a regulated market within the meaning of paragraph 10 of Article 2 of Greek law 3606/2007, as in force, and paragraph 14 of Article 4 of Directive 2004/39/EC and offered to the public pursuant to applicable provisions.

Article 152 authorises the Bank of Greece to deal both with specific issues, such as, the definition of the cover pool, the ratio between the value of the cover pool assets and that of covered bonds, the method for the evaluation of cover pool assets and requirements to ensure adequacy of the cover pool and any details in general for the implementation of Article 152.

The Secondary Covered Bond Legislation

The Secondary Covered Bond Legislation has been issued by the Bank of Greece by virtue of authorisations given by Article 152 as aforesaid. To this effect, the Secondary Covered Bond Legislation sets out requirements for the supervisory recognition of covered bonds, including, requirements as to the issuer's risk management and internal control systems; requirements as to a minimum amount of regulatory own funds on a consolidated basis and capital adequacy ratio; definition and eligibility criteria as to the initial cover pool and the substitution and replacement of

cover pool assets; requirements in respect of the ratio between the value of the cover pool assets and the value of covered bonds, the ratio between the net present value of liabilities under the covered bonds and the net present value of the cover assets, the ratio between interest payments on covered bonds and interest payments on cover pool assets and the revaluation of the value of the real estate property mortgaged; requirements for the performance of quarterly reviews by the servicer and annual audits thereof by independent chartered accountants; requirement to appoint a trustee; provisions regarding measures to be taken in the event of insolvency procedures in respect of the issuer; procedures for the submission of documents to obtain approval by the Bank of Greece in respect of the issuance of covered bonds; provisions relating to the position weighting of covered bonds; and data reporting and disclosure requirements.

THE ISSUER

Introduction

National Bank of Greece S.A. is one of the four systemically significant banks in Greece and one of the largest financial institutions in Greece by market capitalization, holding a significant position in Greece's retail banking sector, with more than 10 million deposit accounts, more than 2 million lending accounts, 486 branches and one premium banking branch and 1,442 ATMs as at 30 June 2017. The Bank and its consolidated subsidiaries (the "**Group**") provides a wide range of financial services, including retail (such as mortgage lending and consumer lending), commercial and investment banking services and asset management and insurance, through the Group's network of branches and subsidiaries in Greece and abroad. The Group's principal sources of income historically have been interest earned on customer loans and debt securities and income from fees and commissions. The Group fund its lending activities and its securities portfolio principally through customer deposits in its branch network and interbank funding primarily from the ECB and, since the beginning of 2015, from the ELA of the Bank of Greece.

History and Development of the Group

National Bank of Greece S.A. was founded in 1841 and incorporated as a company limited by shares (*anonimi eteria*) pursuant to Greek law as published in the Greek Government Gazette No. 6 on 30 March 1841 (registered number G.E.MI 237901000). The Bank's current corporate form will expire on 27 February 2053, but may be further extended by a shareholder resolution passed at the General Meeting. The Bank is domiciled in Greece. The Bank's headquarters and its registered office are located at 86 Eolou Street, 10232 Athens, Greece. The telephone number of the Bank is (+30) 210 334 1000. The Issuer operates under Greek law.

The Bank has operated a commercial banking business for 175 years. Since its founding, the business has expanded to become a large, diversified financial services group. As part of its diversification, the Bank founded Ethniki Hellenic General Insurance S.A. ("**EH**") in 1891. Until the establishment of the Bank of Greece as the central bank of Greece in 1928, the Bank, in addition to commercial banking activities, was responsible for issuing currency in Greece.

On 3 November 2015, the Board of Directors approved the Capital Plan (as defined below, see "*The Capital Plan*"), which included the disposal of the Bank's entire stake in the Turkish subsidiary, Finansbank A.S. together with the stake in Finans Leasing, thereby disposing of all of its operations in Turkey. This transaction closed on 15 June 2016. As a result, the investment in Finansbank qualified to be classified as a disposal group held for sale on 3 November 2015. Furthermore, Finansbank meets the definition of a discontinued operation because it is a major line of business as defined in IFRS. Non-current assets held for sale and liabilities associated with non-current assets held for sale comprise Finansbank A.S., the Private Equity Funds (as defined below) and Astir Palace Vouliagmenis S.A and Astir Marina Vouliagmenis S.A.

Acquisitions, Capital Expenditures and Divestitures

On 15 February 2013, NBG Pangaea REIC acquired 100.00% of the share capital of KARELA S.A., which owns a building in Paiania in Attica, as part of its investment policy. The consideration paid amounted to €56 million in cash.

On 10 May 2013 the Bank, acquired, free of any consideration, selected assets and liabilities of First Business Bank S.A. ("**FBB**") which was under special liquidation following the decision 10/1/10.05.2013 of the Bank of Greece Resolution Measures Committee. The difference between the

transferred assets and liabilities (the "*funding gap*") amounted to €457 million and was covered by the HFSF by contributing to the Bank's EFSF bonds of nominal value equal to the funding gap.

On 26 July 2013 the Bank acquired, free of any consideration, selected assets and liabilities of Probank S.A. ("**Probank**") which was under special liquidation following decision 12/1/26.7.2013 of the Bank of Greece Resolutions Measures Committee. The funding gap amounted to €563 million and was covered by the HFSF by contributing to the Bank cash equal to the funding gap.

As the Bank acquired FBB's and Probank's network of 19 and 112 branches, respectively, with the personnel and operations includes customers transactions, deposits and loans, each transaction is considered as an acquisition of an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return to the Bank.

On 30 December 2013, the Bank, transferred to Invel Real Estate (Netherlands) II BV the 66.00% of its participation interest out of the 100.00% held in subsidiary NBG Pangaea REIC at current valuations (net asset value ("**NAV**") for a total consideration of €653 million. At that date, NBG retained a 34.00% stake in NBG Pangaea REIC, maintaining control through a shareholders' agreement, and as a result, continued to account for NBG Pangaea REIC as a subsidiary.

On 10 February 2014 Jermyn Street Real Estate Fund IV L.P. ("**JERMYN**") was nominated as Preferred Investor pursuant to the international open competitive process for the acquisition of a majority of the share capital of Astir Palace Vouliagmenis S.A. Further to the transaction approval by the Council of Audit on 5 June 2014 the Astir SPA was executed on 17 September 2014 between NBG, the Hellenic Republic Asset Development Fund S.A. ("**HRADF**") in their capacity as sellers, Apollo Investment Hold Co in its capacity as the buyer, and JERMYN in its capacity as Guarantor. Apollo Investment Hold Co is an SPV, 100.00% owned by JERMYN. The transaction is intended to close following the fulfillment of relevant conditions precedent. These include, among others, the issuance and publication of the applicable Plan in the Government Gazette. In March 2015, the Council of State reached a negative decision regarding the submitted Plan. Following these developments NBG, HRADF and the Preferred Investor initiated consultations within the context of existing competitive process, applying the relevant provisions of the Astir SPA. The relevant consultation period (as per the current Astir SPA terms) began on 11 May 2015 and was extended to 31 December 2015 in agreement with the Preferred Investor. The consultations between the Parties resulted in an agreement which was included in an Addendum to the Astir SPA dated 31 December 2015 by means of which the original plan is substituted by a new draft Special Public Real Estate Area Development Plan, which was approved by the Plenary Session of the Council of State by means of its decision no. 152/2016. Following said decision, the disposal was completed on 27 October 2016 on which date control of Astir Palace Vouliagmenis S.A. and Astir Marina Vouliagmenis S.A. passed to Apollo Investment Hold Co SARL. The consideration received amounted to €298.8 million and the gain amounted to €150 million.

On 20 March 2014, NBG Pangaea REIC acquired 100.00% of mutual fund "Picasso—Fondo Comune di Investimento Immobiliare Speculativo di Tipo Chiuso Riservato ad Investitori Qualificati" (Picasso—Closed End Real Estate Investment Fund Reserved to Qualified Investors). Picasso—Fondo owns building offices of a total area of 33,000 m2, which are located in Rome and Milan. The consideration of the acquisition amounted to €38 million of which €37 million was paid in cash and €1 million was recognized as payable. The acquisition was part of NBG Pangaea REIC investment policy and within the normal course of its business in order to increase its presence in the real estate market.

On 24 April 2014, the dissolution of the Issuer's 100.00% subsidiary, CPT Investments Ltd was completed.

On 24 April 2014 the Bank disposed of its participation (35.00%) in the equity method investment Aktor Facility Management S.A. for a consideration of €1 million.

On 12 August 2014, NBG Pangaea REIC purchased 11,654,011 shares in MIG Real Estate REIC ("**MIGRE**") which represented 82.81% of MIGRE's total paid up share capital and voting rights. The consideration paid amounted to €33 million which consisted of €12 million cash and of 3,348,651 new redeemable common shares issued by NBG Pangaea REIC of fair value €21 million.

On 23 September 2014 NBG disposed of its 100.00% subsidiary Anthos Properties S.A.

On 26 September 2014 NBG acquired 5.00% of the voting common shares of its Turkish bank subsidiary Finansbank A.S. from International Finance Corporation ("**IFC**") pursuant to an exercise by IFC of its put option right in accordance with the agreement between NBG and IFC dated 29 March 2007. The total consideration paid amounted to USD 343 million calculated in accordance with the pricing formula set out in the aforementioned agreement. After this transaction the Group owned 99.81% of Finansbank.

Following the preliminary agreement dated 30 September 2014 with "Sterling Properties Bulgaria EOOD", member of the Marinopoulos S.A. Group, NBG Pangaea REIC, on 27 February 2015, acquired 100.00% of the share capital of the newly established company "PLAZA WEST A.D.", which owns approximately 9,000 m2 of West Plaza shopping mall in Sofia, Bulgaria. The acquisition price (as determined by an independent appraiser) amounted to €11 million. As certain terms of the agreement were not met by the Seller by 30 September 2015, Pangaea proceeded with the unwinding of the acquisition, as provided for in the agreement, for a total consideration of €12 million (i.e. the initial consideration €11 million plus compensation of €1 million). The amount of €12 million was settled as a deposit to companies, members of the Marinopoulos S.A. Group, within the context of new preliminary contracts, for the acquisition by Pangaea of properties in Bulgaria and Cyprus subject to various terms and conditions being satisfied by the Sellers.

On 22 October 2014, NBG Pangaea REIC completed its mandatory tender offer to the shareholders of MIGRE, and acquired 1,951,053 shares (13.86%) of MIGRE's share capital at €3.10 per share, increasing its stake in MIGRE to 96.67%. Because NBG Pangaea REIC held shares representing at least 90% of the voting rights of MIGRE after completion of the mandatory tender offer, NBG Pangaea REIC was required to acquire all the shares that were offered by the shareholders that did not initially accept the mandatory tender offer within a period of three months from the publication of the results of the mandatory tender offer (i.e., until 27 January 2015) at a price of €3.10 per share (exit right). Following that, the stake in MIGRE increased to 96.94% (stake in MIGRE as at 31 December 2014, 96.90%).

On 1 October 2015, the merger by absorption of the company NBG Pangaea REIC by the company MIG Real Estate REIC, according to the provisions of Company Law 2190/1920 and Greek law 2166/1993, was completed by virtue of the no. 100279/1.10.2015 announcement issued by the Ministry of Economy, Infrastructure, Shipping and Tourism. The company has been renamed to "NBG Pangaea Real Estate Investment Company", with distinctive title "NBG Pangaea REIC".

On 4 January 2016 the disposal of the Group's joint venture company UBB-AIG Insurance Company AD for a consideration of €2 million was completed.

On 15 June 2016, the Bank announced the transfer of its 99.81% stake in Finansbank A.Ş. to Qatar National Bank S.A.Q. ("**QNB**"). The consideration was €2,750 million. The transaction includes the transfer of NBG's 29.87% stake in Finans Finansal Kiralama A.Ş, 0.2% stake in Finans Yatırım Menkul Degerler A.Ş. and 0.02% stake in Finans Portfoy Yonetimi A.Ş. In addition, QNB repaid the USD 910 million of subordinated debt that NBG had extended to Finansbank, increasing the liquidity position of the NBG Group by approximately €3.6 billion.

With the successful completion of the Transaction, NBG's pro-forma Q1 2016 CET1 ratio increases by c.740bps to 21.8%. This capital enhancement paved the way to the repayment, following approval

by the Single Supervisory Mechanism of the European Central Bank (SSM), of the €2.0bn Contingent Convertible Bonds (CoCos) issued by NBG on 9 December 2015.

NBG utilised the liquidity generated by the Transaction to reduce significantly its cost of funding through the non-renewal of Pillar II bonds and the associated reduction of the Bank's exposure to the Emergency Liquidity Assistance mechanism.

On 16 June 2016, the Bank established in Bulgaria a limited liability company, Bankteco EOOD, a wholly owned subsidiary. The capital contributed amounted to BGN 200 thousand.

On 21 December 2016, NBG Pangaea REIC acquired the 100% of the share capital of the company Karoloy S.A. for a total consideration of €3.6 million.

On 22 December 2016, the Bank entered into a definitive agreement with AFGRI Holdings (PTY) Ltd to sell its entire 99.81% stake in its subsidiary South African Bank of Athens ("SABA"). The transaction is expected to close within the second semester of 2017.

On 19 January 2017, the Boards of Directors of the Bank, NBG Training Center S.A. and Bancassurance (wholly owned subsidiaries of the Bank), agreed the merger of the three companies through absorption of the two latter by the Bank. The merger date was agreed to be 31 January 2017 and accounted for carrying values. On 27 June 2017 the Boards of Directors of the companies approved the Draft Merger Agreement.

On 20 January 2017, following the decision of AEEGA Boards of Directors on 13 January 2017, the Group's subsidiary National Insurance Brokers S.A. was disposed of for a consideration of €1.2 million.

On 13 June 2017, the Group disposed of United Bulgarian Bank A.D. and Interlease E.A.D. to KBC Bank NV ("**KBC**"). The consideration was €610 million. The transaction included the transfer of NBG's 99.91% stake in United Bulgarian Bank AD ("**UBB**") and 100% stake in Interlease EAD ("**Interlease**"). In addition, KBC repaid the €26 million of subordinated debt that NBG had extended to UBB and the €70 million of loans that the group had extended to Interlease.

The sales of Finansbank, UBB and SABA are evidence of NBG management's unequivocal commitment to the successful implementation of the Bank's restructuring plan and its long-term strategy to successfully redeploy capital towards the Greek economy and be the leader in the country's economic recovery.

Completed disposals of subsidiaries

Sale of Finansbank A.S. to Qatar National Bank S.A.Q

On 3 November 2015, the Bank's Board of Directors approved the plan to proceed with the Finansbank Transaction. On 21 December 2015, the Bank's Board of Directors approved the sale to QNB of the Turkish Operations. Furthermore, on 18 January 2016, the Extraordinary General Meeting of the Bank's Shareholders approved the transaction, which is also in line with the relevant commitment included in the Revised Restructuring Plan (see "*The Issuer - History and Development of the Group —Revised Restructuring Plan approved by the Directorate General for Competition on 4 December 2015*"). The agreed consideration for the transaction amounts to €2,750 million. In addition, QNB will repay upon closing the USD 910 million of subordinated debt that NBG has extended to Finansbank. The disposal is consistent with the Group's capital action plan to address the capital shortfalls identified by the 2015 Comprehensive Assessment carried out by the ECB and satisfies the relevant commitment in the Restructuring Plan approved by the Directorate General for Competition on 4 December 2015. The transaction closed on 15 June 2016. As a result, the investment in Finansbank qualifies to be classified as a disposal group held for sale on 3 November

2015. Furthermore, Finansbank met the definition of a discontinued operation because it is a major line of business as defined in IFRS.

Sale of NBGI Private Equity Funds

On 21 December 2015, the Bank's Board of Directors approved the plan to proceed with the disposal of of its entire stake in eleven Limited Partnerships (the "**Private Equity Funds**") located in UK and held directly or indirectly by Bank and managed by NBGI PE Limited . On 2 February 2016 the Bank entered into a definitive agreement to sell the 100% of its interests in Private Equity Funds to funds managed by Deutsche Bank Private Equity and Goldman Sachs Asset Management. The agreed consideration for the transaction amounts to €288 million. The disposal is consistent with the Group's capital action plan to address the capital shortfalls identified by the 2015 Comprehensive Assessment carried out by the ECB and satisfies the relevant commitment in the Revised Restructuring Plan (see "*The Issuer - History and Development of the Group—Revised Restructuring Plan approved by the Directorate General for Competition on 4 December 2015*"). The transaction was closed on 30 September 2016. As a result, the investment in Private Equity Funds qualifies to be classified as a disposal group held for sale on 21 December 2015.

Sale of NBG's Bulgarian subsidiaries United Bulgarian Bank A.D. ("UBB") and Interlease E.A.D.

On 30 December 2016 NBG entered into a definitive agreement with KBC for the divestment to KBC of its 99.91% stake in its Bulgarian subsidiary UBB and its 100% stake in Interlease E.A.D. The agreed consideration for the transaction amounted to €610 million.

With the successful completion of the transaction on 14 June 2017, Group's Common Equity Tier 1 ("CET1")[11] ratio increased by 74 bps.

Capital expenditure and principal divestitures

The table below sets out the Group's principal items of capital expenditure for 2014, 2015, 2016 and for the six months period ended 30 June 2017.

[11] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

	For the year ended 31 December			30 June
	2014	2015	2016	2017
		a.	(€ million)	
Interests in other companies	15	11	24	1
Investment property, land and buildings	758[(1)]	103[(2)]	46[(2)]	89[(2)]
Vehicles and equipment	71	16	29	3
Leasehold improvements	12	11	12	3
Assets under construction	34	6	3	1
Software	82	32	37	20
Other intangibles	17	11	8	6
Capital expenditure	**989**	**190**	**159**	123

(1) Relates mainly to the acquisition of property from NBG Pangaea REIC through the acquisition of Nash SrL, Fondo Picasso and MIG Real Estate REIC and to the acquisition of Finansbank's headquarters building of €303 million.
(2) Relates mainly to properties acquired by NBG Pangaea REIC.

Also, as a part of the Bank's strategy to streamline operations and to comply with obligations under the Revised Restructuring Plan, the Bank continues to divest, if market conditions are favorable, non-core equity investments and real estate assets that are unrelated to the Issuer's principal financial services business and to commit these released resources to more profitable activities.

The table below sets out the Group's principal divestitures for 2014, 2015, 2016 and for the six months period ended 30 June 2017.

	Year ended 31 December			30 June
Type of Divestiture	**2014**	**2015**	**2016**	**2017**
			(€ in millions)	
Investments[(1)]	—	—	3.283	476
Real estate[(2)]	18	—	3	—

(1) Disposals during 2016 relate to the disposal of Finansbank A.S. , Astir Palace Vouliagmenis S.A., Astir Marina Vouliagmenis S.A. and NBGI Private Equity Funds. During 2017 and up to June relates to the disposal of UBB and Interlease.
(2) Represents proceeds of disposals of real estate property that was acquired by the Group primarily through foreclosure proceedings, as well as real estate previously used by Group companies. These properties were primarily located in Greece.

2015 Comprehensive Assessment

In accordance with the Euro Summit Statement of 12 July 2015 and ECB Decision of 5 August 2015, the ECB conducted a comprehensive assessment of the four systemic Greek banks, the results of which were announced on 31 October 2015.

The 2015 Comprehensive Assessment consisted of an Asset Quality Review ("**AQR**") and a Stress Test ("**Stress Test**") including a baseline and an adverse scenario. The AQR was conducted by reference to a static balance sheet as at 30 June 2015. The Stress Test was a forward looking exercise, following AQR adjustments, assessing the resilience of NBG's financial position to further significant deterioration of the economic environment from June 2015 to the end of 2017.

Under the baseline scenario (including AQR adjustments), the Stress Test generated an additional negative impact on NBG's regulatory capital, resulting in a stressed CET1 ratio of 6.8% relative to the minimum CET1 ratio threshold set by the ECB at 9.5% for the baseline scenario. Therefore the Baseline Stress Test implied a capital shortfall of € 1,576 million. Taking into account the positive impact stemming from the third 2015 quarter results, the ECB reduced the capital needs under both the baseline and the adverse scenarios by €120 million. Consequently the capital shortfall for the baseline scenario was reduced to €1,456 million (the "**Baseline Scenario Shortfall**").

Under the adverse scenario, the Stress Test (including AQR adjustments) identified a capital shortfall of €4,482 million (the "**Adverse Scenario Shortfall**") after the reduction of €120 million (an additional €3,026 million compared to the baseline scenario) relative to a CET1 ratio threshold of 8.0% (compared with 5.5% in the adverse scenario of the 2014 stress test).

The Adverse Scenario Shortfall represents the Bank's financial position under severe stress conditions, assuming an impairment of the Greek sovereign exposure, an increase in domestic credit losses, more conservative pre-provision income and stress on the Bank's international operations (mostly Finansbank) (which were broadly unaffected in the Baseline Scenario).

The Capital Plan

The 2015 Comprehensive Assessment identified a Baseline Scenario Shortfall of €1,456 million and accordingly, an Adverse Scenario Shortfall of €4,482 million.

To address these capital shortfalls, the Bank undertook a number of capital actions to raise its CET1 capital. These capital actions are set out in a capital action plan (the "**Capital Plan**"), which was approved by the Board of Directors on 3 November 2015, and SSM on 13 November 2015.

In connection with the Capital Plan, the following actions were completed in December 2015 (described in further detail below):

- the Liability Management Offers (the "**LME Offers**") to eligible holders of seven series of outstanding debt and capital securities;
- the International Offering; and
- the Greek Public Offer;

Additionally, the Capital Plan includes the sale of the Group's Turkish Operations (although the sale was not required to be and the Bank did not expect to be completed by 11 December 2015). For the Finansbank Transaction see "*The Issuer - History and Development of the Group—Acquisitions, Capital Expenditures and Divestitures—Sale of Finansbank A.S. to Qatar National Bank S.A.Q*".

On 2 November 2015, the Bank commenced the LME Offers, which were addressed to eligible holders of seven series of its outstanding debt and capital securities ("**Target Securities**") to purchase such securities, in consideration for subscription of new shares in the share capital increase as part of

the Capital Plan. The LME Offers expired on 11 November 2015. Settlement of the LME Offers occurred on the settlement date of the recapitalization pursuant to the Capital Plan, being 1 December 2015, raising €694,906,185. Target Securities that were not tendered (or tendered and not accepted by the Bank in accordance with the terms of the LME Offers) were subject to Burden Sharing Measures (as described below) because State Aid was received by the Bank as part of the recapitalization.

On 12 November 2015, the Bank commenced a private placement outside of Greece of its new shares to be offered as part of the recapitalization pursuant to the Capital Plan (the "**International Offering**"), raising €457,455,543.30. The International Offering closed on 19 November 2015.

On 2 December 2015, the Bank completed a public offering of new shares in Greece (the "**Greek Public Offer**"), raising €299,955,738.30. The Greek Public Offering closed on 2 December 2015.

2015 Recapitalization

The 2015 recapitalization, encompassing (a) the completion of certain Capital Plan actions (being the LME Offers, the International Offering and the Greek Public Offer), (b) the subscription by the HFSF of CoCos (as defined below) and newly issued ordinary shares of the Bank, and (c) the Burden Sharing Measures (as set out below) mandated by the publication of Cabinet Act no 36/2015 enabled the Bank to raise capital required to satisfy the capital shortfall under the adverse scenario of €4,482 million through the issuance of an aggregate of 8,911,608,218 new ordinary shares of the Bank and the issuance of 20,292 CoCos. The legal steps through which each of these elements were effected are set out below.

Burden Sharing Measures

The Capital Plan actions in the aggregate did not fully address the Adverse Scenario Shortfall, the Bank made a formal application for State Aid on 3 December 2015. This State Aid consisted of the subscription by the HFSF of CoCos (in a principal amount equal to 75% of the amount of State Aid provided) and newly issued ordinary shares of the Bank (in respect of the remaining 25%). Consistent with EU State Aid rules, State Aid was provided by the HFSF after the application of the Burden Sharing Measures (as described below).

Since State Aid was requested by the Bank following the completion of the above mentioned measures as part of the Capital Plan, prior to the receipt of such State Aid, the HFSF Bail in Tool[12] was required to be applied to convert into ordinary shares outstanding classes of the Bank's hybrid capital instruments, all subordinated liabilities and certain senior unsecured liabilities which were not mandatorily preferred by law (together, the "**Burden Sharing Measures**"). These Burden Sharing Measures comprised the securities issued by the Bank not subject to the LME Offers, and Target Securities that were not purchased by the Bank pursuant to the terms of the LME Offers. Cabinet Act no 45/7.12.2015, published following the recommendation by the Bank of Greece, determined by class, type, rate and amount of participation, the instruments or the liabilities that were subject to the Burden Sharing Measures.

Target Securities that were not tendered and not purchased by the Bank pursuant to the terms of the LME Offers, as well as the preference shares issued by the Bank (including both the U.S. Preference Shares and the Greek State Preference Shares) and outstanding at that time were included in the Burden Sharing Measures which resulted in the mandatory conversion into ordinary shares of the preference shares issued by the Bank and outstanding at that time, outstanding debt instruments, all subordinated liabilities and certain senior unsecured liabilities which are not mandatorily preferred by law. More specifically, as per Art 6a of the HFSF Law, the Cabinet Act no 45/2015 set out, *inter alia*,

[12] A bail-in tool provided for by the HFSF Law which applied to ordinary shares, preference shares and other Additional Tier 1 instruments as well as all subordinated liabilities (including subordinated guarantees) and senior unsecured liabilities not preferred by mandatory provisions of law.

the terms under which: (a) the guarantees written by NBG to the holders of the debt instruments issued by NBG Funding Ltd were converted to NBGs' common shares, and (b) the total amounts of the notes issued by NBG and held by NBG Funding Ltd were written down in full due to the above capitalization of the Guarantees. Therefore, according to Cabinet Act 45/7.12.2015 the contingent liabilities assumed by NBG by providing subordinated guarantees to third parties in connection with the issuance of each of the debt instruments issued by NBG Funding Ltd were converted to new common shares of NBG. The value of the equity shareholding in NBG delivered to the holders of the debt instruments was equivalent to 30% of the par value they hold.

The Burden Sharing Measures, applying on the terms set out in Cabinet Act no 45/7.12.2015, resulted in the mandatory conversion into newly issued ordinary shares of the Bank of the U.S. Preference Shares at the rate of conversion determined by the Cabinet Act no 45/7.12.2015, being 100 newly issued ordinary shares per €100.00 in outstanding nominal amount (liquidation preference) of the U.S. Preference Shares. As the U.S. Preference Shares were denominated in U.S. Dollars, an exchange rate of 1.0579, the ECB euro/U.S. Dollar exchange reference rate as at November 30, 2015, was applied. As a result, each U.S. Preference Share, having a nominal amount (liquidation preference) USD 25.00, was converted into 23.631723 newly issued ordinary shares of the Bank.

The Burden Sharing Measures also resulted in the mandatory conversion, on the terms set out in Cabinet Act no 47/7.12.2015 of the Greek State Preference Shares, issued under Pillar I of the Hellenic Republic's Bank Support Plan under Greek law 3723/2008, into 1,603,700,987 newly issued ordinary shares of the Bank, which were transferred to the HFSF by operation of law.

The result of the LME Offer and the Burden Sharing Measures in respect of the Target Securities were as follows:

Issuer	Repurchase Price	Currency	Aggregate Outstanding Nominal	Total Nominal Value accepted for the repurchase according to the LME Offers	Total Nominal Value that was not in the possession of the Bank after the settlement of the LME Offers date and therefore subjected to the Burden Sharing Measures[(1)]
			Amounts in millions		
Senior Unsecured Notes:					
NBG Finance Plc	100%	EUR	701	667	34
Subordinated fixed rate notes:					
NBG Finance Plc	75%	EUR	18	1	17
NBG Funding Ltd— Series A	30%	EUR	18	7	11
NBG Funding Ltd— Series B	30%	EUR	19	6	13
NBG Funding Ltd— Series C	30%	USD	14	8	6
NBG Funding Ltd— Series D	30%	EUR	23	9	14
NBG Funding Ltd— Series E	30%	GBP	9	1	8

(1) Nominal amount or liquidation preference, as applicable, of the relevant securities outstanding, excluding (i) relevant securities previously purchased and held by the Bank or its subsidiaries prior to the launch of the relevant Offer; and (ii) relevant securities to be purchased by the Bank pursuant to the relevant Offer on the relevant securities Purchase Date.

Extraordinary General Meeting approval

In the context of the implementation of the Capital Plan, as stated above, on 17 November 2015, the Extraordinary General Meeting of the Bank's Shareholders approved, among other matters:

a) the reverse split of the ordinary shares at a ratio of 15 existing shares of 0.30 Euro per share to be exchanged for 1 new share of 4.50 Euro per share and the reduction of the number of shares from 3,533,149,631 to 235,543,309,

b) the reduction in the nominal value from 4.50 Euro per share to 0.30 Euro per share, with the formation of a special reserve of an equal amount for offsetting losses,

c) the share capital increase by €4,482 million in the context of recapitalization of the banks pursuant to the provisions of the HFSF Law, as amended, and Cabinet Act 36/02.11.2015 through cancellation of the pre-emptive rights to existing shareholders, by issuing new ordinary shares, through in-cash contribution and/or in-kind contribution, and

d) the issuance of the CoCos.

Confirmation of the recapitalization by the Board of Directors

On 9 December 2015 the Bank's Board of Directors confirmed that the total share capital increase was partially covered, in accordance with art. 13a of Company Law 2190/1920, i.e. it was covered by €2,192,372,169.30 through the issuance of 7,307,907,231 new shares. In the same meeting the Bank's Board of Directors further certified that the aforementioned partial coverage is divided as follows:

(a) increase by the amount of €457,455,543.30 that was covered in cash by issuing 1,524,851,811 new ordinary shares in the context of the International Offering;

(b) increase by the amount of €299,955,738.30 that was covered in cash by issuing 999,852,461 new ordinary shares in the context of the Greek Public Offer,

(c) increase by the amount of €694,906,185 that was covered in cash by the participants in the LME Offers and issuing thereby 2,316,353,950 new ordinary shares,

(d) increase by the amount of €63,593,954.70 that was covered by contribution in kind that entailed the mandatory conversion to new ordinary shares of liabilities of the Bank pursuant to the Cabinet Act no 45/7.12.2015 and the issuance thereunder in favor of the holders of the relevant securities (including the holders of the preference shares of the Bank outstanding at that time) of 211,979,849 new ordinary shares;

(e) increase by the amount of €676,460,748 that was covered by the HFSF contributing to the Bank notes of the European Stability Mechanism (the "**ESM Notes**") and issuing 2,254,869,160 new ordinary shares, in accordance with art. 7 of the HFSF Law and Cabinet Act no 36/2.11.2015.

In accordance with the terms of Cabinet Act no 45/7.12.2015 all of the Bank's preference shares were mandatorily converted (in accordance with the relevant provisions of article 6a of the HFSF Law) to 1,603,700,987 ordinary shares of the Bank. All the outstanding non-cumulative, non-voting, redeemable U.S. Preference Shares (i.e. 12,639,831 U.S. Preference Shares outstanding as at 12 December 2015) were converted into 298,700,987 ordinary shares and all the 270,000,000 outstanding Greek State Preference Shares issued in favor of the Hellenic Republic, in accordance

with the Greek law 3723/2008 were converted into 1,305,000,000 ordinary shares acquired by the HFSF by operation of law.

Board of Directors approval relating to the issuance of CoCos to the HFSF

The Bank's Board of Directors in its meeting on 9 December 2015, decided, acting within the context of the relevant decision of the 17 November 2015 Extraordinary General Meeting of the Bank's Shareholders, the issuance of a convertible bond loan of a total amount of €2,029,200,000 by issuing 20,292 CoCos, at a nominal value and subscription price of €100,000 each, which were all acquired by the HFSF, in accordance with par. 2 and 5c of the HFSF Law, Cabinet Act no 36/2015 and Greek law 3156/2003, each as currently applicable. Following the execution of the relevant subscription agreement and the Bond Loan Program concluded between the Bank and the HFSF, the Bank's Board of Directors in its meeting on 9 December 2015 certified the contribution of ESM Notes valued at €2,029,200,000 that fully covered the amount of the aforementioned bond loan, pursuant to the evaluation of such notes, in accordance with art. 7 par. 3 of the HFSF Law, as applicable. The terms and conditions of the CoCos issued by the Bank to the HFSF are as prescribed in Cabinet Act no 36/2015.

The CoCos were repaid in full by the Bank on 15 December 2016.

Revised Restructuring Plan approved by the Directorate General for Competition on 4 December 2015

The Group is subject to European Commission rules on EU state aid in light of the aid received from the HFSF and the Hellenic Republic. These rules are administered by the Directorate General for the Competition of the European Commission. Under these rules, the Bank's operations are monitored and limited to the operations approved in the 2015 Revised Restructuring Plan, which aims to ensure the Bank's return to long term viability.

On 4 December 2015, the European Commission approved the NBG's Revised Restructuring Plan (the "**2015 Restructuring Plan**").

The 2015 Restructuring Plan includes a number of commitments to implement certain measures and actions that have to be completed during the period 2015-2018 (the "**Commitments**"). The Commitments relate both to domestic and foreign operations of the Group. Differentiations to the restructuring plan approved in July 2014 relate to the deepening of the bank's operational restructuring, some amendments on commitment's deadlines, as well as a commitment to further dispose of foreign assets.

For domestic operations, the Commitments relate to constraining operating expenses, including the number of personnel and branches. Other Commitments relate to monitoring the cost of deposits in Greece maintaining a level of loans to deposits ratio below a maximum ratio adhering to an investment policy and the divestment from certain domestic non-banking activities.

In particular, the Commitments relate to the following:

i. **Number of branches in Greece**: Restriction of the total number of branches in Greece to 540 at the end of 2017 (as at 30 June 2017: 486).

ii. **Total Full time equivalent personnel ("FTEs") in Greece**: Restriction of the total number of FTEs in Greece to a maximum of 10,250 at the end of 2017 and 9,950 at the end of 2018. The Group has proceeded to a significant reduction of FTEs in Greece, including two voluntary exit schemes in 2013 and 2016, through which 3,661 employees left the Bank and certain Greek subsidiaries. As of 30 June 2017, the domestic FTEs were 9,841.

iii. **Total operating costs in Greece**: Restriction of total operating costs in Greece to €961 million for the year 2017. For the period ended 30 June 2017 such costs amounted to €423[13] million (for the year 2016: €931[3] million).

iv. **Cost of deposits in Greece**: NBG will have to follow its own projections with regards to the cost of domestic deposits, as this is depicted in the Revised Restructuring Plan, in order to regain its profitability in Greece. NBG has already achieved the reduction of its cost of deposits in Greece in line with forecasts in the Restructuring Plan.

v. **Loans/Deposits**: Restriction of the Loan/Deposit ratio in Greece at a maximum of 115% at the end of 2018 (as at 30 June 2017 the ratio was 85.0%).

vi. **Sale of insurance activities**: In June 2017, NBG entered into an agreement with EXIN Financial Services Holding B.V. ("**EXIN**") to sell a 75.00% stake in Ethniki Hellenic General Insurance S.A. ("**NIC**") for a total consideration of €718.3 million. NBG will retain a 25.00% stake in NIC.

vii. **Reduction of securities portfolio**: NBG will reduce its investments in shares, subordinated debt and hybrid securities. More specifically, NBG has proceeded to a significant reduction of its securities portfolio, from €184 million as of 30 June 2013 to €27 million as of 30 June 2017.

viii. **Disposal of Private Equity Funds ("Funds")**: The disposal was completed on 30 September 2016.

Regarding its international operations, NGB's Commitments mainly refer to the below:

i. **Sale of Finansbank**: On 15 June 2016, NBG completed the sale of 100% of its shareholding in Finansbank. Following the closing, on 15 December 2016, NBG proceeded with the full repayment of the Contingently Convertible Securities ("CoCos").

ii. **Divestment from international operations**: NBG will reduce its international activities, by disposing certain subsidiaries and branches. In June 2017, the Bank completed the sale its 99.91% shareholding in UBB (Bulgaria) and its 100% shareholding in Interlease E.A.D. (Bulgaria) to KBC Bank (Belgium). Additionally, in December 2016, NBG entered into a Share Purchase Agreement ("SPA") for the sale of its subsidiary South African Bank of Athens Ltd ("SABA"). Furthermore, in July 2017 and August 2017, NBG entered into SPAs for the sale of 99.28% of its Romanian subsidiary Banca Romaneasca S.A. and its 100.00% Serbian subsidiaries Vojvodjanska Banka a.d. Novi Sad, NBG Leasing d.o.o. Belgrade and NBG Services d.o.o. Belgrade to OTP Bank Plc (Hungary). Closing of the above transactions is expected by the end of 2017 and in early 2018, subject to customary regulatory and antitrust approvals.

Other Commitments refer to the following:

1. **Investment policy**: NBG will not invest in non investment grade securities, except for specific cases.

2. **Salary cap**: Restriction of the total annual remuneration (including salary, pension contribution and bonus) of any of NBG's employees to a certain amount.

3. **Prolongation of Commitments**: NBG will continue to implement the Commitments on Corporate Governance and Commercial Operations, as submitted by the Hellenic Republic on 20 November 2012, until the end of the Restructuring period.

[13] Excluding Ethniki Hellenic General Insurance S.A.

The implementation of the commitments set out in the 2015 Restructuring Plan is monitored by the Monitoring Trustee.

Major Shareholders

As at November 2017, the Bank's outstanding issued share capital consisted of 9,147,151,527 common shares of a nominal value of €0.30 each.

Common Shares

The following table sets forth certain information regarding holders of the Bank's common shares, based on information known to or ascertainable by the Bank.

NBG Shareholders Structure November, 22nd, 2017	**%**
Hellenic Financial Stability Fund (with restricted voting rights)	1.5%
Hellenic Financial Stability Fund (with full voting rights)	38.9%
Legal entities and individuals outside of Greece	48.9%
Domestic private investors	10.3%
Domestic pension funds	0.3%
Other domestic public sector related legal entities and Church of Greece	0.1%
Private placement by investors	0.0%
Total common shares	**100,0%**

The Hellenic Financial Stability Fund holds 134,819,987 common shares, i.e. 1.5% over total share capital, having restricted voting rights in accordance with Article 7a, par. 2 of Law 3864/2010 as in force, and 3,559,869,160 common shares, i.e. 38.9% over total share capital, having full voting rights.

Finally, given the participation of the International Finance Corporation ("**IFC**") and the European Bank for Reconstruction and Development ("**EBRD**") in the Bank's share capital increase completed in December 2015, the IFC holds 66,666,667 shares of the Bank, i.e. a 0.7% percentage over total share capital and the EBRD holds 166,666,666 shares, i.e. 1.8% over total share capital, and the Bank has signed an agreement with each organization which remains in force while shares of the Bank are held by the two organizations. As part of the agreements, IFC and EBRD are able to each propose a candidate Board member, which could be elected to sit on the Board, subject to applicable law, the Bank's relevant internal policies and shareholders' approval. Further, the said agreements include representations, warranties and covenants as regards the Bank's compliance with applicable legislation concerning indicatively anti-money laundering, anti-corruption, and environmental and social management. The agreements prescribe that the Bank and Group companies defined therein shall comply with the Performance Standards and Performance Requirements of the IFC and EBRD according to the particular requirements outlined within the agreements. Finally, based on the agreements, the Bank is required to provide annual reports to the two organizations, mainly concerning its environmental and social management system.

The Bank's ordinary shares are listed for trading on the Athens Exchange (ATHEX).

The Bank's Articles of Association do not impose restrictions on the transfer of the common shares of the Bank. The disposal of the common shares (134,819,987) in the Bank that the HFSF has acquired in the context of participating in the Bank's 2013 recapitalization share capital increase is subject to the restriction and process provided for by the HFSF Law, article 8, as currently applicable, and Cabinet Act no 38/2012, article 3 par.7 (See "*Regulation and Supervision of Banks in Greece—The Hellenic Financial Stability Fund—The Greek Recapitalization Framework—Provision of Capital Support by HFSF*").

For powers vested in the HFSF pursuant to its participation in the 2013 and 2015 Recapitalization share capital increase of the Bank under the HFSF Law, also see "*Regulation and Supervision of Banks in Greece—The Hellenic Financial Stability Fund—The Greek Recapitalization Framework—Provision of Capital Support by HFSF—Powers of HFSF*".

Other than the above, the Bank does not know of any other persons who, directly or indirectly, jointly or individually, exercise or could exercise control over the Bank.

No single shareholder apart from HFSF beneficially owns 5% or more of the Bank's common shares.

Credit Ratings

The table below sets forth the credit ratings that have currently been assigned to the Bank by Moody's, Standard & Poor's and Fitch.

Rating agency	**Date of ratings**	**Long-term Issuer rating[(1)]**	**Short-term Issuer rating[(1)]**
Moody's.....	26 June 2017	Caa3	NP
Standard & Poor's.....	2 August 2016	CCC+	CCC+
Fitch.....	29 June 2015	RD	RD

(1) A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time.

BUSINESS OVERVIEW

Introduction

The Bank is one of the four systemically significant banks in Greece and it holds a significant position in Greece's retail banking sector, with 486 branches and one premium banking branch, and 1,442 ATMs as at 30 June 2017. It offers to its customers a wide range of integrated financial services, including:

- corporate and investment banking;
- retail banking (including mortgage lending);
- leasing and factoring;
- stock brokerage, asset management and venture capital;
- insurance; and
- real estate and consulting services.

In addition, the Bank is involved in various other businesses, including hotel and property management.

The Bank is the principal operating company of the Group, representing 91.2% of Groups' total assets, excluding non-current assets held for sale, as at 30 June 2017. The Bank's liabilities represent 95.3% of the Groups' total liabilities, excluding liabilities directly associated with non-current assets held for sale, as at 30 June 2017. While the Bank conducts most of the Groups' banking activities, it is supported by four non Greek banking subsidiaries: Stopanska Banka A.D.—Skopje ("**Stopanska Banka"), the** National Bank of Greece (Cyprus) Ltd. ("**NBG Cyprus**"), Banka NBG Albania Sh.a. ("**NBG Albania**") and NBG Bank (Malta) Ltd. ("**NBG Malta**").

The Group holds top positions in many financial services products in Greece. As at 31 December 2016, it had significant market share of mortgage loans in Greece, with a percentage of 27.6%, whereas according to the Groups' internal analysis of published information of the Bank of Greece, it holds a significant position in core deposits (i.e. sight deposits and savings accounts and excluding repos and time deposits), with a market share of 33.0%. It is also third in mutual fund management with a market share of 13.7% as at the same date according to Hellenic Fund and Asset Management Association.

Banking Activities in Greece

Most of the Group's banking business is domestic and includes retail, corporate and investment banking. Banking activities in Greece include the Bank's domestic operations, Ethniki Leasing ("**Ethniki Leasing**"), Probank Leasing S.A. ("**Probank Leasing**") and Ethniki Factors S.A. ("**Ethniki Factors**"). The Group's domestic banking operations account for 95.1% of the Issuer's total lending activities as at 30 June 2017 (the "**Greek Banking Loans**") and for the 94.6% of the Issuer's deposits (the "**Greek Banking Deposits**"). In this section, "*– Banking Activities in Greece"*, financial information pertaining to the Bank relates to banking activities in Greece.

The following table sets forth details of the domestic adjusted loans[14] before allowance for impairment and deposits as at 31 December 2014, 2015, 2016 and 30 June 2017:

	As at 31 December												As at 30 June			
	2014				2015				2016				2017			
	Loans		Deposits		Loans		Deposits		Loans		Deposits		Loans		Deposits	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
	(€ million, except for percentages)															
Retail[(1)]	28,064	62.0	34,857	79.5	27,202	60.8	29,026	79.3	25,569	60.1	29,308	79,5	24,664	59.7	28,685	79.2
Corporate	16,429	36.3	5,835	13.3	16,820	37.6	4,602	12.6	16,379	38.5	4,723	12,8	16,089	39.0	4,847	13.4
Public Sector	791	1.7	3,160	7.2	696	1.6	2,991	8.1	625	1.5	2,812	7,6	548	1.3	2,709	7.5
Total.....	**45,284**	**100.0**	**43,852**	**100.0**	**44,719**	**100.0**	**36,619**	**100.0**	**42,574**	**100.0**	**36,843**	**100,0**	**41,301**	**100.0**	**36,241**	**100.0**

(1) Retail loans include consumer loans, personal loans, mortgages, automobile financing, loans to SMEs and credit cards.

The Bank aims to attract domestic deposits from retail and corporate customers through:

- wide coverage of the Bank's domestic branch network;
- the respected status of the Bank's brand name among a large segment of the population; and
- a broad range of services and products offered by the Bank.

Greek Banking Distribution Channels

As at 30 June 2017, the Bank operated in Greece through 486 branches (including one premium banking branch). As at 30 June 2017, the Bank had 1,442 ATMs, of which at least 617 were situated in key locations such as supermarkets, metro stations, shopping centers, hospitals and airports (56% of its ATMs are equipped with cash deposit devices). During 2016, the total number of ATM transactions reached approximately 134 million, with a total value of approximately €16.8 billion compared with approximately 130 million transactions in 2015, with a total value of approximately €17.3 billion. In addition, the Group has developed further alternative distribution channels, such as an e-banking platform targeted at both corporate and retail clients. During 2016, the total number of internet banking users reached 1.3 million, performing 29 million money transactions with a total value of approximately €40 billion. The Bank operates a contact center, through which the Bank provides information and transaction services through the use of a voice portal and a manned help desk, which began operation in 2007. The Bank also operates an "i-bank", a web based portal which allows clients to select the ideal place and method to transact with the Bank in order to achieve immediate and reliable service at low cost. The "i-bank" is being implemented at the Group level in all countries in which the Group operates, which is intended to create convergence across the Issuer's distribution channels through the utilization of a common platform for cross border products and services. In 2012, the Bank launched a new "i-bank" store. Currently, the Bank operates five "i-bank" stores (two in Athens, two in Thessaloniki and one in Larissa), which offer all i-bank services (internet, mobile and phone banking, ATM and APS) and it also hosts entertainment and educational events. During 2015, the Bank launched the new i-bank Internet Banking for businesses, while in February a fully updated application of "i-bank" Mobile Banking for smartphones and tablets was introduced. As at 31 December 2016, the "i-bank" stores have received more than 1 million visitors and performed approximately 140 thousand transactions.

[14] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

The Bank's branches are located in almost every major city and town in Greece. Approximately 48% of the Bank's branches are located in the Attica and Thessaloniki prefectures, the major population centers in Greece. The Bank is engaged in a continuous process of rationalizing the organization of its branch network in order to reduce costs, primarily by centralizing back-office functions to free more employees to work on sales activities directly with customers. In addition, the Bank is continuing to consolidate redundant branches in order to maintain equivalent geographic coverage at a lower cost. As at 31 December 2016, the Bank operated 251 full banking branches, 258 retail banking branches and one premium banking branch.

The Group participates in DIAS Interbanking Systems S.A., which currently has 25 banks as shareholders and direct members, including the Bank. DIAS Interbanking Systems provides interbank services, such as check clearing, ATM networking, fund transfers and payroll and pension services for the benefit of the customers of its members.

The Group uses a variety of marketing channels to maintain and enhance its market position, including radio, television, press and internet advertising and the distribution of promotional information brochures in its branches. As part of its marketing strategy, the Group seeks to capitalize on its existing relationships with individual customers through cross selling efforts aimed at increasing such customers' awareness of other products that are offered by Group companies. For instance, its mortgage customers are informed of their insurance products, through which they may insure against damage to their property and against events and circumstances that might cause them to default on their mortgage loans. The Group's marketing strategy also includes indirect marketing, pursuant to which it has entered into agency agreements with retailers, such as automobile dealers and electronics chain stores, who agree to offer the Group's consumer loan products to their customers in connection with purchases of consumer goods.

The Group has also entered into contractual arrangements with mobile telephone service providers in Greece that enable the Group to offer to its customers certain banking services, such as balance inquiries, through their mobile telephones. The Group provides certain banking services over the internet, including the transfer of funds between accounts, balance inquiries, bill payments, stock brokerage services and subscriptions to initial public offerings on the ATHEX.

Savings and Investment Products

Savings and investment products of the Bank are offered both in euro and in other currencies. In addition to other products, the Bank offers investment products with yields that are higher than its basic deposit products, including capital-guaranteed principal products, Greek government bonds ("**GGBs**") and other bonds from the Bank's proprietary portfolio, repurchase agreements between the Bank and its clients and a wide range of mutual funds and unit trust products provided by NBG Asset Management Mutual Funds S.A. ("**NBG Asset Management**"), which is 100.00% owned by Group companies. See "*The Issuer – Banking Activities in Greece—Global Investment & Asset Management*".

Payment Services

The Bank offers payment services to clients participating in all local interbank payment channels. The Bank is also a direct member of the euro interbank channels of TARGET, TARGET2, EBA for Euro 1, Step 1 and Step 2. As a member of Step 2, the Bank is the main Greek entry point for Eurozone payments. For payments, especially outside the Eurozone, the Bank maintains a global network of correspondent banks. The Bank has completed the centralization of its payment operations. The Bank's Cash Management service offering in Greece is Single Euro Payments Area ("**SEPA**") compliant with Directive 2007/64/EC on the Payment Services Directive ("**PSD**"), and also leverages extensively the Bank's branch network in providing customers with online transaction processing to facilitate cash gathering.

Retail Banking

All retail banking activities in Greece are conducted by the Bank. The Bank offers retail customers a number of different types of deposit and investment products, as well as a wide range of traditional banking services and products.

As a result of the economic crisis, the Bank has continued to apply a more conservative approach to new consumer lending, with a greater emphasis on risk-averse lending criteria. As a result, the Bank experienced a reduction in balances in 2015 and 2016.

The following table illustrates the Bank's estimated market share in Greece for certain categories of retail banking activities as at the dates indicated (Source: Estimated market shares based on data from Bank of Greece, Statistical Bulletin of Conjunctural Indicators).

	As at 31 December	
	2015	**2016**
Mortgage lending (balances)	26.3%	27.6%
Consumer loans and credit cards (balances)	21.5%	19.3%
Core deposits[(1)]	31.9%	33.0%

(1) Core deposits consist of sight deposits and savings accounts and exclude repos and time deposits.

The Bank believes that its strong corporate image and name recognition in Greece, its large customer base and its extensive network of branches and ATMs are advantages that will facilitate the Bank's access to a diverse depositor base in Greece, providing the Bank with a large, stable and low cost source of funding.

Consumer Lending Products

Since 2010, the Bank has sought to address the continued deterioration of its lending portfolio, and to assist customers willing to repay their loans by offering more competitive modification programs depending on each customer's need and repayment ability.

In 2016, the Bank mainly focused on offering competitive and flexible debt restructuring solutions. As a result, the balance of its consumer loan portfolio (auto financing, other, consumer and credit cards) decreased from €5,500 million, as at 31 December 2015 to €4,761 million as at 31 December 2016 and to €4,450 million as at 30 June 2017.

The Bank's efforts are focused on effective management of its existing loan portfolio in order to prevent further deterioration through the design and implementation of debt restructuring packages to existing customers, which offer a fractional payment program with lower installments adjusted to the borrowers' financial status for a pre-agreed period of time. Consumer and credit card portfolio restructuring products are addressed mainly to customers with at least one consumer loan or credit card in delinquency for at least 90 days. Under a restructuring, all consumer loan and credit card exposures of a customer are consolidated into a single fixed-term consumer loan. The interest rate on the new loan may be reduced and/or the duration may be extended if the borrowers are willing and able to secure their consumer loan and credit card exposure with real estate property or provide an additional down payment. The maturity of these restructured products varies and can reach 45 years if additional collateral is obtained.

Consumer credit products proposed by the Bank mainly consist of special purpose loans where customers are encouraged to offer collateral (such as registration of mortgage prenotation, deposits in euro or retention of ownership) in order to improve the terms of their loans. Applications are approved under a strict set of underwriting criteria, which indicatively include stringent application entry

requirements, examination of customer's depository or investment relationship within the Bank and pursuit of additional security (guarantor and/or collateral) if necessary.

Regarding new business development, the Bank is focused on the promotion of special purpose consumer loans such as "auto loans" and "green loans" for energy improvements at home or for purchases of hybrid cars, as well as on the further growth of its debit and pre-paid cards portfolio and the strengthening of its position in the card clearing market.

Mortgage Lending Products

Due to the recession, house prices have declined since 2008 through 2016 cumulatively by 41.3%, with a decelerating trend during 2016. Capital controls applied as from 29 June 2015 as well as the austherity measures introduced by the Greek Government had a negative impact on the economic environment in 2015. In particular, the negative impact on new mortgages still remains despite the partial lifting of the capital control measures.

In the year ended 31 December 2016, new lending amounted to €49 million, compared to €57 million in 2015 and €44 million in 2014. Average Loan-to-Value ratio ("**LTV**"), for 2016 new originations was 55.3%, compared to 55.8% in 2015 and 53.8% in 2014 (maximum LTV suggested by the Bank of Greece at 75%), and Payment-to-Income ratio ("**PTI**") at 32.7%, compared to 23.1% in 2015 and 24.1% in 2014 (maximum PTI recommended at 40% by the Bank of Greece). Approval rate for mortgage applications in 2016 was 76%, higher than in 2015 (75%) and 2014 (63%) due to the higher quality of submitted applications and better screening at early stage of applications. Pricing in 2016 stood at an average spread of 363 bps, compared to 365 basis points in 2015 and 361 basis points in 2014.

As at 30 June 2017, the mortgage loan portfolio, before any provision for allowance, was €16.6 billion, compared to €16.9 billion at 31 December 2016 and €17.6 billion at 31 December 2015. In the first half of 2017, past due loans continued to rise from 31.9% at December 2016 to 33.6% at 30 June 2017 mainly due to the deleverage of the mortgage portfolio. Although capital controls had a temporary impact on the quality of the Bank's mortgage portfolio this was less pronounced at year end 2015. Moreover, some of the amendments applied by Greek laws 4335 and 4336/2015 (relating to foreclosure/auction procedure, stricter eligibility criteria in the bankruptcy law, waive of the privileged ranking of public sector in auctions) are expected to have a gradually positive effect on the banking sector.

During 2016, the Bank continued its efforts to efficiently manage its existing loan portfolio and contain delinquencies by applying a customer-centric approach. This effort resulted in a decline of past due loans formation through 2016. The solutions offered include term extension up to 45 years, interest-only payment period and fractional payment adjusted to the borrowers' economic capacity. No capital relief is offered and consistency in loan repayment is rewarded. All aforementioned options are intended to secure debt viability and smooth loan repayment. The "split & freeze" product, which was introduced in 2015, provides longer term mortgage solutions for borrowers with weak economic background.

The Code of Conduct which came into force in 2015 following Greek law 4224/2013, as amended and in force, provides a comprehensive approach towards restructuring, putting a specific framework and a set of rules around the restructuring process, covering communication and provision of information to borrowers, supporting organizational structure, offering suitable and sustainable solutions and reporting requirements to supervisory authorities. Borrowers' sustainability is an essential factor in the restructuring policy, with the introduction of the minimum living standards requirement, playing a key role in defining borrowers' capacity to pay and thus choosing the most appropriate solution. Additionally, the notion of "cooperative borrower" is expected to assist in finding a mutually acceptable and suitable mortgage solution.

Forbearance measures occur in situations in which the borrower is unable to meet the terms and conditions of a contract due to financial difficulties. Taking into consideration these difficulties, the Bank decides to modify the terms and conditions of the contract to provide the borrower the ability to service the debt or refinance the contract, either totally or partially.

As at 30 June 2017, outstanding forborne mortgage balances amounted to EUR 5.2 billion from 5.5 billion as at 31 December 2016. The average duration for this portfolio is 34 years, or seven years more than the non-forborne portfolio, with average spread of 233 basis points (41 basis points higher than the non-forbornerestructured portfolio). The application of the Code of Conduct is expected to continue reinforcing the mortgage forbearance programs with favorable results in reducing past due loans.

The strengthened prospects of the Greek economic recovery and the stabilization of the taxation system are expected to offer an impetus in mortgage activity. The Group expect that house prices will continue falling in 2017, however with a decelerating trend.

Small Business Lending Unit

The Small Business Lending Unit ("**SBL Unit**") constitutes a division of retail banking and manages credit provision to small businesses with annual turnover of up to €2.5 million and total exposure up to €1.0 million. SBL Unit operates through three business credit centers in the main urban centers (Athens, Thessaloniki and Patras), which handle credit applications, in accordance with the Bank's applicable Credit and Collection policy and approved authority levels.

As at 30 June 2017, the Bank's Small Business Lending gross outstanding portfolio amounted to €3,621 million, decreased by 6.6% compared to €3,878 million at 31 December 2016 (31 December 2015: €3,983 million).

With effect from the second half of 2015, in accordance with Greek law 4224/2013 and Bank of Greece Executive Committee Directive #42, requests from individuals applying for modifications to be handled by a newly established individuals restructuring division, as part of the Retail Collections Unit.

The SBL Unit in 2016 continued to offer lending solutions, covering a full range of business credit needs, either in the form of revolving facilities for the coverage of working capital needs (liabilities linked to small and medium enterprises trading cycle) or in the form of short-, medium- or long- term fixed loans for financing investment needs or for the enhancement of business liquidity.

New loans granted to small and medium-sized enterprises ("**SMEs**") totaled to €155 million for the year ended 31 December 2016. In addition, the SBL Unit participated in initiatives for the improvement of competitiveness and the enhancement of SME liquidity and specifically in the following co-financed and other state guarantee and funded programs:

- The ETEAN program: "Business Restart", an initiative in cooperation with the Hellenic Fund for Entrepreneurship and Development (ETEAN S.A.) for the financing of micro and small enterprises with a total budget of €550 million (for all participating banks). As at 31 December 2016 €40.6 million have been disbursed to businesses.

- The "Tourist Insular Entrepreneurship" program, with which the Bank grants loans up to €30,000 on behalf of and as delegated by ETEAN, which provides the funds of the program in full. As at 31 December 2016 €14 million had been disbursed to eligible SMEs.

- The "JEREMIE for Entrepreneurship" program, an initiative in cooperation with European Investment Fund (EIF) for the financing of micro, small and medium enterprises with favorable interest rates, due to the interest-free funding from EIF. The total budget of the

program amounted to €32 million and ended on 31 August 2016 with €22 million disbursed to SMEs belonging to SBL Division.

- "COSME Loan Guarantee Facility" with the support of the EFSI. NBG, within the context of its on-going commitment for the support of SMEs access to banking financing and for the provision of effective financial support proceeded to the signature with the EIF of the first COSME agreement in Greece with a total budget of €100,000,000. Through COSME program, EIF will provide guarantees to NBG enabling the Bank to channel funds to SMEs, with substantially reduced requirements for collateral and reduced interest thanks to the relief from the guarantee from EIF. The program was channeled to eligible SMEs starting from October 2016 and in the first three months €3.5 million were approved to micro enterprises.

Furthermore, recognizing the dynamic and growth potential of the agricultural sector, NBG has prepared a special "Contract Farming" financing program that modernizes the entire production and trade cycle of buyers and suppliers of agricultural and livestock products.

This program aims at financing farmers and livestock breeders to cover part of the production cost of their products under the condition that they have concluded sale contracts with selected trading and manufacturing businesses. Under this program, €3 million were granted to more than 1.000 producers of primary production sector.

SBL Unit also supported SBLs who experienced difficulties in early stages, by agreeing more favorable terms and conditions for the rescheduling of their debts The main characteristics of such programs are: the granting of a grace period of up to two years, during which the borrower pays only interest, the extension of up to 20 years on the maturity of loan accounts, and the application of lower interest rates in case that new collateral is pledged. In addition, the SBL Unit has formulated all necessary procedures in order to comply with newly established Code of Conduct of Greek law 4224/2013.

As at 31 December 2016, the SBL Unit's customers restructured under any relevant program had a balance of €400 million.

Retail Collections Unit

The Retail Collections Unit ("**RCU**") was established in 2010 as the independent unit of the Bank responsible for the management of delinquent retail loans clients. It is a centralized function with end-to-end responsibility for the management of delinquent, from the 1st day of delinquency all the way to the eventual write-off. As at 31 December 2016, 1,724 staff were employed on a full-time equivalent ("**FTE**") basis in connection with the management of the retail past due loan portfolio, including 867 FTEs in the branch network and 290 FTEs in external collection agencies and external law firms. As at 31 December 2016, the retail delinquent loan portfolio under RCU management amounted to € 13.1 billion.

RCU's strategy for managing delinquent retail clients is performed through a combination of channels, such as the internal collections center ("**ICC**"), dedicated personnel in the Bank's branch network, external debt collection agencies and external law firms. It makes extensive use of information technology, call strategy and monitoring tools in ICC to perform rigorous collections in the early stages of delinquency, while outsourcing certain (typically smaller, consumer credit) cases to external agencies which are given incentive based remuneration. It utilizes a set of key performance indicators to implement restructuring solutions in respect of borrowers, which involve an analysis of such factors as the income and living expenses of the borrower, the presence and amount of collateral and the days past due of the loan. Depending on the risk profile and delinquency status of the loan, RCU determines the strategy in accordance with a statistically driven framework. Tools employed by the RCU in respect of restructurings include collateral addition, incentives to remain current (such as forgiveness of interest or capital at maturity), maturity extension, monthly payment reduction for 3-6

years, or partial debt freezes (“split balance”). In the case of late delinquencies, settlements may be implemented, which include forgiving of off-balance-sheet interest as well as a percent of capital depending on the collateral and duration of the repayment schedule.

For the period ended 31 December 2016, the RCU conducted restructurings in the amounts of €1,188 million, €285 million and €241 million related to mortgage, consumer and small business loans, respectively.

Corporate and Investment Banking

Commercial Loans

The Group offers corporate clients a wide range of products and services, including financial and investment advisory services, deposit accounts, loans denominated in euro and other currencies, foreign exchange services, insurance products, custody arrangements and trade finance services.

The Bank extends financing to all sectors of the economy. As at 30 June 2017, domestic commercial lending amounted to €24.7 billion and represented 59.7% of the total adjusted domestic loans and advances to customers of the Bank (31 December 2016 was 25.6 billion and represented 60.1%). Its lending exposure to the ten largest performing loans to non-affiliated enterprises amounted to €2.6 billion as at 31 December 2016, representing 6.3% of its adjusted domestic loans and advances to customers.

The Bank lends primarily in the form of short-term credit lines and medium/long-term loans. Apart from financing, the Bank provides standby letters of credit and financial guarantees for its customers, which amount to €3.3 billion as at 31 December 2016.

During 2016, the Bank provided the necessary liquidity to existing and new sustainable investments aimed at enhancing the competitiveness, innovation and outward orientation in business and new jobs creation. In this context, the Bank has cooperated with international and national financial institutions in funding and risk sharing agreements aiming to facilitate the access of Mid-Caps/SME/Small businesses to financing and boost their competitiveness. More specifically the Bank has utilized funding and risk sharing programs of a) the National Entrepreneurship and Development Fund ("ETEAN") and b) the EIF, absorbing actively the available funding resources of the National Strategic Reference Framework ("NSRF") 2007–2013. Additionally, the Bank in co-operation with the EIB and the guarantee of the Hellenic Guarantee Fund of the European Investment Bank for Small and Medium-Sized Enterprises ("Guarantee Fund"), has allocated €130 million of funding to eligible projects undertaken by SMEs and MidCaps, offering competitive interest rates, with emphasis to companies that promote youth employment, through the "Jobs for Youth Initiative".

Furthermore, the Bank has entered a) into a finance contract with the EIB, for an amount up to €215 million, earmarked for the financing of eligible projects undertaken by SMEs and MidCaps, offering competitive interest rates to companies that promote youth employment, through the "Jobs for Youth Initiative" and b) into a guarantee agreement with EIF, for an amount up to €100 million, in order to enhance access to finance for SMEs, under COSME Loan Guarantee Facility (Program for the Competitiveness of Enterprises and Small and Medium-sized Enterprises), an initiative launched by the European Commission and managed by EIF, in order to provide liquidity and favorable financing terms to the Greek enterprises.

In 2017 the Bank intends to maintain its support for the development of Greek entrepreneurship, providing liquidity to viable SMEs through partnerships with international and European development organizations, with a view to making available any potential source of funding for the financial support of Greek enterprises.

Shipping Finance

Greece is a maritime nation with a long tradition in ship-owning and is one of the world's largest ship-owning and ship-flagging nations. Shipping remains one of the most important sectors of the Greek economy and the Bank is one of the key participants in Greek shipping finance. The Bank's shipping finance activities are carried out almost exclusively through its dedicated Piraeus-based unit.

As at 30 June 2017, outstanding shipping loans (mainly concerning wet and dry bulk shipping) were €2.1 billion. Shipping exposure represents 10.3% of the Bank's total commercial loan portfolio.

The Bank has traditionally provided bilateral and syndicated long term financing, mainly to dry bulk, wet bulk and, to a lesser extent, liner business with a consistent view to minimize risk and enhance the portfolio's profitability. Nearly all of the Bank's shipping loans are fully secured by vessels.

The shipping industry is highly cyclical, experiencing volatility in revenues and cash flows resulting from changes in the demand and supply of vessel capacity. Over the past several years, freight rates in main shipping segments have remained at relatively low levels with the dry markets suffering the most. The dry bulk shipping has been heavily affected by increased tonnage supply and modest demand for shipping services. After the first quarter of 2016 where it reached historic lows, it gradually started to improve modestly. On the wet sector side, freight rates dropped, especially during the second half of 2016. However, the situation lately shows signs of stabilizing to relatively better market levels. As for the ferry industry, the relatively low fuel prices helped the financial performance of the larger companies while the restructured sector's indebtedness supports the prospects for consolidation movements, which may gradually attract the interest of foreign investors.

Project Finance

The Bank's project finance loan portfolio includes loans to large infrastructure projects both in Greece and abroad (mainly in Europe). Even though there has been a rather limited activity in the field of project finance, the overall size of the relevant portfolio increased by 5.9% to €432 million as of December 2016, from €408 million as of 31 December 2015.

The Bank continued its focus on the domestic market for the period of 1 January 2016 to 31 December 2016, during which no new loans were advanced for projects outside Greece, while during the same period the effort to reduce positions in loans with low margins resulted in a decrease of the international loan portfolio by 1.7% on a euro denominated basis. During the same period, the domestic loan portfolio increased by approximately 20%.

Through an operational agreement signed in December 2011 between the Bank and the European Investment Bank ("**EIB**"), the Bank, acting as an Urban Development Fund ("**UDF**"), was awarded the management of EU Structural Funds under the Joint European Support for Sustainable Investment in City Areas initiative (the "**JESSICA**"). JESSICA funds, along with the Bank's and other private funds, were intended to be used during the period of 2012 to 2015 to make repayable investments in the respective regions. Following the closing of JESSICA in 2016 the disbursements of UDF funds to all signed projects was completed and the repayment of UDF loans has started. The JESSICA funded project portfolio amounted to four projects with total construction budget of €133.7 million and UDF requested funds of €41.2 million. Two of the aforementioned projects were completed as of 31 December 2016 while the other two projects were completed by August 2017.

Special Assets Unit

The Bank has established the Special Assets Unit ("**SAU**"), in order to effectively manage troubled and past due corporate loans and have full responsibility for managing such loans. Since the first quarter of 2015, the SAU has been reported as a separate segment and maintains a management structure independent of other Group businesses.

The corporate loan portfolio managed by the SAU amounted to €6.0 billion as at 30 June 2017 with additional €0.4 billion of leasing and factoring facilities as well as exposures relating to letters of guarantee/credit.

The SAU proposes customized loan modification and forbearance solutions to enterprises that are facing difficulties meeting their obligations and have operational and financial weaknesses.

There is a clear prioritization strategy per portfolio managed, based on ageing, size, collateralization levels and status of legal actions.

The SAU assesses the creditworthiness of the borrower using analytical tools and metrics, taking into consideration a number of factors, including but not limited to: cooperativeness of the borrower, the size of exposure, the borrower's viability and debt repayment capacity, collateral levels, market and competitive conditions and the industry in which it operates. Based on the results of its assessment, the SAU proposes customized loan modification and restructuring solutions for the borrowers' loans, also taking into consideration the results of a "net present value" tool. A number of restructuring products and debt settlement solutions for small non-denounced and denounced customers respectively are also in place.

As at 30 June 2017, total forborne loans and advances to customers amounting to €2,506 million are under SAU management.

Leasing

The Bank began leasing activities in 1990 through its subsidiary, Ethniki Leasing. Ethniki Leasing leases land and buildings, machinery, transport equipment, furniture and appliances, computers and communications equipment. As at 31 December 2016, 65.4% of the finance lease receivables of Ethniki Leasing were to the trading and services sector, 18.3% to industry and mining, 8.7% to construction and real estate and 7.6% to other sectors. As at 30 June 2017, Ethniki Leasing had total assets of €726 million, compared to €725 million as at 31 December 2016 and a profit of €1 million for the first half of 2017, before elimination of intercompany transactions and balances, compared to a profit of €0.1 million for the first half of 2016.

Probank Leasing

Probank Leasing leases land and buildings, machinery, transport equipment, furniture and appliances, computers and communications equipment. Since July 2013, after the acquisition from the Group, Probank Leasing has come to recession and gradually stopped new contracts. As at 31 December 2016, 69.8% of the finance lease receivables of Probank Leasing were to the trading and services sector, 3.5% to construction and real estate, 11.3% to industry and mining and 15.4% to other sectors. As at 30 June 2017, Probank Leasing had total assets of €71 million, compared to €81 million as at 31 December 2016 and a loss of €3 million for the first half of 2017, before elimination of intercompany transactions and balances, compared to a loss of €2 million for the first half of 2016.

Factoring

National Bank of Greece has been active in the provision of factoring services since 1994. In May 2009, Ethniki Factors was established as a wholly owned factoring subsidiary of the Bank, as part of its strategic decision to expand its factoring operations in Greece. The year 2015 was the seventh consecutive financial year during which Ethniki Factors continued to focus on enhancing liquidity to the Group corporate customers maximizing synergies with the Bank. Portfolio performance remained strong despite adverse economic environment. Ethniki Factors offers a comprehensive range of factoring services to provide customers with the flexibility they need to cope with recession difficulties Greek economy faces over the last seven years.

Investment Banking

In 2016, the NBG Securities' Investment Banking Division continued to provide services mainly focused on corporate finance and equity capital markets as the challenging economic conditions in Greece (slowdown of the domestic activity, impact of capital controls, political uncertainty etc.) have adversely affected the volume of announced transactions while debt capital markets have borne the brunt of this crisis. In that context, the Issuer served as financial advisor for the merger by absorption by MIG Real Estate of NBG Pangaea REIC and its indirect listing on ATHEX.

Global Investment & Asset Management

Treasury

The Bank and each of its banking subsidiaries carry out their own treasury activities within the prescribed position and counterparty limits. These activities include:

- Greek and other sovereign securities trading;
- foreign exchange trading;
- interbank lending and borrowing in euro and other currency placements and deposits;
- forward rate agreement trading;
- repurchase agreements;
- corporate bonds; and
- derivative products, such as options and interest rate and currency swaps.

The Treasury is active across a broad spectrum of capital market products and operations, including bonds and securities, interbank placements in the international money and foreign exchange markets and market-traded and over-the-counter financial derivatives. It supplies the branch network with value-added deposit products, and its client base includes institutions, large corporations, insurance funds and large private-sector investors. In general, the Bank and its subsidiaries enter into derivatives transactions for economic hedging purposes or in response to specific customer requirements.

The Bank is active in the primary and secondary trading of Greek government securities, as well as in the international Eurobond market, especially EFSF and ESM issues. The Bank is a founding member of the Group of Greek Government Securities Primary Dealers which was established by the Bank of Greece in early 1998 and of the Group of EFSF-ESM Securities Primary Dealers which was established in 2010.

NBG participation in the short term measures of Greek debt restructuring through a Bond Exchange program

On 5 December 2016, Eurogroup endorsed the implementation of the short-term debt relief measures beginning in early 2017 (see *"The Macroeconomic Environment in the Group's Market – The Third Programme"*). These measures include, among others, a prospective bond exchange of the floating rate notes used for Greek banks' recapitalization for fixed-rate notes with much longer maturities, with a view to stabilizing interest rates and smoothen the future debt repayments profile for the Greek State. This exchange is effected at the bonds' carrying amount, therefore, it has no impact on the Bank's income statement.

In this context, in 2017, from February and up to August, the Bank participated in the Bond Exchange Program with the nominal amounts of €5.7 billion. The outstanding nominal amount of notes eligible for this program is €2.3 billion. In January 2017, before the initiation of the Bond Exchange Program, the Bank disposed of EFSF bonds of nominal value €325 million.

Private Banking

NBG Private Banking ("**Private Banking**") is the Bank's dedicated arm that responds to the needs of high net worth and ultra-high net worth clients. The Bank operates out of eight different locations in Greece, London and Malta. The products and services offered cover a wide spectrum, from traditional banking to tailor-made investment mandates. An independent team of five investment specialists equipped with an extended open architecture platform, along with a highly trained team of 35 experienced client relationship officers, are committed to offering first-class services that maximize client aspirations.

The Bank's Private Banking operations leverage the expertise, resources, know-how and capabilities of the Group to service client needs and generate benefits in managing their wealth. The Bank's commitment focuses on delivering value to its clients while remaining sensitive to and scrutinizing and closely monitoring the client's risk-return profile.

Custodian Services

The Bank offers custody services to domestic and foreign institutional clients, as well as to its retail customer base, covering the Greek and most foreign markets. For the coverage of international markets the Bank cooperates with top global custody providers, while in countries of SEE where it has a presence, the Bank is using as sub-custodians its subsidiaries in the region.

The range of services the Bank offers includes: trade settlement, safekeeping of securities, corporate actions processing, income collection, proxy voting, tax reclamation, customized reporting, as well as underwriting services and paying agent services.

Since June 2015, when the Bank of Greece, in its capacity as Central Securities Depository for debt instruments issued by the Hellenic Republic, migrated to T2S, the Bank has adjusted systems and processes accordingly and is fully operative in the new environment.

The Bank is also in the process of broadening its activities, oriented to provide innovative high quality services to domestic investment services companies.

As at 31 December 2016, the Bank serviced 60 domestic institutional clients (3 mutual funds, 4 asset management companies, 12 insurance companies, 5 brokerage companies, 27 pension funds and 9 other companies), 18 foreign customers and approximately 290,000 retail customers.

Within the context of the long lasting economic crisis and capital controls implementation, custody business, especially that of Greek local providers, has been considerably impacted. Thus, there was negative impact on the Bank's custody, due to significant downsizing of the relevant transactions, decrease of securities values, as well as transfer of the relevant business to other international custodians affected by specific foreign customers.

In recognition of the quality custody services offered, to both cross border/non affiliated and domestic clients, the Bank is positioned between the top providers in the Greek market, in the Agent Banks Surveys of the "Global Custodian" magazine, for many consecutive years.

Asset Management

The Group's domestic fund management business is operated by NBG Asset Management S.A., which is wholly owned by the Group. NBG Asset Management manages funds that are made available to customers through the Bank's extensive branch network

NBG Asset Management offers 19 investment funds under the brand name Delos, two under the NBGAM brand name, one under the N.P. Insurance brand name and three under the NBG International SICAV brand name which are registered in Luxembourg. NBG Asset Management offers a wide range of investment products that provide to institutional and private investors access to significant markets in stocks, bonds and money market products, in Greece and internationally.

Additionally, NBG Asset Management offers a more integrated range of contemporary investment services such as:

- portfolio management for institutional and private investors; and
- consultancy investment services for institutional and private investors.

As at 31 December 2016 NBG Asset Management's total assets under management in mutual funds and discretionary asset management were €1.4 billion. Its market share in mutual funds in Greece was 13.7% as at 31 December 2016, compared to 12.6% as at 31 December 2015. (Source: Hellenic Fund and Asset Management Association—report of 31 December 2016). The funds belong to a client base comprised of approximately 81 institutional and over 43,000 private investors.

The total value of funds managed since 2014 is set forth in the table below:

	As at 31 December		
	2014	2015	2016
	(€ in millions, except for percentages)		
Mutual Funds under management	850	912	883
Market Share	*14.0%*	*12.6%*	*13.7%*
Discretionary Funds under management	443	460	493
Total Funds Under Management	**1,293**	**1,372**	**1,376**

Stock Brokerage

National Securities S.A. ("**NBG Securities**") was established in 1988 and constitutes the brokerage and investment banking arm Of the Group. NBG Securities offers a wide spectrum of investment services to both individual and institutional customers.

In 2015, NBG Securities had a market share of 8.37% of trades brokered on the ATHEX, ranking third in terms of total trading value, according to data from the Athens Stock Exchange (Source: Athens Stock Exchange - reports on Members Market Share (2015-12)).

The provision of investment services in Greece has become increasingly competitive, with a number of banks and brokerage houses participating actively in this area. NBG Securities network consists of seven branches, three of which are in London, Nicosia and Bucharest.

Banking Activities Outside of Greece

The Group operates in 11 countries outside Greece. As at 30 June 2017, the Group's international network comprised 1,048 branches (including foreign subsidiaries and Bank branches in the United Kingdom, Egypt and Cyprus), which offer traditional banking services and financial products and services. The Bank has seven commercial banking subsidiaries in Malta, Romania, FYROM, Serbia, Cyprus, Albania and South Africa. The Bank's subsidiaries in Turkey were disposed on 30 June 2016 and the Bank's subsidiaries in Bulgaria were disposed on 13 June 2017. Whereas the Bank's subsidiaries in South Africa and Romania are expected to be sold by the end of 2017 as discussed further in "*The Issuer - History and Development of the Group—Acquisitions, Capital Expenditures and Divestitures*".

The Bank's international operations include the Bank's branches in Egypt and Cyprus, as well as commercial banking subsidiaries in four countries. Stopanska Banka in FYROM, NBG Cyprus in Cyprus, NBG Malta in Malta and NBG Albania in Albania, along with other subsidiaries, primarily in the leasing sector. The Bank's international operations contributed €52 million or 6.3% of net interest income of the Group from continuing operations and accounted for €3.2 billion or 4.9% of the Group's total assets excluding non-current assets held for sale as at and for the period ended 30 June 2017. Total loans and advances to customers were €2.0 billion at 30 June 2017 whereas due to customer deposits (excluding interbank deposits) amounted to €2.1 billion at 30 June 2017.

The Group's international network is described below. In the analysis that follows, all amounts are before elimination of intercompany transactions and balances.

National Bank of Greece S.A.: Foreign Branches

As at 31 December 2016, the Bank had 19 foreign branches in three countries, including one in the United Kingdom, one in Cyprus and 17 in Egypt. At 31 December 2016, loans and advances to customers of the Bank's Cyprus and Egypt operations were €169 million and €76 million, respectively. The table below provides selected financial information of the Bank's foreign branches (excluding the United Kingdom branch) as at and for the year ended 31 December 2016:

Selected financial information	**As at 31 December**		
	2014	**2015**	**2016**
		(€ million)	
Total assets	356	452	371
Loans and advances to customers	324	282	244
Total deposits	201	186	106

	For the year ended 31 December		
	2014	**2015**	**2016**
		(€ million)	
Impairment charge for credit losses	0	0	0
Profit/(loss) before tax	3	7	82
Profit/(loss) for the period	1	6	82

Selected financial information	**As at 30 June**
	2017
	(€ million)
Total assets	352
Loans and advances to customers	238
Total deposits	98

	For the six months period ended 30 June	
	2016	2017
	(€ million)	
Impairment charge for credit losses	(1)	1
Profit/(loss) before tax	9	0
Profit/(loss) for the period	9	0

The table above relates solely to the business of the Bank's foreign branches with the exception of the United Kingdom branch, which is considered part of domestic operations and other international operations.

Stopanska Banka

Stopanska Banka is a commercial bank registered in FYROM and headquartered in Skopje that provides a wide range of retail and corporate banking services. The Bank acquired Stopanska Banka in 2000 and as at 31 December 2016, held a 94.64% stake, while the remaining 5.36% is held by minority shareholders.

Stopanska Banka operates one of the largest branch networks in FYROM, with a dense nationwide network of ATMs and POS terminals. As at 31 December 2016, Stopanska Banka had 66 branches, and continues to strive to maintain its leadership position in e-banking within FYROM, including by promoting internet and mobile banking and offering its clients electronic payment facilities. Stopanska Banka aims to continue to improve its loan portfolio by targeting high quality customers in the SMEs and large companies segments.

Selected financial information with respect to Stopanska Banka as at and for the year ended 31 December 2016, is provided in the table below:

Selected financial information[(1)]	As at 31 December					
	2014		2015		2016	
	(€ million)	(MKD million)	(€ million)	(MKD million)	(€ million)	(MKD million)
Total assets	1,385	85,096	1,404	86,478	1,427	87,748
Loans and advances to customers	859	52,794	926	57,050	976	60,047
Total deposits	1,072	65,907	1,090	67,104	1,110	68,292

	For the year ended 31 December					
	2014		2015		2016	
	(€ million)	(MKD million)	(€ million)	(MKD million)	(€ million)	(MKD million)
Impairment charge for credit losses	0	(30)	1	48	0	(31)
Profit before tax	34	2,076	40	2,469	45	2,768
Profit/(loss) for the period	31	1,898	36	2,244	41	2,504

(1) Solely for the convenience of the reader, the conversion of Macedonian dinars into € has been made at the rate of €1.00 = MKD 61.5184 €1.00 = MKD 61.5764 and €1.00 = MKD 61.4628, the rates announced by the National Bank of FYROM as at 31 December 2016 and as at 31 December 2015 and 2014, respectively, and €1,00 = MKD 61.5751, and €1,00 = MKD 61.6143 and €1.00 =

MKD 61.6143, the average rate for the period ended 31 December 2016 and for the years ended 31 December 2015 and 2014, respectively.

Selected financial information[(2)]	**As at 30 June**
	2017
	(€ million)
Total assets	1,416
Loans and advances to customers	974
Total deposits	1,122

	For the six months period ended 30 June	
	2016	**2017**
	(€ million)	
Impairment charge for credit losses	(1)	0
Profit/(loss) before tax	22	23
Profit/(loss) for the period	20	21

(2) Solely for the convenience of the reader, the conversion of Macedonian dinars into € has been made at the rate of €1.00= MKD 61.5244, the rate announced by the European Central Bank as at 30 June 2017, and €1.00 = MKD 61.5643 and €1.00 = MKD 61.1621, the average rate for the six months period ended at 30 June 2017 and for the six months period ended at 30 June 2016, respectively.

NBG Cyprus

NBG Cyprus, headquartered in Nicosia, had 9 branches, one satellite branch, three Business Centers and two international business units as at 31 December 2016. Since 2011, NBG Cyprus also operates a representative office in Moscow. NBG Cyprus provides a wide range of commercial and retail banking services, focusing on corporate lending and international business.

Selected financial information with respect to NBG Cyprus as at and for the year ended 31 December 2016, is provided in the table below:

Selected financial information	**As at 31 December**		
	2014	**2015**	**2016**
	(€ million)		
Total assets	946	780	916
Loans and advances to customers	519	540	662
Total deposits	785	610	571

	For the year ended 31 December		
	2014	**2015**	**2016**
	(€ million)		
Impairment charge for credit losses	(14)	(6)	(9)
Profit/(Loss) before tax	9	5	5
Profit/(Loss) for the period	4	3	3

Selected financial information	**As at 30 June**
	2017
	(€ million)
Total assets	937
Loans and advances to customers	666
Total deposits	613

	For the six months period ended 30 June	
	2016	2017
	(€ million)	
Impairment charge for credit losses	0	(1)
Profit/(loss) before tax	5	3
Profit/(loss) for the period	4	3

NBG Malta

NBG Malta has attracted significant business volumes from Turkish corporates and provides a full range of financial products and services to meet the constantly changing needs of corporate customers and private individuals. In 2013, the Bank acquired a portfolio of loans of Romanian companies and also granted loans to intragroup leasing companies in Romania, Serbia and Bulgaria.

By the end of 2017, NBG Bank Malta intends to finalize the procedures for establishment of custody operations and will commence offering custodian services.

Selected financial information with respect to NBG Malta as at 31 December 2016 is provided in the table below:

Selected financial information	As at 31 December		
	2014	2015	2016
		(€ million)	
Total assets	1,031	481	578
Loans and advances to customers	274	331	433
Total deposits	66	102	94

	For the year ended 31 December		
	2014	2015	2016
		(€ million)	
Impairment charge for credit losses	-	2	(7)
Profit before tax	(1)	7	8
Profit for the period	(2)	6	7

Selected financial information	As at 30 June
	2017
	(€ million)
Total assets	512
Loans and advances to customers	343
Total deposits	91

	For the six months period ended 30 June	
	2016	2017
	(€ million)	
Impairment charge for credit losses	(1)	-
Profit/(loss) before tax	7	6

Profit/(loss) for the period	6	5

NBG Albania

NBG Albania, headquartered in Tirana, as at 31 December 2016, operates through a network of 26 branches and provides a wide range of commercial and retail banking services. NBG Albania has expanded beyond its original activity of lending primarily to certain of the Bank's established Greek corporate clients operating in Albania and gradually started lending to local corporate clients with significant liquid assets as well as individuals, mainly focusing in the secured product of housing loans.

Selected financial information with respect to NBG Albania as at and for the year ended 31 December 2016, is provided in the table below:

Selected financial information[1]	**As at 31 December**					
	2014		**2015**		**2016**	
	(€ million)	**(ALL million)**	**(€ million)**	**(ALL million)**	**(€ million)**	**(ALL million)**
Total assets	317	44,328	284	38,991	308	41,757
Loans and advances to customers	168	23,468	184	25,284	182	24,600
Total deposits	236	33,070	193	26,512	228	30,900

	For the year ended 31 December					
	2014		**2015**		**2016**	
	(€ million)	**(ALL million)**	**(€ million)**	**(ALL million)**	**(€ million)**	**(ALL million)**
Impairment charge for credit losses	(1)	(143)	(1)	(180)	(2)	(283)
Profit/(loss) before tax	1	200	1	157	1	94
Profit for the period	1	158	1	75	0	38

(1) Solely for the convenience of the reader, the conversion of Albanian lek into € has been made at the rate of €1.00 = ALL 135.5400 €1.00 = ALL 137.3626 and €1.00 = ALL 140.0560, the rate announced by the European Central Bank, as at 31 December 2016 and as at 31 December 2015 and 2014 respectively, and €1.00 = ALL 137.4979 €1.00 = ALL 137.3626 and €1.00 = ALL 137.5516, the average rate for the period ended 31 December 2016 and for the years ended 31 December 2015 and 2014 respectively.

Selected financial information[2]	**As at 30 June**
	2017
	(€ million)
Total assets	306
Loans and advances to customers	173
Total deposits	226

	For the six months period ended 30 June	
	2016	**2017**
	(€ million)	
Impairment charge for credit losses	(1)	(1)
Profit/(loss) before tax	1	(1)
Profit/(loss) for the period	1	(1)

(2) Solely for the convenience of the reader, the conversion of Albanian lek into € has been made at the rate of €1.00= ALL 132.2900, the rate announced by the European Central Bank as at 30 June 2017, and €1.00 = ALL 135.0387 and €1.00 = ALL 136.4256 , the average rate for the six months period ended at 30 June 2017 and for the six months period ended at 30 June 2016, respectively.

Leasing Services

As part of its International operations, the Group offers leasing services through certain of its foreign subsidiaries.

Insurance

The Group provides insurance services primarily to individuals and companies through its wholly owned subsidiary Ethniki Insurance Group ("**EH**"). In April 2017, the Bank announced the receipt of binding offers for EH in the context of the divestment process provided for in the Group's Revised Restructuring Plan (see below Section "*Material Contracts*").

Insurance Services - Ethniki Insurance Group

Ethniki Insurance Group offers a full range of products including life, accident and health insurance for individuals and groups, fire, catastrophe, motor, marine hull and cargo insurance, and general third party liability insurance.

EH operates through a network of 33 branches, 157 sales bureaus, 2,238 tied agents and 1,660 independent insurance brokers, in addition to selling bancassurance products through the Bank's network and also by direct selling.

Income from insurance operations increased to €311 million for the period ended 30 June of 2017, from €268 million for the period ended 30 June of 2016. In particular EH's property and casualty insurance businesses gross written premiums decreased to €97 million for the period ended 30 June 2017, compared to €106 million in the respective prior period of 2016, while life insurance gross written premiums increased to €215 million for the period ended 30 June 2017 compared to €163 million in the respective prior period.

Bancassurance premiums for life and property and casualty insurance amounted to €62 million and €18 million, respectively, for the period ended 30 June 2017 compared to €22 million and €17 million, respectively for the period ended 30 June 2016. For more information on the Group's bancassurance business, see "– *Bancassurance*" below.

EH operates two subsidiaries in Cyprus in collaboration with NBG Cyprus which are active in both life and non-life insurance. EH also operates in Romania, where it holds a 94.96% share in Societate Comerciala Asigurari Garanta S.A. ("**Garanta**"). Garanta offers insurance products through the network of three banks: Alpha Bank Romania, Piraeus Bank Romania and Banca Romaneasca.

On 30 December 2016, NBG entered into a definitive agreement with KBC for the divestment to KBC of its 99.91% stake in UBB and committed to transfer to KBC "UBB Metlife Insurance Company AD" and "UBB Insurance Broker AD", in which EH currently owns a share of 30% and 20% respectively. The transaction was completed in June 2017.

On 20 January 2017, EH fully disposed of its 95% share in National Insurance Brokerage S.A., a Greek insurance broker acquired in 2005.

Bancassurance

The Bank offers the following bancassurance products through its insurance brokerage subsidiary NBG Bancassurance S.A. and the Bank's extensive network in Greece.

- **Investment savings and retirement insurance products** including single payment unit-linked investment insurance products and monthly premium traditional products, targeting mainly the affluent clientele of the Bank.

- **Health insurance** which provides a wide range of insurance coverage for medical services, i.e. diagnostic tests, hospital and surgical indemnity.

- **Motor insurance (for Auto, Moto, Truck)** is offered in predefined insurance packages (Classic, Extra and Premium), which include insurance coverage for third-party liability coverage for vehicle damages and body injuries, uninsured motorists coverage, theft coverage, fire coverage, collision coverage, etc.

- **Home insurance** including coverage against fire, earthquake, flood and other similar risks, offered in two comprehensive insurance packages (Basic and Full). Content insurance coverage is offered as an option. The program is offered for both mortgaged and mortgage-free houses as well as for selected categories of offices and businesses.

- **Insurance products bundled with banking products**, which reduce risk for both the customers and the bank. These products are as follows:

  – *Life insurance* for mortgage and small business loan customers. Under this policy, the outstanding balance of the mortgage is reimbursed in the event of death of the borrower and/or guarantor.

  – *Payment protection insurance* for consumer loan customers. Under this policy, a pre-defined amount that corresponds to their monthly loan payment is paid in the event of temporary disability or involuntary unemployment of the borrower.

Other

Real Estate Management

The Group engages in real estate management activities, including warehousing and third party property management. As at 30 June 2017, the Bank owned 1,728 real estate units, 1,156 of which were buildings and 451 were lands that the Bank acquired through seizure of collateral on loan foreclosures. The remaining 121 units were acquired to host and to support its own business purposes. As at 30 June 2017, the carrying value of the 1,607 units that were acquired through foreclosure was €76 million (2016: €77 million).

The Bank has established guidelines and procedures relating to the disposal of properties, including properties acquired through foreclosure, in order to support the reliability, transparency and accountability in transactions and the completion of the process on a timely basis. The ability to dispose of properties acquired through foreclosure has been affected by the recent adverse economic conditions in Greece, as the demand for properties has stalled, resulting in a significant decrease in sales of foreclosed properties. Furthermore, the limited liquidity from the Greek banks, limited credits for mortgage loans and the increasing uncertainty further weakened the demand for properties.

NBG Pangaea REIC, the Group's real estate investment company, owned 338 commercial properties with total leasable area of 986 thousand sq.m. and a net book value of €1,350 million as at 30 June 2017. The fair value of the properties was €1,572 million at 30 June2017. The properties are mainly located in prime areas throughout Greece. The NBG Pangaea Group also owned as at 30 June 2017 fourteen properties in Italy, two properties in Romania and one property in Cyprus.

During the first semester of 2017, NBG Pangaea Group made total investments in real estate of €71 million (not including acquisition expenses of €1.8 million).

The Bank intends to continue to divest real estate holdings as part of its non-core asset divestment strategy.

Discontinued Operations

The profit and losses from discontinued operations for the period ended 30 June 2017, comprises of S.A.B.A., UBB, Interlease, BROM, NIC, Vojvodjanska and NBG Leasing doo. The comparative profit from discontinued operations includes Finansbank and has been re-presented to also include S.A.B.A., UBB and Interlease (classified as discontinued operations in December 2016) and BROM, NIC, Vojvodjanska and NBG Leasing doo (classified as discontinued operations in June 2017).

Selected financial data from discontinued operations

In 30 June 2017, the net interest income from discontinued operations was €126 million, compared to €595 million on 30 June 2016. As at 30 June 2017, loans and advances to customers included as non-current assets held for sale was €1,912 million while due to customers as included in liabilities associated with non-current assets held for sale reached €1,632 million, compared to €2,176 million and €2,942 million, respectively, as at 31 December 2016. Total assets of non-current assets held for sale as at 30 June 2017 were €5.7 billion, accounting for 8.1% of our total assets compared to €3.7 billion and 4.7% as at 31 December 2016.

Significant Equity Method Participations

The Issuer's equity method investment portfolio includes participations in Greek corporations.

The following table sets out equity participations in which the Group hold an equity interest in excess of 20% but less than 50%, or in which the Group do not have control, as at 30 June 2017:

Name	Country of incorporation	(%) Interest held by Group	Reported book value[(1)]
			(€ million)
Planet S.A.	Greece	36.99%	2
Eviop Tempo S.A.	Greece	21.21%	4
Social Securities Funds Management S.A.	Greece	20.00%	1
Teiresias S.A.	Greece	39.93%	1
Pyrrichos Real Estate S.A.	Greece	21.83%	-
Larco S.A.	Greece	33.36%	-
Sato S.A.	Greece	23.74%	-
Olganos S.A.	Greece	33.60%	-

Equity participations in which the percentage of ownership interest held by the Group is less than 20% are accounted as portfolio investments in accordance with IAS 39, as the Group does not have the ability to influence the operations of the investees. Equity participations in which the percentage of ownership interest held by the Group is greater than 20% but less than 50% or which are jointly controlled by the Group and other entities are accounted for using the equity method in accordance with IAS "Investments in Associates" because the Group can influence the operations of the investees.

Intellectual Property, Contracts and Manufacturing Processes

The Group's business and profitability are not materially dependent on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes.

Material Contracts

Sale of South African Bank of Athens Ltd ("S.A.B.A.") to AFGRI Holdings Proprietary Limited ("AFGRI")

On 22 December 2016 the Group entered into a definitive agreement with AFGRI, a company incorporated in the Republic of South Africa for the divestment to AFGRI of its 99.81% stake in its South African subsidiary S.A.B.A. The agreed consideration for the sale of the subsidiary amounts to ZAR 279 million.

Closing of the transaction is subject to customary regulatory and other approvals, including from: (i) the South African Reserve Bank (ii) the South African Ministry of Finance and (iii) the South African Competition Commission and Competition Tribunal (already received) and is expected to close by the beginning of 2018.

Sale of the majority equity holding in Ethniki Hellenic General Insurance S.A. ("Ethniki Insurance") to EXIN Financial Services Holding B.V. ("EXIN")

On 27 June 2017, the NBG's Board of Directors approved the divestiture of a 75.00% stake in Ethniki Insurance to EXIN and the establishment of an exclusive bancassurance agreement, which will govern the distribution of products of Ethniki Insurance via the NBG network. The agreed consideration for the Ethniki Insurance Transaction amounts to €718 million. NBG and EXIN also entered into a shareholders' agreement, which will govern their respective ownership and control of Ethniki Insurance. The related agreement was signed on 29 June 2017.

NBG retains a 25.00% stake is in line with the spirit of partnership that will govern NBG's relationship with EXIN going forward.

Closing of the Transaction is subject to the approval from the relevant Competition Authorities and the Bank of Greece and is expected to close by the end of 2017.

Sale of Banca Romaneasca ("BROM") to OTP Bank Romania ("OTP")

On 27 July 2017, the Group entered into a definitive agreement with OTP Bank Romania ("OTP") for the divestment to OTP of its 99.28% stake in its Romanian subsidiary Banca Romaneasca ("BROM") for an agreed consideration of €72 million and of a portfolio of Romanian-risk corporate loans (together the "BROM Transaction"). By taking into account the repayment of the intra-group debt, the BROM Transaction is expected to strengthen Bank's liquidity position by c. €650 million.

Closing of the transaction is subject to approval from the National Bank of Hungary, the National Bank of Romania and anti-trust approvals and is expected to close by the beginning of 2018.

Sale of Vojvodjanska Banka a.d. Novi Sad ("Vojvodjanska"), NBG Leasing d.o.o. Belgrade and NBG Services d.o.o. Belgrade to OTP Banka Srbija a.d. Novi Sad

On 4 August 2017, the Group entered into a definitive agreement with OTP Banka Srbija a.d. Novi Sad ("OTP Serbia") for the divestment to OTP Serbia of its 100% stake in its Serbian subsidiaries Vojvodjanska Banka AD and NBG Leasing d.o.o. for an agreed consideration of €125 million and of a portfolio of Serbian-risk corporate loans (together the "Vojvodjanska Transaction"). By taking into account the repayment of the intra-group debt, the Vojvodjanska Transaction is expected to strengthen Bank's liquidity position by c. €280 million.

Closing of the above transaction is subject to approval from the National Bank of Hungary, the National Bank of Serbia, the General Council of the Hellenic Financial Stability Fund and anti-trust approvals and is expected to close by the end of 2017.

Litigation

The Group is a defendant in certain claims and legal actions arising in the ordinary course of business. These actions and proceedings are generally based on alleged violations of consumer protection, banking, employment and other laws. None of these actions and proceedings is individually material. In accordance with IFRS the Group establishes accruals for all litigations, for which it believes it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. These accruals may change from time to time, as appropriate, in light of additional information. At 31 December 2016 and 30 June 2017 the Group has accrued for cases under litigation the amount of €91 million and €71 million, respectively, for those litigations for which the Group believes that this loss is probable and reasonably estimated. For the cases for which a provision has not been recognized, Management is unable to estimate the possible losses because the proceedings may last for many years, many of the proceedings are in early stages, there is uncertainty of the likelihood of the final result, there is uncertainty as to the outcome of the pending appeals and there are significant issues to be resolved. However, in the opinion of Management, after consultation with its legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the consolidated or separate Statement of Financial Position, Income Statement and Cash Flow Statement.

Organizational Structure

The following table indicates the individual companies within the Group and its participation (direct and indirect) in each company at 30 June 2017:

Primary Operating Area	Country of incorporation	Direct	Indirect	Total
Corporate & Investment Banking				
Ethniki Leasing S.A.	Greece	100.00%	—	100.00%
Ethniki Factors S.A.	Greece	100.00%	—	100.00%
Probank Leasing S.A.	Greece	84.52%	0.19%	84.71%
Titlos Plc[1]	UK	—	—	—
SINEPIA Designated Activity Company[1]	Ireland	—	—	—
International				
The South African Bank of Athens Ltd[3]	South Africa	61.18%	38.64%	99.82%
National Bank of Greece (Cyprus) Ltd.	Cyprus	100.00%	—	100.00%
National Securities Co (Cyprus) Ltd[2]	Cyprus	—	100.00%	100.00%
NBG Management Services Ltd	Cyprus	100.00%	—	100.00%
Stopanska Banka A.D. (Skopje)	FYROM	94.64%	—	94.64%
Bankteco E.O.O.D.	Bulgaria	100.00%	—	100.00%
Banca Romaneasca S.A[3].	Romania	99.28%	—	99.28%
NBG Leasing IFN S.A.	Romania	100.00%	—	100.00%
Vojvodjanska Banka a.d. Novi Sad[3]	Serbia	100.00%	—	100.00%
NBG Leasing d.o.o. Belgrade[3]	Serbia	100.00%	—	100.00%
NBG Services d.o.o. Belgrade[3]	Serbia	—	100.00%	100.00%
Banca NBG Albania Sh.a.	Albania	100.00%	—	100.00%

NBG (Malta) Holdings Ltd	Malta	—	100.00%	100.00%
NBG Bank Malta Ltd	Malta	—	100.00%	100.00%
Global Markets & Asset Management				
NBG Securities S.A.	Greece	100.00%	—	100.00%
NBG Asset Management Mutual Funds S.A.	Greece	100.00%	—	100.00%
Probank M.F.M.C.	Greece	95.00%	5.00%	100.00%
Profinance S.A.[(2)]	Greece	99.90%	0.10%	100.00%
NBG Greek Fund Ltd.	Cyprus	100.00%	—	100.00%
NBG Funding Ltd	UK	100.00%	—	100.00%
NBG Finance Plc	UK	100.00%	—	100.00%
NBG Finance (Dollar) Plc	UK	100.00%	—	100.00%
NBG Finance (Sterling) Plc	UK	100.00%	—	100.00%
NBG International Ltd	UK	100.00%	—	100.00%
NBGI Private Equity Ltd	UK	—	100.00%	100.00%
NBGI Private Equity S.A.S	France	—	100.00%	100.00%
NBG Asset Management Luxembourg S.A.	Luxemburg	94.67%	5.33%	100.00%
Insurance				
Ethniki Hellenic General Insurance S.A[(3)].	Greece	100.00%	—	100.00%
NBG Insurance Brokers S.A.	Greece	99.90%	0.08%	99.98%
Audatex Hellas S.A.[(2), (3)]	Greece	—	70.00%	70.00%
FB Insurance Agency Inc[(2)]	Greece	99.00%	—	99.00%
Ethniki Insurance (Cyprus) Ltd[(3)]	Cyprus	—	100.00%	100.00%
Ethniki General Insurance (Cyprus) Ltd[(3)]	Cyprus	—	100.00%	100.00%
National Insurance Agents & Consultants Ltd[(3)]	Cyprus	—	100.00%	100.00%
S.C. Garanta Asigurari S.A[(3)]	Romania	—	94.96%	94.96%
Other				
NBG Property Services S.A.	Greece	100.00%	—	100.00%
Pronomiouhos S.A. Genikon Apothikon Hellados	Greece	100.00%	—	100.00%
Innovative Ventures S.A. (I-Ven)[(2)]	Greece	—	100.00%	100.00%
Grand Hotel Summer Palace S.A.	Greece	100.00%	—	100.00%
KADMOS S.A.	Greece	100.00%	—	100.00%
DIONYSOS S.A.	Greece	99.91%	—	99.91%

EKTENEPOL Construction Company S.A.	Greece	100.00%	—	100.00%
Mortgage, Touristic Protypos S.A	Greece	100.00%	—	100.00%
Hellenic Touristic Constructions S.A.	Greece	77.76%	—	77.76%
Ethniki Ktimatikis Ekmetalefsis S.A.	Greece	100.00%	—	100.00%
NBG Pangaea Real Estate Investment Company	Greece	32.66%	—	32.66%
Nash S.r.L.	Italy	—	32.66%	32.66%
Fondo Picasso	Italy	—	32.66%	32.66%
Egnatia Properties S.A.	Romania	—	32.66%	32.66%
QUADRATIX LTD	Cyprus	—	32.66%	32.66%
NBG International Holdings BV	The Netherlands	100.00%	—	100.00%
ARC Management One SRL[(1)]	Romania	—	100.00%	100.00%
ARC Management Two EAD[(1)]	Bulgaria	—	100.00%	100.00%

(1) SPV in which Bank is the primary beneficiary.
(2) Companies under liquidation
(3) Ethniki Hellenic General Insurance S.A. and its subsidiaries, Banca Romaneasca S.A., Vojvodjanska Banka a.d. Novi Sad, NBG Leasing d.o.o. Belgrade and its subsidiary, and The South African Bank of Athens Ltd (S.A.B.A.), have been reclassified to Non-current Assets held for sale.

RISK MANAGEMENT

Risk Management Governance

The Group adopts practices regarding risk-management governance, taking into account all relevant guidelines and regulatory requirements, as set by the Basel Committee on Banking Supervision, the EBA, the SSM, the Bank of Greece and the HCMC, as well as any decisions of the competent authorities supervising the Group's entities (see *"Regulation and Supervision of Banks in Greece*").

The Group's risk-governance framework comprises a number of different constituents. In particular, the Board of Directors has established the Board Risk Committee ("**BRC**") overseeing all risk-management functions across the Group. All risk-management units report to the Group Risk Control and Architecture Division ("**GRCAD**"), the Group Market and Operational Risk Management Division ("**GMORMD**") and the Model Validation Unit ("**MVU**"), which are supervised by the Group Chief Risk Officer (the "**CRO**"). A separate compliance function, the Compliance Division, oversees all internal and external compliance matters, such as applicable Greek and EU laws and regulations, as well as accounting standards. The Internal Audit Division of the Bank and the Group, which reports directly to the Board of Directors through the Audit Committee, complements the risk-management framework and acts as an independent reviewer, focusing on the effectiveness of the risk-management framework and control environment.

Board Risk Committee

The BRC forms and submits for approval to the Board of Directors the risk appetite and risk strategy of the Bank and the Group on an annual basis. It also sets the principles and approves the policies that govern risk management and monitors the implementation and outcome of these policies.

Since 19 December 2013, the BRC has been composed exclusively of non-executive Board members, at least three in number, of which the majority (including the Chairman) are independent members of the Board, in accordance with the definition of independence specified in the Bank's Corporate Governance Code. The members and the Chairman of the Committee are elected by the Board of the Bank, following recommendation by the Board's Corporate Governance and Nominations Committee.

The BRC has the responsibility to review reports and evaluate the overall risk exposure of the Bank and the Group on a regular basis, taking into account the approved risk strategy and the business plan of the Group. The proposals to the BRC are submitted by the CRO. For a further description of the BRC and a list of its current members, see "*Directors and Management—Board Committees—Board Risk Committee*".

Group Risk Management

The Bank acknowledges the need for enhanced risk management and has established two specialized units, the GRCAD and the GMORMD as well as the Model Validation Unit, to properly measure, analyze and manage the risks entailed in all of its business activities. All risk-management units of the Group report to the two aforementioned Divisions.

Based on its charter, the mission of the GRCAD is to:

- specify and implement credit-risk policies, emphasizing on rating systems, risk-assessment models and risk parameters, according to the guidelines set by the Board of Directors;

- plan, specify, introduce and implement risk management policies under the guidelines of the Board;

- assess the adequacy of methods and systems that aim to analyze, measure, monitor, control and report credit risk undertaken by the Bank and other financial institutions of the Group;

- calculate regulatory and internal capital required in respect to all banking risks and prepare relevant regulatory and management information system ("**MIS"**) reports; and

- establish guidelines for the development of assessment methodologies for Expected Loss and its components, i.e. Probability of Default ("**PD"**), Loss Given Default ("**LGD**") and Exposure at Default ("**EAD**") for each category of corporate and retail portfolio.

The mission of the GMORMD is to:

- plan, specify, implement and introduce market, counterparty, liquidity and operational risk policies, under the guidelines of the Board of Directors;

- assess the adequacy of methods and systems that aim to analyze, measure, monitor, control and report the aforementioned risks undertaken by the Bank and other financial institutions of the Group;

- independently evaluate financial products, assets and liabilities of the Bank and the Group; and

- regularly handle issues relevant to market, counterparty, liquidity and operational risks, under the guidelines and specific decisions of the BRC and the Asset and Liability Committee (the "**ALCO"**).

The mission of the Model Validation Unit is to:

- introduce best practices and scientific standards for the optimal validation of all credit, market, counterparty, liquidity and operational risk models under the guidance of the CRO.

- carry out validation checks and report on their business adequacy on a regular and ad-hoc basis. In the case of model discriminatory power deterioration, MVU suggests and, subject to approval of the senior management bodies, proceeds to the implementation of special mitigating actions.

Each Division has distinct responsibilities and covers specific types of risk. The GRCAD consists of:

- the Corporate Credit Risk Subdivision;

- the Retail Credit Risk Subdivision;

- the Reporting and Internal Capital Analysis Subdivision; and

- the Risk Management Support Subdivision.

GMORMD consists of:

- the Market Risk-Management Subdivision;

- the Counterparty Risk-Management Subdivision; and

- the Operational Risk-Management Subdivision.

MVU consists of:

- the Market Subdivision
- the Credit Subdivision

All Divisions report to the CRO.

Asset and Liability Management

The asset/liability and risk-management policy is designed to structure the balance sheet in order to control exposure to liquidity, interest rate and exchange rate risks, as well as to enable the Group to take advantage of market opportunities which may contribute to its profitability.

Although the asset and liability management policies of the Bank and the other subsidiaries in the Group are currently planned and implemented separately, the Bank's ALCO sets the general guidelines for asset and liability management. ALCO determines the Bank's and Group's strategy and policy as to matters relating to the structuring and management of assets and liabilities, taking into account the current market conditions and the risk limits set by the Bank. The Bank's ALCO meets at least once a month and comprise the CEO, the Deputy CEOs and the General Managers of the Bank involved in the asset-allocation and risk-management functions. Day-to-day asset and liability management is delegated to the Treasury, which is divided into several operating units. The subsidiaries of the Group follow asset and liability management policies similar to those of the Bank.

For the current composition of ALCO, see "*Directors and Management—Executive Committees—Asset and Liability Committee ("ALCO")*".

Internal Audit

The Group's Internal Audit is an independent function, whose objective is to provide assurance and consulting services designed to add value by making feasible and cost effective recommendations that improve the Group's operational effectiveness. Internal Audit contributes to the achievement of corporate objectives by (a) bringing a systematic, disciplined approach to the evaluation of the effectiveness of the corporate governance framework, risk management and internal controls, (b) recommending appropriate measures to minimize risk and improve the efficiency and effectiveness of the policies and procedures of the Group's business units, and (c) monitoring the implementation of corrective actions agreed by management.

Group Internal Audit Division ("**GIAD**") is administratively independent from other Bank and Group units. The Chief Audit Executive is assigned and discharged by the Board of Directors, on the recommendation of the Audit Committee and the Bank's CEO. Any appointment, dismissal or replacement of the Chief Audit Executive is communicated to the Bank of Greece. The Group Chief Audit Executive reports functionally, through the Audit Committee, to the Board of Directors and administratively, directly to the CEO.

According to the GIAD's charter, which has been approved by the Board of Directors, GIAD is authorized to operate at Group level and to coordinate and supervise the activities of the internal audit units (the "IAUs") of the Group subsidiaries. Since 2010, the Bank's GIAD has undertaken the Internal Audit activities of key domestic subsidiaries aiming to improve quality of service and achieve economies of scale.

All IAUs across the Group use the same:

- internal audit methodology that has been developed by Bank's GIAD and follows the COSO principles and the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors ("**IIA**"). During the fourth quarter of 2014, the internal audit methodology has been updated in full alignment with the 2013 COSO framework;

- information systems audit methodology based on the COBIT framework recommended by the information systems audit and control association; and

- internet based platform which allows for a more effective management of the audit activities and provides: (i) real time monitoring of the audit activities across all subsidiaries, (ii) information sharing among the Group's internal auditors and (iii) standardization of the audit methodology.

In June 2014, the Board of Directors approved the amendment of GIAD's Charter, incorporating in it, the updated Basel Guidelines and IIA standards.
The Bank's GIAD is periodically assessed by independent external assessors, who have concluded that it operates according to the international internal audit standards and best practices.

Management of Specific Risks

The Group's risk management processes distinguish among the following types of risk that are related to financial instruments: credit risk, market risk, liquidity risk, and insurance risk. See also Board of Directors Report, Note 4 to the 2016 Annual Financial Statements and Board of Directors Report to the Interim Financial Statements incorporated by reference in this Offering Circular.

Credit Risk

Credit risk is the risk of financial loss relating to the failure of a borrower to honor its contractual obligations. It arises in lending activities as well as in various other activities where the Group is exposed to the risk of counterparty default, such as its trading, capital markets and settlement activities. Credit risk is the largest single risk the Group faces. The credit risk processes are conducted separately by the Bank and each of its subsidiaries. The credit risk procedures established by the subsidiaries are coordinated by the GRCAD.

Market Risk

Market risk is the current or prospective risk to earnings and capital arising from adverse movements in interest rates, equity and commodity prices and exchange rates, and their levels of volatility. The Group engages in moderate trading activities in order to enhance profitability and service its clients. These trading activities create market risk, which the Group seeks to identify, estimate, monitor and manage effectively through a framework of principles, measurement processes and a valid set of limits that apply to all of the Group's transactions. The most significant types of market risk for the Group are interest rate, equity and foreign exchange risk.

Interest Rate Risk

Interest rate risk is the risk related to the potential loss on the Group's portfolio due to adverse movements in interest rates. A principal source of interest rate risk exposure arises from the interest rate, over-the-counter ("**OTC**") and exchange traded, derivative transactions as well as from the trading and available-for-sale ("**AFS**") bond portfolios.

The most significant contributor to market risk in the Group is the Bank. More specifically, the Bank is active in the interest rate and cross currency swap market and engages in vanilla and more sophisticated transactions for hedging and proprietary purposes and it maintains positions in bond and

interest rate futures, mainly as a means of hedging and to a lesser extent for speculative purposes. Additionally, the Bank retains a portfolio of Greek T-Bills and government bonds and other EU sovereign debt, EFSF bonds, as well as moderate positions in Greek and international corporate issues.

Equity Risk

Equity risk is the risk related to the potential loss due to adverse movements in the prices of stocks and equity indices. The Group holds a limited portfolio of stocks, the majority of which are traded on the Athens Exchange (the "**ATHEX**") and retains positions in stock and equity index derivatives traded on the ATHEX, as well as, on international exchanges. The cash portfolio comprises of trading (i.e. short-term) and available-for-sale (i.e. long-term) positions. The portfolio of equity derivatives is used for proprietary trading, as well as for the hedging of equity risk arising from the Bank's cash position and equity-linked products offered to its clients. In the same context and to a lesser extent, the Group enters into OTC equity derivative transactions for trading and hedging purposes.

Foreign Exchange Risk

Foreign exchange risk is the risk related to the potential loss due to adverse movements in foreign exchange rates. The Open Currency Position ("**OCP**") of the Bank primarily arises from foreign exchange spot and forward transactions. The OCP is distinguished between Trading and Structural. The Structural OCP contains all of the Bank's assets and liabilities in foreign currency (for example loans, deposits, etc.), along with the foreign exchange transactions performed by the Treasury Division. Apart from the Bank, the foreign exchange risk undertaken by the rest of the Group's subsidiaries is insignificant.

The Group trades in all major currencies, holding mainly short term positions for trading purposes and for servicing its institutional/corporate, domestic and international clientele. According to the Bank's policy, the OCP should remain within the limits set by the Treasury Division and the GMORMD at the end of each trading day. The same policy applies to all of the Group's subsidiaries.

Market risk on trading and available-for-sale portfolios—Value-at-Risk (VaR)

The Bank in order to ensure the efficient management of market risk, calculates the Value at Risk (VaR) of its trading and available for sale portfolios on a daily basis, along with the VaR per risk type (interest rate, equity and foreign exchange risk). This has been implemented through RiskWatch by Algorithmics (currently IBM). In particular, due to the predominantly linear nature of its portfolio, the Bank has adopted the variance covariance ("**VCV**") methodology, with a 99% confidence interval and 1 day holding period. The whole framework and the VaR calculations have been examined and approved by the Bank of Greece, as well as by internal auditors and external consultants.

The VaR estimates are used internally as a risk-management tool, as well as for regulatory purposes. For internal use, the GMORMD calculates the VaR of the Bank's trading and available-for-sale portfolios on a daily basis, using the latest 75 exponentially weighted daily observations to construct the VCV matrices. The risk factors relevant to the financial products in the Bank's portfolio are interest rates, equity indices, foreign exchange rates and commodity prices. Currently the number of risk factors involved in the VaR calculations is around 1,405. Additionally, the GMORMD calculates the VaR of the Bank's portfolios by applying the historical simulation approach, for comparative purposes.

The Bank has also established a framework of VaR limits in order to control and manage the risks to which it is exposed in a more efficient way. These limits have been determined based on the risk appetite framework of the Bank; they refer not only to specific types of market risk, such as interest rate, foreign exchange and equity risk, but also to the overall market risk of the Bank's trading and available-for-sale portfolios.

The tables below present the Bank's VaR (99%, one-day) for the periods ended on 31 December 2016 and 30 June 2017, respectively:

	Total VaR		Interest Rate VaR		Equity Risk VaR		Foreign Exchange Risk VaR	
	2016	S1.2017	2016	S1.2017	2016	S1.2017	2016	S1.2017
	(€ thousand)							
Average (daily value)	9,630	8,467	9,114	7,806	1,196	854	385	549
Max (daily value)	21,287	12,426	19,695	11,389	2,281	1,773	872	945
Min (daily value)	5,138	5,788	4,428	5,461	743	328	157	171
Period End	11,116	7,171	10,943	6,889	945	526	170	467

The most significant type of market risk to which the Bank is exposed is interest rate risk. Fluctuations in the Bank's IR and total VaR are mostly attributed to the level of the euro swap rates and the respective government bond yields, as well as to the movements of the relevant volatilities. During the first six months of 2017, the euro swap rates remained relatively stable, with moderate fluctuations. This resulted to lower volatilities, thus causing the Total and IR VaR to decrease, compared to the respective values at the end of 2016.

Back-testing

The Bank performs back-testing on a daily basis, in order to verify the predictive power of the VaR model. In accordance with the guidelines set out in the Capital Requirements Regulation 575/2013, the calculations only refer to the Bank's trading portfolio and involve the comparison of the hypothetical and actual daily gains/losses of the portfolio with the respective estimates of the VaR model used for regulatory purposes. The hypothetical gains/losses is the change in the value of the portfolio between days t and t+1, assuming that the portfolio remains the same between the two days. In the same context, the actual gains/losses is the change in the value of the portfolio between days t and t+1, including all the transactions that took place in day t+1, excluding fees, commissions and net interest income.

Any excess of the hypothetical/actual losses over the VaR estimate is reported to the regulatory authorities within five business days. During the first semester of 2017, there were no cases in which the back-testing result exceeded the respective VaR calculation.

Stress Testing

The VaR model is based on certain theoretical assumptions, which do not fully capture the potential "tail events" in the markets.

To enhance the predictability of the Bank's VaR model and minimize the effect of the aforementioned limitations, the Bank performs stress testing on a weekly basis. The aim of stress testing is to evaluate the gains or losses that may occur under extreme market conditions and applies on both trading and available-for-sale portfolios. The scenarios used are presented in the following tables:

Interest rate-related scenarios

Scenario	**Description**	**0-3 Months**	**3 Months-5 Years**	**>5 Years**
1	Parallel Curve Shift	+200 bp	+200 bp	+200 bp
2	Parallel Curve Shift	−200 bp	−200 bp	−200 bp

3	Steepening	0 bp	+100 bp	+200 bp
4	Flattening	+200 bp	+100 bp	0 bp

Stock market indices-related scenarios

Scenario	Description
1	−30% for all indices

Foreign exchange rate-related scenarios

Scenario	Description
1	€ depreciation by 30%

Limitations of the VaR model

The VaR model is based on certain theoretical assumptions, which under extreme market conditions might not capture the maximum loss the Bank may suffer. The restrictions of this methodology are summarized as follows:

- The use of volatilities and correlations as predictive measures for the behavior of risk factors in the future might prove insufficient in periods of intense volatility in financial markets;
- The ten-day holding period for VaR calculations (used for regulatory purposes and capital allocation) implies that the Bank will be able to liquidate all of its trading positions within this time period. This assumption might underestimate market risk in periods of insufficient liquidity in financial markets;
- VaR refers to the plausible loss at a 99% confidence interval, without taking into account any losses beyond that level;
- All VaR calculations are done on a close-of-business ("**COB**") basis and not on an intraday basis, thus not taking into account the respective portfolio changes;
- VaR estimates rely on small changes in the level of the relevant risk factors. For bigger movements (tail events), this metric might not fully capture the impact on the value of the portfolio; and
- Returns on individual risk factors are assumed to follow a normal distribution. If this assumption does not hold, the probability of extreme market movements could be underestimated.

Counterparty Risk

Counterparty risk for the Group is due to OTC transactions and other interbank secured and unsecured funding transactions and it arises from the obligor's failure to meet her contractual obligations. For the efficient management of counterparty risk, the Bank has established a framework of counterparty limits. The GMORMD is responsible for setting these limits and monitoring the respective exposures.

Counterparty limits are based on the credit rating of the financial institutions as well as the product type. The credit ratings are provided by internationally recognized rating agencies, in particular by Moody's and S&P. According to the Bank's policy, if the agencies diverge on the creditworthiness of a financial institution, the lowest credit rating is considered.

Counterparty limits apply to all financial instruments in which the Treasury is active in the interbank market. The limits framework is revised annually according to the business needs of the Bank and the prevailing conditions in international and domestic financial markets. A similar limit structure for the management of counterparty risk is enforced across all of the Group's subsidiaries.

The estimation of counterparty exposure depends on the type of the financial product. In the case of money market placements, exposure is equal to the face amount of the transaction. In over-the-counter transactions, exposure is calculated based on Credit Equivalent Factors, according to the type of transaction, its maturity, netting and collateralization.

The Group seeks to reduce counterparty risk by standardizing the terms of the agreements with counterparties through ISDA and GMRA contracts, which encompass all necessary netting and margining clauses. Additionally, for almost all active counterparties, Credit Support Annexes have been signed, so that net current exposures are managed through margin accounts, on a daily basis, by exchanging cash or debt securities as collateral.

The Group avoids taking positions on derivative contracts where the values of the underlying assets are highly correlated with the credit quality of the counterparty (wrong-way-risk).

Interest Rate Risk in the Banking Book

Interest rate risk in the banking book is the current or prospective risk to earnings (net interest income) and capital due to adverse movements in interest rates affecting the banking book positions. Exposure to interest rate risk in the banking book arises from re-pricing mismatches between assets and liabilities. The Group**'**s banking book consists mainly of loans and advances to customers, cash and balances with central banks, due from banks, securities classified as loans and receivables and held to maturity, due to customers, due to banks, debt securities in issue and other borrowed funds that are measured at amortized cost. The Group maintains adequate measurement, monitoring, and control functions for interest rate risk in the banking book, including:

- measurement systems of interest rate risk that capture all material sources of interest rate risk and that assess the effect of interest rate changes in ways that are consistent with the scope of the Group's activities;

- measurement of vulnerability to loss under stressful market conditions;

- processes and information systems for measuring, monitoring, controlling, and reporting interest rate risk exposures in the banking book; and

- a documented policy regarding the management of interest rate risk in the banking book.

Foreign Exchange Risk

The Group's and the Bank's exposure to foreign exchange risk, before taking into consideration the effect of hedging, is presented in the following tables. As described above, at the end of day OCP has to comply with the limits set by the Treasury Division and the GMORMD. Compliance is achieved by entering into appropriate offsetting positions. Consequently, the net exposure to each foreign currency is maintained at low levels and within the pre-approved limits.

The Group's foreign exchange risk concentration as at 31 December 2016, 2015 and 2014 (as restated) was as follows:

	As at 31 December 2016							
	EURO	**USD**	**GBP**	**JPY**	**CHF**	**TL**	**Other**	**Total**
Assets								
Cash and balances with central banks	1,205	28	6	-	10	-	252	**1.501**
Due from banks	1.822	263	36	10	26	1	69	**2.227**
Financial assets at FV through Profit or Loss	1,791	77	-	-	-	-	11	**1.879**
Derivative financial instruments	4.267	164	8	4	30	-	9	**4.482**
Loans and advances to customers	37.342	2.045	94	1	972	-	1.189	**41.643**
Investment securities - Available-for-sale	2,095	23	-	-	-	-	516	**2.634**
Investment securities - Held-to-maturity	149	-	-	-	-	-	-	**149**
Investment securities - Loans-and-receivables	10.099	-	-	-	-	-	-	**10.099**
Investment property	844	-	-	-	-	-	25	**869**
Equity method investments	7	-	-	-	-	-	-	**7**
Goodwill, software & other intangibles	126	-	-	-	-	-	11	**137**
Property & equipment	1,224	-	-	-	-	-	62	**1.286**
Insurance-related assets and receivables	509	1	-	-	-	-	5	**515**
Other assets	7,234	89	3	1	2	3	46	**7.378**
Total assets excl. assets held-for-sale	**68.714**	**2.690**	**147**	**16**	**1.040**	**4**	**2.195**	**74.806**
Assets held-for-sale	1.789	225	31	-	5	1	1.674	**3.725**
Total assets	**70.503**	**2.915**	**178**	**16**	**1.045**	**5**	**3.869**	**78.531**
Liabilities								
Due to banks	18.040	93	-	-	45	-	10	**18.188**
Derivative financial instruments	4.836	298	23	2	10	-	-	**5.169**
Due to customers	35.919	2.101	157	1	60	-	2.221	**40.459**
Debt securities in issue & Other borrowed funds	669	-	-	-	-	-	4	**673**
Insurance-related reserves and liabilities	2.201	1	-	-	-	-	5	**2.2017**
Other liabilities	928	8	3	1	-	-	41	**980**
Retirement benefit obligations	266	-	-	-	-	-	3	**269**
Total liabilities excl. liabilities held-for-sale	**62.859**	**2.501**	**183**	**3**	**115**	**-**	**2.284**	**67.945**
Liabilities held-for-sale	847	242	32	-	5	-	1.873	2.999
Total liabilities	**63.706**	**2.743**	**215**	**3**	**120**	**-**	**4.157**	**70.944**
Net on balance sheet position	**6.797**	**172**	**(37)**	**13**	**925**	**5**	**(288)**	**7.587**

	As at 31 December 2015							
	EURO	**USD**	**GBP**	**JPY**	**CHF**	**TL**	**Other**	**Total**
Assets								
Cash and balances with central banks	1,525	57	34	-	8	1	583	**2,208**
Due from banks	2,075	521	93	11	25	-	74	**2,799**
Financial assets at FV through Profit or Loss	2,175	113	14	-	-	-	184	**2,486**
Derivative financial instruments	3,691	158	5	3	31	-	7	**3,895**
Loans and advances to customers	39,952	2,226	112	2	1,009	-	2,074	**45,375**
Investment securities - Available-for-sale	2,047	20	-	-	-	-	567	**2,634**
Investment securities - Held-to-maturity	233	-	-	-	-	-	-	**233**
Investment securities - Loans-and-receivables	13,250	-	-	-	-	-	-	**13,250**
Investment property	843	-	-	-	-	-	26	**869**
Equity method investments	7	-	-	-	-	-	9	**16**
Goodwill, software & other intangibles	130	-	-	-	-	-	17	**147**
Property & equipment	1,231	-	-	-	-	-	94	**1,325**
Insurance-related assets and receivables	595	1	-	-	-	-	5	**601**
Other assets	7,457	72	2	-	1	3	92	**7,627**
Total assets excl. assets held-for-sale	**75,211**	**3,168**	**260**	**16**	**1,074**	**4**	**3,732**	**83,465**
Assets held-for-sale	3,302	4,776	271	4	3	18,876	535	**27,767**
Total assets	**78,514**	**7,944**	**531**	**20**	**1,077**	**18,880**	**4,267**	**111,232**
Liabilities								
Due to banks	24,957	103	-	-	76	-	30	**25,166**
Derivative financial instruments	4,225	386	22	2	3	-	-	**4,638**
Due to customers	36,368	2,413	196	1	61	1	3,919	**42,959**
Debt securities in issue & Other borrowed funds	1,232	-	-	-	-	-	20	**1,252**
Insurance-related reserves and liabilities	2,220	1	-	-	-	-	5	**2,226**
Other liabilities	1,172	22	5	1	-	-	51	**1,251**
Retirement benefit obligations	265	-	-	-	-	-	8	**273**
Total liabilities excl. liabilities held-for-sale	**70,439**	**2,925**	**223**	**4**	**140**	**1**	**4,033**	**77,765**
Liabilities held-for-sale	3,860	7,193	199	1	12	12,104	274	23,643
Total liabilities	**74,299**	**10,118**	**422**	**5**	**152**	**12,105**	**4,307**	**101,408**
Net on balance sheet position	**4,215**	**(2,174)**	**109**	**15**	**925**	**6,775**	**(40)**	**9,824**

As at 31 December 2014

	EURO	USD	GBP	JPY	CHF	TL	Other	Total
Assets								
Cash and balances with central banks	2,628	1,551	10	-	10	531	1,107	**5,837**
Due from banks	2,542	505	78	19	23	100	57	**3,324**
Financial assets at FV through Profit or Loss	2,146	35	8	-	-	16	203	**2,408**
Derivative financial instruments	4,593	127	12	10	106	1,093	2	**5,943**
Loans and advances to customers	45,686	4,556	143	8	1,166	14,535	2,015	**68,109**
Investment securities - Available-for-sale	2,258	461	84	-	-	1,376	596	**4,775**
Investment securities - Held-to-maturity	250	231	-	-	-	1,072	-	**1,553**
Investment securities - Loans-and-receivables	10,387	-	-	-	-	-	-	**10,387**
Investment property	890	-	-	-	-	-	22	**912**
Equity method investments	53	-	-	-	-	80	8	**141**
Goodwill, software & other intangibles	165	-	95	-	-	1,454	42	**1,756**
Property & equipment	1,423	-	55	-	-	526	105	**2,109**
Insurance related assets and receivables	586	6	-	-	-	-	4	**596**
Other assets	6,647	173	80	-	1	364	97	**7,362**
Total assets	**80,506**	**7,645**	**565**	**37**	**1,306**	**21,147**	**4,258**	**115,464**
Liabilities								
Due to banks	19,947	1,089	18	-	66	1,050	56	22,226
Derivative financial instruments	5,355	391	37	2	8	464	1	6,258
Due to customers	44,475	6,301	279	2	74	9,526	4,272	64,929
Debt securities in issue & Other borrowed Funds	2,676	2,213	7	-	-	995	100	5,991
Insurance related reserves and liabilities	2,269	6	-	-	-	-	5	2,280
Other liabilities	1,404	112	138	1	2	1,021	47	2,725
Retirement benefit obligations	284	-	-	-	-	45	8	337
Total liabilities	**76,410**	**10,112**	**479**	**5**	**150**	**13,101**	**4,490**	**104,746**
Net on balance sheet position	**3,844**	**(2,467)**	**86**	**32**	**1,156**	**8,046**	**(232)**	**10,466**

Country Risk

Country risk is the current or prospective risk to earnings and capital, caused by events in a particular country which are at least to some extent under the control of the government but definitely not under the control of a private enterprise or individual. The main categories of country risk consist of sovereign risk, convertibility risk and transfer risk. Sovereign risk stems from a foreign government's lack of capacity and/or willingness to repay its debt or other obligations. Convertibility and transfer risk arise when a borrower is unable to convert funds from local to foreign currency in order to repay external obligations. Therefore, country risk refers to all cross-border transactions, either with a central government, or with a financial institution, a corporate or a retail client.

The on and off balance sheet items which potentially entail country risk are the following:

- participation in the equity of the Group's subsidiaries, which operate in other countries;
- interbank secured and unsecured placements and the risk that arises from OTC transactions, with financial institutions which operate abroad;
- loans to corporations or financial institutions that operate abroad, positions in corporate bonds and cross-border project finance loans;
- funded and unfunded commercial transactions with foreign counterparties; and
- holdings in sovereign debt and the sale of protection through credit default swaps, where the underlying reference entity is a sovereign.

In this context, the GMORMD monitors the country risk arising from the Bank's operations on a daily basis, mainly focusing on the countries of South East Europe, Cyprus, Egypt, Malta and South Africa, where the Group has presence.

Liquidity Risk

Liquidity risk is defined as the current or prospective risk to earnings and capital arising from the institution's inability to meet its liabilities when they come due without incurring significant losses. It reflects the potential mismatch between incoming and outgoing payments, taking into account unexpected delays in repayments (term liquidity risk) or unexpectedly high outflows (withdrawal/call risk). Liquidity risk involves both the risk of unexpected increases in the cost of funding of the portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner on reasonable terms.

The Bank's executive and senior management have the responsibility to implement the liquidity risk strategy approved by the BRC and to develop the policies, methodologies and procedures for identifying, measuring, monitoring and controlling liquidity risk, consistent with the nature and complexity of the relevant activities. The Bank's executive and senior management is informed on a daily basis about current liquidity risk exposures ensuring that the Group's liquidity-risk profile stays within approved levels. In addition, management receives a liquidity report on a daily basis, which presents a detailed analysis of the Group's funding sources and counterbalancing capacity. Moreover, the ALCO monitors the gap in maturities between assets and liabilities as well as the Bank's funding requirements based on various assumptions, including conditions that might have an adverse impact on the Bank's ability to liquidate investments and trading positions and its ability to access the capital markets. On a long term perspective, the Loans-to-Deposits ratio[15] is monitored. This ratio stood at 85% and 85.5% as of 30 June 2017, on a domestic (Greece) and on a Group level, respectively.

Since liquidity risk management seeks to ensure that the respective risk of the Group is measured properly and is maintained within acceptable levels then, even under adverse conditions. The Group must have access to funds necessary to cover customer needs, maturing liabilities and other capital needs, while simultaneously maintaining the appropriate counterbalancing capacity to ensure the above. In addition to the Bank's liquidity buffer, the rest of the Group's subsidiaries maintain a liquidity buffer well above 10% of their total deposits, which ensures their funding self-sufficiency in case of a local crisis.

Sources of liquidity

[15] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

The Bank's principal sources of liquidity are its deposit base, Eurosystem funding via the Main Refinancing Operations ("**MROs**") and the Targeted Longer-term Refinancing Operations ("**TLTROs**") with ECB, as well as through the Emergency Liquidity Assistance ("**ELA**") mechanism with the Bank of Greece, and and repurchase agreements (repos) with major foreign Financial Institutions ("FIs"). ECB funding and repos with FIs are collateralized mainly by EFSF / ESM bonds, as well as by Greek government bonds and T-Bills and highly rated corporate loans. ELA funding is collateralized mainly by loans, as well as by covered bonds issued by the Bank.

During the first half of 2017, the Bank's liquidity profile was improved, mainly driven by the Bank's decreasing reliance on Eurosystem funding and in particular on ELA funding. On 30 June 2017, Eurosystem funding stood at €8.4 billion, a decrease of €3.9 billion when compared to the respective figure as of 31 December 2016. Particularly, ECB funding was €4.6 billion, while ELA funding amounted to €3.8 billion, a decrease of about €2.2 billion and €1.7 billion, respectively. The main drivers for these developments were the sale of €3 billion ESM bonds in the context of the short-term debt relief measures for Greece, as well as the divestment of UBB and Interlease for €0.7 billion. Additionally, the Bank's balance of secured interbank transactions with foreign FIs remained at approximately the same level and amounted to €4.5 billion. Finally, the Bank's customer deposits slightly decreased by €0.7 billion compared to 31 December 2016 and stood at €36.5 billion as of 30 June 2017.

Moreover, the Bank's funding cost remained almost unchanged, when compared to the respective level as of 31 December 2016 and stood at 0.46% as of 30 June 2017. Finally, the Bank's liquidity buffer during this period increased by €0.6 billion and stood at €10.3 billion on 30 June 2017, of which €0.1 billion was collateral eligible for funding with the ECB and €9.6 billion was collateral that could be posted in order to draw liquidity from ELA, while €0.1 billion was collateral that could be used for repos with FIs and the remaining €0.6 billion was either in the form of Cash or deposited in Nostro accounts.

As far as the Group's subsidiaries are concerned, they are mostly self-funded, except from Banca Romaneasca, which receives around €0.4 billion from the Bank, through interbank transactions.

Insurance risk

The insurance policies issued by the Group carry a degree of risk. The risk under any insurance policy is the possibility of the insured event resulting in a claim. By the very nature of an insurance policy, risk is based on fortuity and is therefore unpredictable.

The principal risk that the Group may face under its insurance policies is that the actual claims and benefit payments or the timing thereof, differ from expectations. This could occur because the frequency or severity of claims is greater than estimated. Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behavior, changes in public health, pandemics and catastrophic events such as earthquakes, industrial disasters, fires, riots or terrorism.

The above risk exposure is mitigated by diversification across a large portfolio of insurance policies. The variability of risks is also improved by the careful selection and implementation of the Group's underwriting policy, reinsurance strategy and internal guidelines, within an overall risk management framework. Pricing is based on assumptions and statistics and the Group's empirical data, taking into consideration current trends and market conditions.

Reinsurance arrangements include proportional, optional facultative, excess of loss and catastrophe coverage.

Operational risk

Operational risk arises from the possibility of human error, inadequate or faulty internal processes, system failures and/or as a result of external events. This definition includes legal risk, but excludes strategic and/or business risk and reputational risk.

The Group, recognizes the importance of operational risk, and has established a high quality effective framework for its management across all Group operations since 2007, namely the Operational Risk Management Framework (ORMF).

Operational risk management is integrated into the day-to-day business, adding value to the organization based on the following pillars:

- Knowledge of the real losses associated with this type of risk through the Loss Collection process and the maintenance of a sound and consistent loss database;

- Identification, prioritization and management of real and potential risks, through the Risks and Control Self-Assessment (RCSA) process;

- Prioritization of efforts to mitigate the relevant risks and losses through the determination, update and monitoring of Action Plans;

- Analysis of operational risks over time and identification of warning signals through the definition and monitoring of Key Risk Indicators;

- Reduction of the Group's exposure to extreme events through the Structured Scenario Analysis process.

All of the above improve the control environment and strengthen the corporate culture of the Group, while generating a positive reputational impact.

The Bank has adopted the standardized approach for the calculation of operational risk regulatory capital requirements, both on a solo and on a consolidated basis.

DIRECTORS AND MANAGEMENT

Board of Directors and Senior Management

Board of Directors of the Bank

The Bank is managed by the Board of Directors, which is responsible for ensuring strategic direction, management supervision and adequate control of the Bank, with the ultimate goal of increasing the long term value of the Bank and protecting the corporate interest at large, in compliance with the current legislation and regulatory framework, including the provisions of the Amended Relationship Framework Agreement between the Bank and the HFSF and the obligations of the Bank towards the Monitoring Trustee.

In the context of further enhancing the efficient operation of the Board of Directors, in 2015 the Bank proceeded with the implementation of a special Board Secretariat system to further support operation of the Board of Directors. The use of this system is expected to enhance procedures for providing Board members with appropriate information and notifications, and facilitate exchange of opinions and commenting on issues placed under consideration of the Board of Directors and Board Committees and better monitoring of issues discussed by the Board of Directors and its Committees.

The Bank's Board is supported by five Board Committees, which have been established and operate for this purpose, namely the Strategy Committee, the Board Risk Committee, the Audit Committee, the Corporate Governance and Nominations Committee, and the Human Resources and Remuneration Committee. (See *"Board Committees"* below).

The current Board of Directors, whose term expires in 2018, constituted into a body at the meeting of Board of Directors on 9 November 2016.

The following table sets forth, for each of the Directors, their names, professional activities and the dates on which their respective term began:

Name	Activities	Start of Term
Panayotis (Takis) – Aristidis Thomopoulos	Chair of the Board and non-executive member	02 November 2016 – Board of Directors Election Date November 09, 2016 Elected Board Chair
Costas Michaelides	Vice – Chair of the Board and non executive member	01 November 2017
Executive Members		
Leonidas E. Fragkiadakis	Chief Executive Officer	19 June 2015
Dimitrios G. Dimopoulos	Deputy Chief Executive Officer	19 June 2015
Paul K. Mylonas	Deputy Chief Executive Officer	19 June 2015
Non-Executive Members		
Eva Cederbalk	Banking Experience	27 December 2016
Independent Non-Executive Members		
Petros Sabatacakis	Economist / Risk and Financial Audit Expertise	19 June 2015

Claude Piret	Independent Non-Executive Expert Member as prescribed by Art. 10 of Greek Law 3864/2010 as in force. Risk experience/Financial Services	02 November 2016
Haris Makkas	Economist / Financial Services	28 July 2016
Mike Aynsley	Independent Non-Executive Expert Member as prescribed by Art. 10 of Greek Law 3864/2010 as in force. Risk experience/Financial Services	26 May 2016
Marianne Økland	Independent Non-Executive Expert Member as prescribed by Art. 10 of Greek Law 3864/2010 as in force Financial Services / Shipping	29 June 2016
Hellenic Financial Stability Fund Representative		
Panagiota Iplixian	Economist	30 March 2017
Secretary of Board of Directors & Board Committees		
Panagiotis A. Dasmanoglou.....	General Manager—Group Chief Compliance & Corporate Governance Officer	28 January 2014

For the purpose of this Base Prospectus, the business addresses of each member of the Board of Directos is that of the Bank's registered office.

The following changes took place during 2016 and 2017:

- On 01 November 2017 the Board of Directors elected Mr. Costas Michaelides as new non-executive member and Vice-Chairman of the Board of Directors.

- On June 19, 2017, the non-executive member of the Board of Directors, Mr. Spyros Lorentziadis, informed the Board of Directors about his resignation, which came into force on June 30 2017.

- On 7 June 2017, at the meeting of the Board of Directors, Mr. S. Koukos submitted his resignation from a non-executive member, and henceforth participates in the Board of Directors as Observer, Representative of the Employees of the Bank.

- On 30 March 2017, Ms. Panagiota Iplixian was appointed as the new Representative of the Hellenic Financial Stability Fund on the Board of Directors, in replacement of Mr. Panagiotis Leftheris.

- On 27 December 2016 the Board of Directors elected Ms. Eva Cederbalk as non-executive member of the BoD, in replacement of Mr. Efthymios Katsikas who resigned from non – executive member.

- On 9 November 2016, the Board of Directors convened and decided on its constitution into a body. The Chair (non-executive) of the Board of NBG is Mr. Panayotis – Aristidis Thomopoulos, the Bank's Chief Executive Officer is Mr. Leonidas Fragkiadakis and the Bank's Deputy Chief Executive Officers are Mr. Dimitrios Dimopoulos and Mr. Paul Mylonas. Secretary of the Bank's Board of Directors and of its Committees is Mr. Panagiotis Dasmanoglou, General Manager of Group Compliance and Corporate Governance.

- On 02 November 2016, at the meeting of the Board of Directors, the Chair of the Board of NBG Mrs. Louka Katseli, as well as the independent non-executive

members Mr. Dimitrios Afendoulis and Mr. Spyridon Theodoropoulos submitted their resignation. By decision of the Bank's Board of Directors during its session taking place the same day, the Board elected Mr. Panayotis – Aristidis Thomopoulos, Mr. Claude Piret and Mr. Spyros Lorentziadis as non-executive Board members, in replacement of the members who submitted their resignation.

- On 28 July 2016, the Board of Directos elected Mr. Charalampos Makkas as non-executive member of the Board of Directors.

- On 22 July 2016, Mrs. Angeliki Skandaliari ceased to be the Hellenic Republic Representative to the Board, according to the definitive expiry of the guarantees granted by the Hellenic Republic pursuan to Greek Law 3723/2008.

- On 19 July 2016, the Board of Directors appointed Mr. Panagiotis Leftheris as the new Representative of the Hellenic Financial Stability Fund of the Board of Directors, in replacement of Mr. Charalampos Makkas who submitted his resignation.

- On 17 July 2015 Mrs. Alexandra Papalexopoulou-Benopoulou resigned as independent non-executive member of the Board of Directors.

- On 29 June 2016, the Board of Directors elected Mrs. Marianne Økland as independent non-executive member of the Board of Directors, in replacement of Mr. Kurt Geiger who resigned from independent non-executive member.

- On 26 May 2016, the Board of Directors elected Mr. Kurt Geiger and Mr. Mike Aynsley as independent non-executive members.

- On 26 January 2016, Mr Andreas Boumis, submitted his resignation as independent non-executive member of the Board of Directors.

During 2016, the Board of Directors convened 28 times in total.

During 2016, the Bank's Board Committees convened 67 times in total.

25.00% (3 out of 12) of members of the Board of Directors are women.

Monitoring Trustee

From January to February 2013, monitoring trustees (each, a "**Monitoring Trustee**"), acting on behalf of the European Commission, were appointed in respect of all banks under restructuring—including the Bank, in accordance with the commitments undertaken by the Hellenic Republic towards the European Commission in 2012 in the Memorandum of Economic and Financial Policies, contained in the First Review of the Second Economic Adjustment Program for Greece.

The Monitoring Trustees are international auditing or consulting firms approved 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 credit institution under restructuring, the Monitoring Trustees work on behalf and under the direction of the European Commission, within the terms of reference agreed with the European Committee ("**EC**"), the European Central Bank ("**ECB**") and International Monetary Fund ("**IMF**") staff.

Grant Thornton has been the Bank's Monitoring Trustee since 16 January 2013.

The commitments undertaken in 2012 were updated and included as an Annex in the 2014 Restructuring Plan. The commitments were further updated in December 2015 and included as an Annex in the Revised Restructuring Plan.

In addition to the appointment of Monitoring Trustees, the commitments undertaken by the Greek government refer to *"History and Development of the Group—Revised Restructuring Plan approved by the Directorate General for Competition on 4 December 2015"*.

The commitments include the commitments regarding the implementation of the restructuring plan and the commitments on corporate governance and commercial operations. The restructuring period shall end on 31 December 2018. The commitments apply throughout the restructuring period unless the individual commitment states otherwise. The Monitoring Trustee has the duty to monitor the Bank's compliance with the Commitments.

The Monitoring Trustee submits relevant reports to the EC/ECB/IMF on a quarterly basis.

Curriculum vitae of the Management

Below are the curriculum vitae of the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers, as well as those of the principal managers of various business lines of the Bank.

For the purpose of this Base Prospectus, the business addresses of each member of the Management is that of the Bank's registered office.

Chairman

Panayiotis (Takis) - Aristidis Thomopoulos, born 1937, is the Chairman of the National Bank of Greece since November 2016. Mr Thomopoulos has significant experience of 40 years in the financial sector and deep knowledge of European banking regulatory framework, having served, among others, for a number of years, as Deputy Governor of the Bank of Greece, Chair of Eurobank, independent non-executive member of the Board of the National Bank of Greece as well as Executive Chairman of the Hellenic Financial Stability Fund. Before his appointment as Chairman of NBG, Mr Thomopoulos has served as Vice Chairman of the Board of Directors of Eurobank Private Bank Luxembourg (04/2015–10/2016); Vice-Chairman of the Board of Directors of Eurolife Insurance Company (03/2015–08/2016); Chairman of the Board of Directors of Eurobank (07/2014–01/2015); as an Independent Board of Directors member of NBG (01/2014–06/2014); Chairman of the Board of Directors and Chief Executive Officer (CEO) of the Hellenic Financial Stability Fund (HFSF) (10/2010–02/2013); as a Member of the Economic and Financial Committee of the EU ("EFC") (2002–2009), as Alternate Governor to the IMF for Greece (2002–2008). In addition, Mr Thomopoulos has served as Deputy Governor of the Bank of Greece (10/1994–02/2009) and Member until September 2010 of the Monetary Policy Council, overseeing the Banking Supervision Department, the Legal Department, the Government Financial Operations and Accounts Department, the Electronic Secondary Securities Market Operations Section, the Department Issuing and Placing the Public Debt (until the PDMA was created in 2008), the Section managing the Common Capital, i.e. the non-current account of all pension funds (except private pension companies), Member of the very restricted team which prepared Greece's entry into the Euro Area. He participated, alongside the Governor (or standing in for him) in the Governing Council and the General Council of the ECB. Member of the ECB International Relations' Committee (2002–2010) and the Committee of Alternates of the European Monetary Institute (1994–1998). Other positions he has held include: Senior Economist at the OECD Paris Economics Department, Head of Country Desks preparing the Economic Surveys and Forecasts (published in the semi-annual Economic Outlook) for the UK, Spain, Belgium, Luxembourg, Greece, Ireland and Yugoslavia (1966–1994); Board of Directors Member and Member of the Executive Committee and since 2015 Vice-President of the Board of Directors and the Executive Committee at the Foundation of Economic and Industrial Research

(IOBE), Athens; President of the Board of Directors of Electronic Interbanking Systems S.A. DIAS (since 1996); Member of the Board of Directors of Greek Public Debt Management Agency (PDMA).

Vice Chairman

Costas Michaelides possesses excellent experience of over 30 years in international banking, having served in a number of prominent managerial positions in international credit and financial organisations. During the period 2013-2015 he served as Global Head of Strategic Change at UBS A.G., while from 2005 to 2013 he was Regional Chief Operating Officer at Credit Suisse A.G. Prior to that, he served as Chief Operating Officer and Managing Director and Head of European Finance, Administration and Operations, Managing Director at Credit Suisse First Boston (2000-2005), Chief Operating Officer and Managing Director at Donaldson, Lufkin & Jenrette U.K. (1999-2000) and Chief Financial Officer (1988-1994) and Chief Administrative Officer (1994-1999) at Merrill Lynch U.K. He has also been Treasurer at Salomon Brothers U.K. (1986-1988) and has served in various positions at ExxonMobil, including as Treasurer and as Financial Analyst. He holds an MBA in Finance from Columbia Business School, a Doctorate in Economics and International Affairs from the University of Denver, and a BA in Economics and Political Science from Ripon College.

Chief Executive Officer

Leonidas Fragkiadakis, born 1966, is the Chief Executive Officer of the National Bank of Greece Group since March 2015. He joined the National Bank of Greece in 1996 and he was responsible for the Derivatives Division. He served as the Group Treasurer since 2003 and in 2009 was also appointed General Manager of Treasury and Global Markets. Prior to joining the Bank, he worked at Credit Suisse First Boston, New York, as a Trader with extensive experience in Derivative Products on Foreign Exchange, Interest Rates and Emerging Market bonds. He holds a Bachelor's Degree in Economics from Trinity College, Cambridge University and an MBA from the Wharton School of the University of Pennsylvania.

Deputy Chief Executive Officers

Dimitrios Dimopoulos, born 1947, was elected Executive Member of the Board of Directors and Deputy CEO of the National Bank of Greece (NBG) in June 2014, overseeing its Corporate, Retail and Investment Banking, as well as Group Marketing & Communication. He is also Member of NBG's Executive Committee. He was appointed General Manager of Corporate Banking at NBG in February 2008 also served as Chairman of the Board of Directors at Ethniki Insurance Co from July 2012 until March 2016. He joined NBG in 1975 and as Director of the Large Corporate Division, he was involved in corporate financing as well as project financing of investments in infrastructure, energy and tourism sectors. He is also the permanent representative of NBG on the Board of Directors of the Athens Chamber of Commerce and Industry. He holds a Bachelor's degree in Economics and Political Sciences from the Aristotle University of Thessaloniki and a postgraduate degree in Economics from the University of East Anglia, United Kingdom.

Paul Mylonas, born 1958, was appointed Deputy Chief Executive Officer of the Group in June 2014. Direct reports are the CFO and COO and the Troubled Assets Units. From December 2013 to June 2015, he also acted as Chief Risk Officer for the Group. He is a Member of the Executive Committee and of the ALCO. He is Vice Chairman of the Board of Directors at Ethniki Hellenic General Insurance S.A., Vice Chairman of the Board of Directors at NBG Cyprus Ltd, Chairman of the Board of Directors at NBG Asset Management and serves as a member of the Board of Directors at NBGI Private Equity Ltd, NBG International Ltd and NBG GP Ltd. Moreover, he is a member of the Economic Advisory Board of the Hellenic Banks' Association. In July 2012 he was appointed General Manager of Strategy and International Operations. From December 2010 until July 2012 he served as General Manager of Strategy and Governance. From April 2004 to December 2010 he was General Manager of Strategy and Research, Head of Investor Relations and Chief Economist of the Group, which he joined in 2000. Before joining the Bank, he worked as Senior Economist in the

Economics Department of the OECD (1995–2000) and the IMF (1987–1995) and taught at Boston University (1985–1987). He holds a Master of Arts and a PhD in Economics from Princeton University and a BSc in Applied Mathematics-Economics (Magna cum Laude and Phi Beta Kappa) from Brown University.

General Managers

The General Managers, currently 11 in number, each report to the Chief Executive Officer and Deputy Chief Executive Officers and are as follows:

Panagiotis Dasmanoglou, born 1963, has been an executive at the National Bank of Greece since 1990. In December 2016 he was appointed General Manager of Group Compliance and Corporate Governance. He is also a member of the Executive Committee. In June 2015 he was appointed Assistant General Manager of Group Compliance and Corporate Governance, while previously, since September 2013 he served as Assistant General Manager of Group Compliance. In January 2014 he was elected Secretary of the Bank's Board of Directors and of its Committees. Since July 2009 he served as Director of the Group Compliance Division, and he was responsible for the Group's compliance with the legislative and regulatory framework. In his various positions as a lawyer at the Bank in the past, he handled significant matters concerning integration of European banking legislation in the Bank's processes, domestic and international credit operations, and M&A activity, thereby gaining substantial experience across a broad spectrum of banking operations. For a number of years, he has been an active participant in the workings of the Hellenic Bank Association and the European Banking Federation, and specifically on the Committees for international banking issues, compliance, consumer issues, anti money laundering, derivatives and repos. Mr. Dasmanoglou serves on the board of the Hellenic Ombudsman for Banking and Investment Services and on the boards of directors of several NBG Group companies, including as Vice-Chairman at National (Ethniki) General Insurance, at NBG Securities S.A., and NBG Asset Management S.A., and as Board member at Ethniki Factors S.A. He holds a law degree (LL.B) from the University of Athens Law School and a postgraduate (Master's) degree in European Law from the University of Brussels, as well as international executive certifications in international banking law, compliance and banking management from the INSEAD Graduate Business School.

Ioannis Vagionitis, born 1960, was appointed General Manager of Group Risk Management (Chief Risk Officer) in September 2017. Since April 2017 he was General Manager - Chief Credit Officer, and previously, in July 2015, he was appointed Assistant General Manager - Chief Credit Officer. He has served as a Board Member of Finansbank from January 2014 up to June 2016 and he was member of the Risk Management Committee, the Audit Committee and the Credit Committee of Finansbank. From October 2010 up to November 2013 he was Head of Corporate Banking - Large Corporate Division of NBG. Additionally, he has served as a Board Member of NBG Factors. From May 2008 up to October 2010 he was Head of Credit Division and International Credit Division of NBG Group, while from October 2006 up to May 2008 he was Head of Credit Division of National Bank of Greece. Mr. Vagionitis joined National Bank of Greece in 2004 under the Group Risk Management Division.He worked for HSBC for over ten years (1992-2003). He also held executive level positions in the field of corporate banking at the Bank of Cyprus (2003-2004). Mr. Vagionitis holds a BSc and an MSc in Mechanical Engineering from the University of Manchester Institute of Science & Technology (UMUST) and an MBA from Manchester Business School.

Dimitrios Kapotopoulos, born 1951, was appointed General Manager of the Corporate Banking Division of the National Bank of Greece in July 2015. He is also a member of the Executive Committee. He has under his supervision the Bank’s Shipping Department and he has been appointed Vice Chairman of the Board of Directors of Ethniki Leasing. He joined NBG in 1978, initially at the Branch Network. From 1982 until 1992, he served as credit analyst and has played a constructive role in setting up the Large Corporate Division of the Group in 1993; he was appointed Deputy Director of the Division in May 2008. Since October 2010, he was Director of the Structured and International Finance Division of NBG. Since February 2014 he served as Assistant General Manager of Corporate

Special Assets at National Bank of Greece. He has been extensively involved in the fields of credit analysis, corporate banking and international credit. He holds a Bachelor's Degree in Economics from the Aristotle University of Thessaloniki and has attended several business seminars and workshops in finance and in banking operations.

Ioannis Kyriakopoulos, born 1959, was appointed Chief Financial Officer of the Group in September 2015. He is member of the Executive Committee, the ALCO and the Disclosure and Transparency Committee. He is also Vice Chairman of the Board of Directors of NBG Pangaea and member of the Board of Directors of the Hellenic Exchanges - Athens Stock Exchanges SA. He worked at the Bank from 1977 until January 2012 when he joined the HFSF as its Chief Financial and Operating Officer. At the Bank he served as Deputy General Manager of International Activities from April 2011 to January 2012 and as Deputy Chief Financial Officer from April 2009 until April 2011 while from August 2002 to April 2009, he was the Director of the Financial and Management Accounting Division. He holds a BSc in Mathematics and a BSc in Economics from the University of Athens and an MSc in Statistics and Operational Research from Loughborough University in the United Kingdom.

Nelly Tzakou Lambropoulou, born 1962, is General Manager of Retail Banking at the Bank since July 2013. She is responsible for Retail Products, Retail Segments and Distribution networks including physical Branch Network and Digital Channels of the Bank and is a Member of the Senior Executive Committee of NBG and the ALCO. Since December 2012, she held the position of General Manager, Group Head of Operations, Business Processes and IT at the Bank. She is Chairman of the Board of Directors at NBG Securities and NBG Bancassurance, Vice Chairman of the Board of Directors at DIAS S.A. (Greek ACH), member of the Executive Committee at the Hellenic Bank Association and Chairman of the Digital Banking Strategic Committee of the Hellenic Bank Association, member of the Board of Directors of the Athens Chamber of Commerce and Industry, Ethniki Factors and Mastercard Europe Advisory Board. Moreover, she is a member of the EFMA Operational Excellence Advisory Council, as well as member of "Junior Achievement Greece". She holds a Bachelor's Degree in Economics from the University of Piraeus and an MBA from the University of Wales & Manchester Business School.

Nikolaos Christodoulou, born 1965, is General Manager, Chief of Operations, at National Bank of Greece since September 2016. In September 2013 he appointed General Manager, Group Chief Information Officer, at National Bank of Greece. He joined NBG in November 2011 as Assistant General Manager, Group CIO. Before joining NBG, he was a Partner at Accenture, the global consulting and technology firm, where he headed the Management Consulting Unit and the Financial Services Unit in Greece. He is a member of the Board of Hellenic Management Association and a member of Technical Chamber of Greece. He is also member of the Board of Directors of Banca Romaneasca. He is also member of the Board of Directors of CosmoONE. He has served as member of the Board of ICAP S.A. and member of the Advisory Committee of Attica Ventures. He has been Chairman of the Greek Information Society Observatory for 4 years and Chairman of the Digital Aid S.A. for 2 years. He holds a Bachelor's degree in Electrical and Computer Engineering from National Technical University of Athens, an MBA from Warwick Business School, UK and a PhD in Decision Systems from National Technical University of Athens. He has also worked as a Research Associate at INSEAD and at the National Technical University of Athens.

Georgios Triantafillakis, born 1957, was appointed General Manager of Legal Services in April 2017. He was appointed Assistant General Manager of Legal Services in June 2015, with responsibilities for the supervision and coordination of activities of Legal Services Division, since 2017 he is the Chairman of the Legal Council of National Bank of Greece and since 2017 he is the Chairman of the Legal Council of Hellenic Bank Association. Since 1992 he is Attorney at law practicing before Supreme Court of Justice. During his long term service in the Legal Services, he represented the Bank before high Courts, arbitration tribunals and Authorities, with respect to significant legal cases in Greece and foreign jurisdictions, involving matters of banking law, criminal law, capital markets law, competition law, European and commercial law. He is Professor of

Commercial Law, teaching also at the National School of Judges. He was member of Competition Commission (for 10 years), member of legislative committees and legal science societies. He has published monographs, scholarly and university books, series of articles in particular sectors of commercial law and he was elected as Vice chairman in the board of Association of Greek commercialists. He is graduate of the University of Athens Law School (with honors) and holds a doctoral degree in commercial law from the German University of Tübingen Law School.

Constantinos Vossikas, born 1968, was appointed General Manager of Corporate Special Assets in April 2017. He was appointed Assistant General Manager of Corporate Special Assets in July 2015. He joined NBG in 2005 as a Credit Risk Manager for Group Risk Management and subsequently as a Senior Credit Officer for Credit Division. Since 2010, he served as Director of NBG Group International Credit and in 2013 he was appointed Assistant General Manager and Chief Credit Risk Officer. He has been a member of Supervisory Boards of NBG Group International Subsidiaries and NBG Group Senior Credit Committees. Before joining NBG, during the period from 1994 to 2005, he worked in the Corporate Banking Departments of Midland Bank as a Credit Officer and Egnatia Bank, where he held the position of Head of Corporate and Investment Banking. During the period from 1990 to 1994 he worked in the audit departments of Moore Stephens and Arthur Andersen, participating in external and internal audits for companies operating in various sectors of the Greek economy, valuations, feasibility studies etc. Mr. Vossikas is a Certified Public Accountant, member of the Institute of Certified Public Accountants in Ireland, holds a degree in Accounting and Finance from Deree College and has participated in many seminars held in Greece and abroad.

Georgios Kaloritis, born 1964, was appointed General Manager of Internal Audit of the Bank and the Group in April 2017. He was appointed Assistant General Manager and Chief Audit Executive of the Group in January 2014. He joined the Bank in 2006 as a Director of Internal Audit responsible for the areas of operations, compliance, information systems and several other support functions of the Group. He was in charge of the project team responsible for the integration of the Group's Internal Audit Units, the development of a common methodology according to the IIA standards and the implementation of a fully integrated system (EGRC) for the automation of the audit activities. Before joining the Group he served as the Corporate Security Officer at Eurobank (2003–2006) and as a Partner responsible for the Enterprise Risk Services practice at Deloitte Greece (1996–2003). He started his career in the USA where he served at various managerial positions at Price Waterhouse's Management Consulting Practice in New York and at AT&T's Information Technology Strategy & Data Architecture Unit (1990–1996) in New Jersey. He served as the President of the Board of the Hellenic Institute of Internal Auditors (2013–2015) and has also served as the Vice President of the Hellenic Information Systems Audit and Control Association (2002–2004). He holds an MBA degree in Executive Management form Saint John's University of New York, an MA in Management Information Systems and a BA in Computer Science and Economics as a second major from Queens College of the City University of New York. He is a Certified Internal Auditor (CIA) and a Certified Information Systems Auditor (CISA).

Marinis Stratopoulos, born in 1964, was appointed General Manager of International Activities at the National Bank of Greece in April 2014. He was also Managing Director (CEO) and Chairman of the Board of Directors of NBG's subsidiary in Romania, Banca Romaneasca S.A. since August 2010. From February 2007 until August 2010 he served as CEO and Chairman of the Executive Board of the subsidiary Bank Vojvodjanska Banka A.D. During 2005–2007 he worked as General Manager at the National Bank of Greece A.D. Beograd. From 2001 to 2005 he worked as Chief Executive Officer and Chairman of the Board of Egnatia Bank (Romania) S.A. and Chairman of the Board of Directors of Egnatia Leasing (Romania) S.A., while in the period January–June 2005 he was Deputy General Manager at Egnatia Bank S.A. During the years 1999–2000 he held managerial positions in Piraeus Bank S.A. and Prime Bank S.A. From 1993 and for the next 6 years he worked at Xiosbank S.A. as Director in the Corporate Banking Department. He is Chairman of the Board of Directors of Banca Romaneasca S.A., Vojvodjanska Banka A.D., Stopanska Banka A.D Skopje and NBG Leasing IFN S.A and Dep. Chairman of NBG Cyprus L.T.D. He holds a degree in Business Administration from

the American College of Greece (Deree College) and a Master of Science in Finance from Lancaster University UK.

Petros Fourtounis, born 1955, was appointed Group Human Resources General Manager at National Bank of Greece in June 2015. Previously, he was Group Chief Audit Executive at the Bank from July 2010 until January 2014, when he was appointed General Manager of Corporate Special Assets of the Bank. He is a member of the Economic Chamber of Greece and the Institute of Internal Auditors. He has been extensively involved in the fields of audit, corporate—project financing and international credit. From 2002 to 2010, he held the position of Director in the NBG Divisions of Corporate Banking, Structured and International Finance and Group International Credit. In the time period 1984–1999 he worked as Internal Auditor for branches, administration units and subsidiaries of the Bank in Greece and abroad. He joined NBG in 1975 and until 1984 he worked in the branch network of the bank. He has been a member of the Board of Directors or Executive Credit Committees of several NBG subsidiaries and he was actively involved in the due diligence procedures of foreign bank acquisitions by NBG. He holds a Bachelor's Degree in Economics from the University of Macedonia, Economic and Social Sciences and a Certification in Risk Management Assurance (CRMA) from the Institute of Internal Auditors Global (IIA Global).

Deputy General Managers

Vassilis Karamouzis, was appointed Assistant General Manager of Corporate and Investment Banking at National Bank of Greece in September 2017. Before joining NBG, he worked for 8 years (2009-2017) at HSBC in various managerial positions: he started at HSBC in Greece as Head of Global Market Sales and Debt Capital Markets for Greece and Cyprus. Later on he moved to HSBC in London, where he worked as Head of Structured Finance Origination for Southern Europe and Capital Financing for Greece and Cyprus, and more recently as Managing Director, Member of EMEA Financing Management and Head of Investment Banking Greece and Cyprus. He started his professional career in 2001 at Deutsche Bank in London, where he stayed until mid-2009. Initially he worked in Hedge Fund Sales, while in the period 2006-2009 he held the position of Head of FX and Commodities Sales for Greece and Middle East. Vassilis Karamouzis holds an MSc in Finance from Birkbeck College, University of London and a bachelor degree of Economics from the University of Piraeus.

Ioanna Katzilieri Zour, born 1961, was appointed Deputy General Manager in Group Communications and Marketing in December 2012. Among other committees, she is a member of the Compliance and Reputation Risk Committee. She joined the Bank in 2006 as Deputy General Manager in Retail Banking after having served as Deputy General Manager of Strategic Marketing at Eurobank. She has also worked for Millennium Bank as Deputy General Manager, responsible for various divisions including Branch Network, Mortgage Lending, Alternative Channels and Marketing (1999–2004). She has also served as Marketing Director in Wind Telecommunications (1998–1999) and Pepsico Ivi (1995–1998) and started her career working at Procter & Gamble in 1989. She holds an MSc in Economics from the London School of Economics and a BSc in Economics from Bristol University.

Vassilis Kavalos, born 1958, was promoted to Group Treasurer in June 2015. Since last June he is also the Bank's Liaison to the Committee for Approval of Banking Transactions that oversees the enforcement of the Capital Controls Legislative Act, as well as the chairman on the Bank's Subcommittee authorized for approving capital outflows for commercial purposes. From 2011 to 2015 he was the Corporate Treasurer with the primary task of ensuring the necessary liquidity and its efficient allocation within the Group while prior to that he was the Deputy Manager of trading since 2008. From 1999 until 2005, following the request of Ministry of Finance, he was detached to the Public Management Debt Agency where he participated in the instituting and operating of the Funding Department. In 1997 he became the Head of sovereign bond trading desk in the Group's Dealing Room, of which he was a staff member, through a selection process, since 1991. He joined the Group in 1981, after passing a public examination, and the following years he worked at the

international trade and credit departments. He holds a BSc in Business Administration of Deree College of the American College of Greece and is a certified Portfolio Manager by Bank of Greece.

George Koutsoudakis, born 1965, was appointed Deputy General Manager of Corporate Banking in the Group in January 2014. Just before joining the Group during 2013 (between January and May) he was Advisor to the management of Alpha Bank and from May onwards, he was Deputy Commissioner of Probank. During the period from 2007 to 2012 he worked at Emporiki Bank (Group Credit Agricole). From 2007 to 2009 he was Deputy General Manager of Corporate and Investment banking and from 2009 to 2012 he was General Manager, Head of Enterprises, Investment & Private Banking. During the period 2002 to 2007 he was Deputy General Manager at Geniki Bank (Group Societe Generale). Prior to that he had worked in the field of investment banking for ETEBA (within the Group) from 1996 to 2001 and Alpha Finance (of the Alpha Bank banking group) from 1990 to 1996. He has held various positions on Boards of Directors, while currently he is non-executive member on the Board of Directors of the FinansBank Group, Probank Leasing, Ethniki Factors and Apivita S.A. He holds a BSc Economics Honors Degree from Queen Mary College (University of London).

George Maligiannis, born in 1961, was appointed Deputy General Manager of Retail Collection Unit, in April 2016. Since July 2013 he held the position of Deputy General Manager of Household Lending in NBG Group and was responsible for Mortgage Credit, Consumer Finance and Credit Cards. Since November 2011, he held the position of Manager in the Mortgage Credit Division. He has been with NBG Group since 1999 and has more than 30 years of banking experience. Before joining the Group, he worked for the Mortgage Bank of Greece in the IT Department, in the Branch network and from 1989 to 1998 as Manager in the Vancouver Representative Office, in Canada. He is a graduate in Economics from the University of Athens and holds a Masters' Degree in Business Administration from Simon Fraser University, Canada. He is also an Associate with the Institute of Canadian Bankers.

Vasileios Mastrokalos, born 1963, was appointed Assistant General Manager of Group Strategy in June 2015. He started his professional career at the Group in February 1984. Initially, he worked at the branch network and from 1991 to 2008 at various Desks of the Group Treasury (FX, money markets, capital markets, derivatives), reaching to the position of Head of Trading. During the period 2009–2012 he served as Deputy Director General of the Public Debt Management Agency and from January 2013 to May 2015 he was Head of the Group Debt Issuance and Management Sector. He holds a Bachelor's degree in Economics from the University of Athens and a Master's degree in Economics from the University of Essex (UK).

Konstantinos Bratos, born 1956, was appointed Assistant General Manager, Corporate Workout & Remedial Management of International Activities in NBG in April 2016. From December 2013 he held the position of Assistant General Manager of International Activities in the Group, having served as a manager of this Division since April 2012. Until recently he held the positions of the Chairman of NBG Albania, of the Deputy Chairman of the Supervisory Board of Banca Vojvodjanska and of the Board Member of UBB. He has been the Chairman of NBG Malta Holdings Ltd and NBG Bank Malta Ltd since 2009 while he is also the Deputy Chairman of the Board of Directors of Banca Romaneasca. From 2010 to 2012, he held the position of Executive Manager for Corporate & Business Banking at UBB. From 2005 to 2010 he was Manager of International Network Division A' at the Group. From 2002 to 2005 he held the position of Second General Manager at Stopanska Banka. From 1992 to 2002 he also served as Deputy Manager at the Group branch in Boston and after that he became Manager at the NBG branches in Belgrade, Sofia and Bucharest. From 1984 to 1992 he worked in the Audit Division at the Group which he joined in 1975 and until 1984 he worked in the branch network of the Bank. He holds a BSc in Economics from the University of Piraeus, as well as a MSc in Economic Management, specialization in Marketing Management from Burgas University (Bulgaria).

Dimitrios Pavlineris, born 1959, was appointed Assistant General Manager responsible for Bank's Branch Network in April 2016. He joined National Bank of Greece in 1978. Since then he has worked at the Branch Network. He has extensive knowledge and experience in banking activities and in Managing Branches of all categories to the highest been. Being a Regional Manager responsible for a significant number of Branches, accomplished a lot, contributing to Bank's objectives achievement and policies and guidelines implementation. He holds a degree of the "Graduate School of Industrial Studies" of Piraeus, a Cambridge Certificate of Proficiency in English and he is a member of the Economic Chamber of Greece.

Vasileios Skiadiotis, born 1961, was appointed Assistant General Manager of Retail Banking in June 2015; he is responsible for Private Banking, Debit—Credit cards, Digital Channels, Retail Banking, Corporate Key Account Services, Retail Business Banking and Household Lending. From 2011 to 2015, headed the Global Markets Division. He joined the Group in 1984. Until 1991 he served in the retail network holding different positions at various departments. During the years 1991–2015 he was selected to work for the Group Treasury, General Division. In 2004 participated in the INSEAD Inter Alpha Banking Program as member of NBG's representatives. He participates in the Committee of NBG Asset Management (Mutual Fund Management Company), NBG Insurance Brokers, as well as in Banking Transaction Approval Subcommittee and in Youth Innovative Entrepreneurship and Extrovert Greek Business Development Committee. He holds a Bachelor's Degree in Civil Engineering from National Technical University of Athens and a postgraduate degree in banking. He is a certified Portfolio Manager by Bank of Greece.

George Frangou, born 1964, was appointed Deputy General Manager—Head of Group Real Estate at the Bank in March 2014. From March 2000 to December 2013, has held several management positions within Eurobank EFG Group, where he served as Finance & Administration Director of at EFG e-Solutions (e-Banking, e-commerce b2c), Head of Real Estate—Greece and later for the Group's International Activities. During the period 1993–2000 has held various managerial positions for at Johnson & Johnson and METAXA S.A. He has extensive experience in the areas of Real Estate, Operations & Project Management, Finance and IT. Has led reorganizations, with a long track record in leading teams, and setting-up new units and ventures in Greece and South Eastern Europe (green field operations). He holds a Bachelor of Science in Economics from the Athens University of Economics & Business and a Master Degree in Business Administration (MBA) from California State University, Bakersfield (USA).

Board Committees

Five Committees have been set up and operate at Board level. Respective charters have been posted on the Bank's website, at www.nbg.gr (section: The Group / Corporate Governance / Board of Directors / Committees). The Committee members are remunerated annually for their participation in each Committee.

Audit Committee

The Audit Committee was established in 1999 and operates in accordance with the provisions of the Bank of Greece Governor's Act No. 2577/2006, Greek Law 3693/2008 (article 37) and the Sarbanes Oxley Act.

The members of the Committee are elected by the General Meeting of Shareholders upon recommendation of the Corporate Governance & Nominations Committee to the Board Chair. The Chairman and the Vice Chairman of the Committee are appointed by the Board. The Committee is currently composed of five non-executive Directors, four of whom are independent (one of whom is the financial expert and advisor on issues related to the US Securities and Exchange Commission) and is the HFSF representative at the Board of Directors. The Committee's members are appointed for an one-year term of office, which can be renewed indefinitely. The Committee employs a specialized consultant who reports directly to the Chairman of the Committee. The Committee convenes regularly

at least six times per annum or extraordinarily, whenever deemed necessary, keeps minutes of its meetings and reports to the Board every three months or more frequently if deemed necessary.

During 2016, the Audit Committee convened fifteen times. During the course of the year, the Group three-year audit program 2016–2018 of the Group Internal Audit Division was presented to the Committee, as well as the annual report for the prevention and suppression of money laundering and terrorist financing. In June 2016, the Committee reviewed the Annual NBG Group Compliance Report, in accordance with the provisions of the Bank of Greece Governor's Act No. 2577/2006, while the Audit Committee was also informed about the activities of the Audit Committees of NBG Group subsidiaries, in compliance with SOX. Furthermore, the Committee reviewed the quarterly and annual financial statements of the Bank and the Group, monitored on a quarterly basis and evaluated on an annual basis the operations of the NBG Group Internal Audit and Compliance Divisions, and assessed the adequacy of the Internal Control System in line with Bank of Greece Governor's Act No. 2577/2006. Furthermore, the Committee among others made recommendations to the Board regarding the appointment of the Bank's external auditors for the annual and semi-annual Financial Statements for the year ended 2016. Furthermore, the Committee was informed concerning developments in the International Accounting Standards, the US Securities and Exchange Commission, the Public Company Accounting Oversight Board principles as well as the SOX controls process.

The Committee is currently comprised of the following members:

Chair	Claude Piret
Vice-Chair	Petros Sabatacakis
Member	Mike Aynsley
Member	Marianne Økland
Member	Eva Cederbalk
Member	Panagiota Iplixian (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the Committee are included in the Committee's charter on the Bank's website, at www.nbg.gr (section: The Group/Corporate Governance/Board of Directors/Committees).

The Committee members receive remuneration for their participation in the Committee.

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee ("**HRRC**") was established by Board decision (meeting no. 1259/May 5, 2005).

The Committee solely consists of non-executive members of the Board, which are at least three in number, in their majority (including the Chairman) are independent Board members, in accordance with the definition of independence specified in the Bank's Corporate Governance Code and one member is the Hellenic Financial Stability Fund representative at the Board of Directors. The Committee composition includes members possessing experience in the financial sector, while at least one member possesses significant expertise, skills and professional experience in risk management and audit activities, in order to be able to contribute to the alignment of remuneration with the risk and capital profile of the Bank.

The members and Chairman of the Committee are elected by the Board of the Bank, following recommendation by the Board's Corporate Governance & Nominations Committee. The Committee members shall be selected on the basis of their competence and experience.

The Committee convenes at least three times a year and keeps minutes of its meetings.

In 2016, the HRRC convened eight times. During the year, the HRRC approved the Board of Directors and Board of Directors Committee members' remuneration for fiscal year 2015 and determined remuneration of the Chairman, the Chief Executive Officer, Deputy Chief Executive Officers and non executive members of the Board until the General Meeting of 2017. Further, the HRRC dealt with the contracts, promotions and appointments of General Managers and Assistant General Managers of the Bank while it reviewed the personnel performance evaluation system. The committee was informed in detail on a regular basis, concerning the NBG Voluntary Exit Incentive Scheme.

The Committee is comprised of the following members:

Chair	Marianne Økland
Vice-Chair	Mike Aynsley
Member	Claude Piret
Member	Haris Makkas
Member	Petros Sabatacakis
Member	Panagiota Iplixian (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the HRRC are included in the charter of the HRRC posted on the Bank's website, at www.nbg.gr (section: The Group/Corporate Governance/Board of Directors/Committees).

The Committee members receive remuneration for their participation in the Committee.

Corporate Governance and Nominations Committee

The CGNC was established by Board decision (meeting no. 1259/5 May 2005).

The Committee is composed of at least three Board members. The members and Chairman of the Committee are elected by the Board of the Bank. All members of the Committee are non-executive Board members and in their majority independent members of the Board, in accordance with the definition of independence specified in the Bank's Corporate Governance Code and one member is the Hellenic Financial Stability Fund representative at the Board of Directors. The Committee's members are appointed for a one—year term of office, which can be renewed indefinitely. The Committee convenes at least three times per annum and keeps minutes of its meetings.

In 2016, the CGNC convened twenty-three times. During the year, the Committee was informed about the new provisions of the Greek Law 3864/2010 as in force and the Amended Relationship Framework Agreement between the Bank and the HFSF. During the year, the Committee was involved in matters such as the procedures of the new Board/Board Committees annual self-assessment Policy, recommendations on Governance improvements etc. Furthermore, the Committee, after the resignations of the Chair of the Board and other Board members, recommended new candidate members to the Board of Directors, reviewed the Nominations Policy, and the composition of the Board of Directors in accordance with the existing legal and regulatory framework, especially with Greek Laws 3016/2002, 4261/2014, 3864/2010 as in force and the Relationship Framework Agreement between the Bank and the HFSF, as well as in line with the internal regulations of the Bank on corporate governance.

The Committee is currently comprised of the following members:

Chair	Marianne Økland
Vice-Chair	Claude Piret

Member	Petros Sabatacakis
Member	Mike Aynsley
Member	Haris Makkas
Member	Panagiota Iplixian (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the CGNC are included in the CGNC's charter posted on the Bank's website, at www.nbg.gr (section: The Group/Corporate Governance/Board of Directors/Committees).

The Committee members receive remuneration for their participation in the Committee.

Board Risk Committee

The Board Risk Committee was established by Board decision (meeting no. 1308/20 July 2006) in accordance with the requirements of Bank of Greece Governor's Act No. 2577/9 March 2006. The Committee has two roles, namely it operates a) as the Board Risk Management Committee and b) as the Board Committee Responsible for Non-Performing Loans/Exposures (NPLs/NPEs)[16] as prescribed by Art. 10 par. 8 of Greek Law 3864/2010 as in force.

The Committee convenes regularly at least on a monthly basis, as well as extraordinarily, whenever deemed necessary by its Chairman.

During 2016, the Committee convened fourteen times. In 2016 the Committee was informed in detail on a regular basis, and consulted, concerning the risk appetite of the Bank, reviewed the Risk Appetite Statement & Metrics for the year 2016, as well as the Risk and Capital Strategy of the Group and provided relevant information to the Board of Directors. Furthermore, in April 2016 the Committee approved the Risk Management Report concerning the Internal Capital Adequacy Assessment Process" 2015, as well as the Internal Liquidity Adequacy Assessment Process 2015, which were approved by the Board meeting held on April 25, 2016. In January 2017 the Risk Committee Charter was revised, while it shall be noted that the Committee has a dual role, having specific competence also over Non-Performing Loans / Non-Performing Exposures (NPLs/NPEs) and operating also as the Bank's special Committee that deals with Non-Performing Loans in accordance with Art. 10 Par. 8 of Greek Law 3864/2010, as in force.

Since 19 December 2013 the Committee has been composed exclusively of non-executive Board members, at least three in number, the majority of which (including the Chairman) are independent members of the Board, in accordance with the definition of independence specified in the Bank's Corporate Governance Code and one member is the HFSF representative at the Board of Directors. The members and the Chairman of the Committee are elected by the Board of the Bank, following recommendation by the Board's Corporate Governance & Nominations Committee. All members should have adequate knowledge and prior experience in banking and financial services, while at least one member as an expert should have significant experience in risk and capital management, as well as knowledge of the local and international regulatory framework.

The Committee is comprised of the following members:

Chair	Mike Aynsley
Vice-Chair	Marianne Økland
Member	Claude Piret
Member	Haris Makkas
Member	Panagiota Iplixian (HFSF representative)

[16] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

Detailed information on the responsibilities, composition and modus operandi of the Committee are included in the Charter of the Committee (which was last approved by the Board on 19 January 2017) available on the Bank's website at www.nbg.gr (section: The Group/Corporate Governance/Board of Directors/Committees).

The Committee members receive remuneration for their participation in the Committee.

Strategy Committee

The Strategy Committee was established by Board decision (meeting no. 1387/September 29, 2009). The Committee supports the executive Board members in developing the Group's strategic options, assists the Board in taking decisions on all issues related to NBG Group strategy and regularly reviews the implementation of the Group's strategy by the Group's management team. The Committee is composed of nine members, of which five are independent non-executive Board members and one member is the HFSF representative at the Board of Directors. The Chief Executive Officer participates ex officio as a member in the Committee.

The Committee members are appointed by the Board upon recommendation of its Chairman, who consults with the Corporate Governance & Nominations Committee to this effect. The Committee members shall be selected on the basis of their competence and experience and appointed for an one-year term of office, which can be renewed indefinitely. The Committee convenes at least three times per annum and as regularly as deemed necessary in order for matters to be discussed prior to their assessment by the Board and reports regularly to the Board.

In 2016, the Strategy Committee convened seven times. During the year, the Committee was involved in matters such as strategic restructuring and decisions concerning NBG Group companies. Furthermore, the Committee was involved in matters of international strategic challenges in the banking sector, compliance with the Capital Controls framework, and in further designing and project planning. The Committee collaborated with other committees where deemed appropriate in the context of its responsibilities.

The Committee is comprised of the following members:

Chair	Eva Cederbalk
Vice Chair	Haris Makkas
Member	Panayotis (Takis) — Aristidis Thomopoulos
Member	Leonidas Fragkiadakis
Member	Mike Aynsley
Member	Petros Sabatacakis
Member	Marianne Økland
Member	Claude Piret
Member	Panagiota Iplixian (HFSF representative)

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Detailed information on the responsibilities, composition and modus operandi of the Committee are included in the Committee's charter has been posted on the Bank's website, at www.nbg.gr (section: The Group/Corporate Governance/Board of Directors/Committees).

The Committee members receive remuneration for their participation in the Committee.

Executive Committees

Senior Executive Committee

The Senior Executive Committee was established in 2004 and operates via specific Charter. It is the supreme executive body that supports the Chief Executive Officer of the Bank in his duties. The Senior Executive Committee has strategic and executive powers in regard to the more efficient operation of the Group and the monitoring of the execution of the Bank's business plan, as well as approval authority that cannot be delegated to other members of the Bank's management or to other collective bodies of the Bank. In April 2015 it was determined that the Senior Executive Committee will carry out the activities of the Risk Management Council while as formally determined by means of Internal Act in 2016 the Committee also has the authority to decide on matters falling within the authority of the Compliance & Reputational Risk Committee, whenever deemed necessary by the Chairman or Deputy Chairman of the Compliance & Reputational Risk Committee.

The Committee is currently comprised of the following members:

Chairman	Leonidas Fragkiadakis	CEO
Member	Dimitrios Dimopoulos	Deputy CEO
Member	Paul Mylonas	Deputy CEO
Member	Nelly Tzakou-Lambropoulou	General Manager of Retail Banking
Member	Dimitrios Kapotopoulos	General Manager of Corporate Banking
Member	Ioannis Kyriakopoulos	General Manager—Group CFO
Member	Nikos Christodoulou	General Manager, Group Chief Operating Officer
Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member without voting rights	Panos Dasmanoglou	General Manager—Group Chief Compliance and Corporate Governance Officer
Member without voting rights	Georgios Triantafillakis	General Manager of Legal Services

The Committee is convened at the invitation of its Chairman and meets regularly at least two times every calendar month and ad hoc, whenever deemed necessary by its Chairman.

At the invitation of its Chairman, it is possible for General Managers as well as other Bank executives to attend the meetings of the Senior Executive Committee, the presence of which is deemed necessary.

The Committee members do not receive any remuneration for their participation in the Committee.

Asset and Liability Committee (ALCO)

ALCO was established in 1993. The Committee's key purpose is to establish the Bank's and its Group financial sector entities' strategy and policy as to matters relating to the structuring and management of assets and liabilities, taking into account the current regulatory framework and market conditions, as well as the risk limits set by the Bank. The Committee is currently comprised of the following members:

Chairman	Leonidas Fragkiadakis	CEO

Deputy Chairman & Member	Paul Mylonas	Deputy CEO
Member	Dimitrios Dimopoulos	Deputy CEO
Member	Nelly Tzakou-Lambropoulou	General Manager of Retail Banking
Member	Ioannis Kyriakopoulos	General Manager, Group CFO
Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member	Vasileios Kavalos	Assistant General Manager, Group Treasurer

The Committee is convened at the invitation of its Chairman, once per month and ad hoc as deemed necessary. The Chairman can invite other executives of the Bank and Group to attend, if necessary.

The Committee members do not receive any remuneration for their participation in the Committee.

Executive Credit Committee

The Executive Credit Committee was established in 2008 and its purpose is the optimization and the sound operation of the risk taking limits. The Committee is comprised of the following members:

Chairman	Leonidas Fragkiadakis	CEO
Member	Paul Mylonas	Deputy CEO
Member	Dimitrios Dimopoulos	Deputy CEO
Member	Ioannis Vagionitis	General Manager of Group Risk Management Chief Risk Officer
Member	Dimitrios Kapotopoulos*	General Manager of Corporate Banking

* In the case of meetings where issues regarding corporate special assets are discussed, Mr. Constantinos Vossikas, General Manager of Corporate Special Assets, participates in the Committee.

The General Manager of Legal Services, Mr. Georgios Triantafillakis, is invited and attends the meetings of the Committee.

The Committee is convened at the invitation of its Chairman, at least twice per month and ad hoc as deemed necessary by its Chairman. The Chairman can invite other executives of the Bank and the Group to attend, if necessary.

The Committee members do not receive any remuneration for their participation in the Committee.

Disclosure and Transparency Committee

The Disclosure and Transparency Committee was established in 2003. Its purpose is to monitor the accuracy and completeness of the information included in public announcements and in any publications issued by the Bank, especially those included in the informative documents submitted to SEC, monitoring and submission of proposals for the improvement of the procedures carried out for the collection, assessment and timely disclosure of information required by the relevant legal framework, and generally for compliance with the legal and regulatory framework concerning the obligations for accurate and timely disclosure of information.

The Committee is comprised of the following members:

Chairman	Paul Mylonas	Deputy CEO
Member	Dimitrios Dimopoulos	Deputy CEO
Member	Nelly Tzakou-Lambropoulou	General Manager of Retail Banking

Member	Dimitrios Kapotopoulos	General Manager of Corporate Banking
Member	Ioannis Kyriakopoulos	General Manager, Group CFO
Member	Nikos Christodoulou	General Manager, Group COO
Member	Marinis Stratopoulos	General Manager of International Activities
Member	Georgios Triantafillakis	General Manager of Legal Services
Member	Georgios Kaloritis	General Manager, Group Chief Audit Executive
Member	Panos Dasmanoglou	General Manager—Group Chief Compliance and Corporate Governance Officer
Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member	Vasileios Kavalos	Assistant General Manager—Group Treasurer
Member	—	Assistant General Manager Group Finance*

* Mr Nikos Voutychtis was Assistant General Manager of Group Finance and member of the Committee until 12 February 2016 when he resigned from the Bank

The Committee is convened at the invitation of its Chairman, at least twice per annum and ad hoc as deemed necessary.

The Chairman can invite other executives of the Bank and Group to attend, if necessary.

The Committee members do not receive any remuneration for their participation in the Committee.

Provisions and Write Offs Committee

The Committee was established in 2010. Its purpose is the decision making process on the provisions and write-offs of NBG Group claims of any nature, which are considered by the Committee to be liable of a loss in value in accordance with the relevant "Provisions and Write Offs Policy" of NBG Group.

The following members participate in the Committee:

Chairman	Leonidas Fragkiadakis	CEO
Member	Dimitrios Dimopoulos	Deputy CEO
Member	Paul Mylonas	Deputy CEO

The Committee is convened at the invitation of its Chairman.

The Chairman can invite other executives of the Bank and Group to attend, if necessary.

The Committee members do not receive any remuneration for their participation in the Committee.

Crisis Management Committee

The Crisis Management Committee was established in 2012 and is the supreme executive body with responsibilities over the Business Continuity Plan ("**BCP**"). The Committee acts upon every sudden and unforeseen change of conditions (relating to operational, business, environmental and personnel issues) which can lead to a crisis that may have strategic impact consequences, and aims to effectively coordinate the actions necessary to deal with unforeseen situations which may jeopardize the smooth operation of the Bank. Specifically, it is in charge of informing, mobilizing and coordinating the

Bank's relevant units, taking into account the nature, extent and the size of the crisis; and solving problems that require immediate attention.

The Committee is composed of the following members:

Chairman	Leonidas Fragkiadakis	CEO
Member	Paul Mylonas	Deputy CEO
Member	Dimitrios Dimopoulos	Deputy CEO
Member	Nikos Christodoulou	General Manager, Group COO
Member	Nelly Tzakou-Lambropoulou	General Manager of Retail Banking
Member	Petros Fourtounis	Group Human Resources General Manager
Member	Panos Dasmanoglou	General Manager—Group Chief Compliance and Corporate Governance Officer
Member	Georgios Kaloritis	General Manager, Group Chief Audit Executive
Member	Dimitrios Kapotopoulos	General Manager of Corporate Banking
Member	Ioannis Kyriakopoulos	General Manager, Group CFO
Member	Ioannis Vagionitis	General Manager of NBG Group Risk Management, Chief Risk Officer
Member	Georgios Triantafillakis	General Manager of Legal Services
Member	Stylianos Dionysopoulos	Head of Group Security Division

At the invitation of its Chairman and depending on the issues discussed, it is possible for General Managers, Assistant General Managers, the General BCP Coordinator as well as other Bank executives, the presence of which is deemed necessary, to attend the meetings of the Committee.

The Committee convenes as deemed necessary at the invitation of its Chairman.

The Committee members do not receive any remuneration for their participation in the Committee.

Compliance & Reputational Risk Committee

The Compliance & Reputational Risk Committee was established in 2013. The Committee ensures the adequacy of the Bank's and the Group's controls that enable compliance with the regulatory framework as well as with the Policies of the Bank and the Group. Additionally, the Committee ensures that the management of reputational risk is in accordance with the risk appetite that has been approved by the Board of Directors and with the creation of long-term value for shareholders.

The Committee is composed of the following members:

Chairman	Leonidas Fragkiadakis	CEO
Deputuy Chair & Member	Panos Dasmanoglou	General Manager—Group Chief Compliance and Corporate Governance Officer
Member	Paul Mylonas	Deputy CEO
Member	Dimitrios Dimopoulos	Deputy CEO
Member	Nikos Christodoulou	General Manager, Group COO
Member	Nelly Tzakou-Lambropoulou	General Manager of Retail Banking
Member	Dimitrios Kapotopoulos	General Manager of Corporate Banking
Member	Georgios Triantafillakis	General Manager of Legal Services
Member	Ioanna Katzilieri-Zour	Assistant General Manager of Group Marketing and Communications

The Committee is convened at least quarterly and ad hoc as deemed necessary at the invitation of its Chairman.

The Chairman can invite other executives of the Bank and Group to attend, if necessary.

The Committee members do not receive any remuneration for their participation in the Committee.

Potential Conflicts of Interests

There are no potential conflicts of interest between any duties to the Bank of any members of the Bank's Board of Directors, Senior Management or Board Committees and their private interests and / or other duties.

REGULATION AND SUPERVISION OF BANKS IN GREECE

Regulation and Supervision of Banks in Greece

The Group is subject to financial services laws, regulations, administrative acts and codes applying in each jurisdiction in which it operates.

Further to this, the Group is subject to the regulatory framework of the SSM as well as various EU and Greek laws and regulations and to supervision by the ECB (which also administers the monetary policy of the Eurozone) and the Bank of Greece.

Single Supervisory Mechanism

Regulation 1024/2013 established the SSM for Eurozone banks and other credit institutions. The SSM maintains an important distinction between significant and non-significant entities, which will be subject to differing supervisory regimes. National Bank of Greece is included in the list of significant supervised entities published by the ECB. As a result, the ECB has been granted certain supervisory powers as from 4 November 2014, which include:

- the authority to grant and revoke authorizations regarding credit institutions;
- with respect to credit institutions established in a participating Member State establishing a branch or providing cross border services in Member States that are not part of the Eurozone, to carry out the tasks of the competent authority of the home Member State;
- the power to assess notifications regarding the acquisition and disposal of qualifying holdings in credit institutions;
- the power to ensure compliance with respect to provisions regarding requirements on own funds securitization, large exposure limits, liquidity, leverage, as well as on the reporting and public disclosure of information on those matters;
- the power to ensure compliance with respect to corporate governance, including fit and proper 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);
- the power to carry out supervisory reviews, including, where appropriate and in coordination with the EBA, stress tests and supervisory reviews which may lead to the imposition of specific additional own funds requirements, specific publication requirements, specific liquidity requirements and other measures;
- the power to supervise credit institutions on a consolidated group basis, extending supervision over parent entities established in one of the Member States; and
- the power 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.

The SSM framework Regulation 468/2014 (ECB/2014/17) sets out the practical arrangements for the SSM, while Regulation 1163/2014 lays down the methodology and procedure regarding the annual supervisory fees which are born by the supervised credit institutions.

The ECB exercises its supervisory responsibilities in cooperation with the national central banks in the various Member States whose currency is the euro (such as for Greece) or a Member State whose currency is not the euro which has established a close cooperation agreement with the ECB in line

with the provisions of Decision ECB/2014/510. The ECB is responsible for the effective and consistent functioning of the SSM and exercises oversight over the functioning of the system, based on the distribution of responsibilities between the ECB and National Competent Authorities ("**NCAs**"). To ensure efficient supervision, credit institutions are categorized as "significant" or "less significant": the ECB directly supervises significant banks, whereas the NCAs are in charge of supervising less significant banks, with the ECB exercising indirect supervision. The day-to-day supervision is conducted by Joint Supervisory Teams, which comprise staff from both NCAs and the ECB.

Notably, the Bank is subject to continuous evaluation of its capital adequacy in the context of the SSM and could be requested to operate with higher than minimum regulatory capital and/or liquidity ratios.

As regards the monitoring of financial institutions, the NCA, in addition to supporting the ECB in day-to-day supervision, 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, will be exclusively responsible for prudential supervision of credit institutions with the above mentioned supervisory powers.

The CRD IV contains specific mandates for the EBA to develop draft regulatory or implementing technical standards as well as guidelines and reports, in order to enhance regulatory harmonization in Europe through the Single RuleBook. A series of Regulations concerning regulatory or implementing technical standards have already been published.

Supervisory Assessments

ECB Banking Supervision conducted a comprehensive assessment of the four significant Greek banks (Alpha Bank, Eurobank, National Bank of Greece and Piraeus Bank) in line with the decision by the Euro Summit on 12 July 2015 and the Memorandum of Understanding between the European Commission, acting on behalf of the European Stability Mechanism, the Hellenic Republic and the Bank of Greece, signed on 19 August 2015.

This assessment comprised an asset quality review (AQR) and a forward-looking stress test, including a baseline and an adverse scenario, in order to assess the specific recapitalization needs of the individual banks under the third economic adjustment program for Greece.

The AQR resulted in aggregate adjustments of EUR 9.2 billion to participating banks' asset carrying values as at 30 June 2015. Also, non-performing exposure (NPE) stocks were increased by approximately EUR 7 billion across the four banks, with the corresponding provisions already considered in the aforementioned AQR adjustments. In addition to adjustments made directly to current carrying values, the AQR result was also reflected in the projection of banks' capital adequacy under hypothetical scenarios performed in the stress test. Overall, the stress test identified a capital shortfall across the four participating banks of EUR 4.4 billion under the baseline scenario and EUR 14.4 billion under the adverse scenario, including AQR adjustments, after comparing the projected solvency ratios against the thresholds defined for the exercise.

The four banks had submitted capital plans to ECB Banking Supervision explaining how they intend to cover their shortfalls. This started a recapitalization process under the economic adjustment program that concluded before the end of 2015.

The EBA released on February 2016 the methodology and macroeconomic scenarios for the 2016 EU-wide stress test. The stress test is designed to provide supervisors, banks and other market participants with a common analytical framework to consistently compare and assess the resilience of EU banks to economic shocks. According to the relevant methodological note, National Bank of

Greece S.A. was considered to be covered by the ECB's Comprehensive Assessment of 2015 and therefore not to be assessed in the 2016 EU-wide stress test.

Single Resolution Mechanism

The SRM Regulation establishes uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund.

The SRM Regulation, which complements the SSM (as discussed under "Single Supervisory Mechanism" above) and applies to all banks supervised by the SSM, including the Bank.

The Single Resolution Mechanism was proposed by the European Commission on 10 July 2013. Regulation (EU) No 806/2014 establishing a SRM for the Banking Union entered into force on 19 August 2014.

The Single Resolution Mechanism works as follows:

- The Single Supervisory Mechanism (SSM), as the supervisor, would signal when a bank in the euro area or established in a Member State participating in the Banking Union is in severe financial difficulties and needs to be resolved.
- The Single Resolution Board (SRB), consisting of representatives from the relevant national authorities (those where the bank has its headquarters as well as branches and/or subsidiaries), the SSM and the European Commission, will carry out specific tasks to prepare for and carry out the resolution of a bank that is failing or likely to fail. The SRB decides whether and when to place a bank into resolution and sets out, in the resolution scheme, a framework for the use of resolution tools and the Single Resolution Fund (SRF).
- The resolution scheme can then be approved or rejected by the European Commission or, in certain circumstances, by the Council within 24 hours.
- Under the supervision of the SRB, national resolution authorities will be in charge of the execution of the resolution scheme.
- The SRB oversees the resolution. It monitors the execution at national level by the national resolution authorities and, should a national resolution authority not comply with its decision, directly addresses executive orders to the troubled banks.
- An SRF was set up under the control of the SRB. It will ensure the availability of funding support while the bank is resolved. It is funded by contributions from the banking sector. The SRF can only contribute to resolution if at least 8% of the total liabilities of the bank have been bailed-in.

On 1 January 2016, the Single Resolution Mechanism became fully operational.

Capital Requirements/Supervision

In December 2010, the Basel Committee issued two prudential framework documents ("Basel III: A global regulatory framework for more resilient credit institutions and banking systems", and "Basel III: International framework for liquidity risk measurement, standards and monitoring",) which contain the Basel III capital and liquidity reform package ("Basel III").

The Basel III framework has been implemented in the EU through Directive 2013/36/EU of the European Parliament and of the Council on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "CRD IV Directive"), which has been transposed into Greek legislation by Greek Law 4261/2014 (the "CRD Law"), and Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (the CRR and together with the CRD IV Directive, "CRD IV") which is legally binding and directly applicable in all EU Member States.

Implementation began on January 1, 2014, with particular elements being phased in over a period of time, mainly until 2019.

Some major points of the new framework include:

- ***Quality and Quantity of Capital.*** CRD IV revised the definition of regulatory capital and its components at each capital instrument level. It also imposed a minimum CET1 Ratio[17] of 4.5% and Tier 1 Ratio of 6.0%, and introduced a requirement for Additional Tier 1 and Tier 2 capital instruments "own funds" to have loss absorbing features allowing them to be written off or converted on the occurrence of a bail in of the institution;
- ***Capital Buffer Requirements.*** In addition to the minimum CET1 Ratio of 4.5% credit institutions will have to hold the following CET1 capital buffers as fixed by the relevant authorities:
    - A "**Conservation Buffer**" that will be applied gradually between 2016 and 2019 with an annual step up of 0.625%. This means that by the end of 2019 minimum CET1 Ratio will be 7%. In case of non-compliance the regulator will impose the constraints on dividends distribution and executive bonuses inversely proportional to the level of the actual CET1 ratio.
    - A "**Countercyclical Buffer**" CCyB) ranging between 0% and 2.5% depending on macroeconomic factors. This buffer will also be applied gradually from 2016 to 2019 having a range of 0%–0.625% for 2016, 0%–1.25% for 2017, 0%–1.875% for 2018 and 0%–2.5% for 2019. Bank of Greece specified the CCyB at 0% for Greece for all quarters of 2016 as well as for the first and the second quarter of 2017 (the CCyB is currently set at 0% by the competent authorities of all countries in which NBG Group has significant exposures.)
    - A "**Systemic Risk Buffer**" of at least 1% made up of by CET1 instruments set at the discretion of national authorities of EU Member States to be applied to institutions at consolidated or solo level, or even at the level of exposures in certain countries at which a banking group operates. Bank of Greece has not used this macro prudential instrument thus far.
    - Additional buffers are applied to ***Systemically Important Institutions ("SIIs").*** For Globally SIIs the additional buffer ranges between 1% and 3.5%, whereas for Other SIIs ("O-SIIs") it could reach 2%. Bank of Greece specified a 0% capital buffer for 2016 and 2017 for all four institutions that where characterized as O-SIIs (including the Bank).
- ***Deductions from Common Equity Tier 1.*** CRD IV revised the definition of items that should be deducted from regulatory capital. In addition, most of the items that were required to be deducted from regulatory capital are now deducted in whole from the CET1 component;
- ***Central Counterparties.*** To address the systemic risk arising from the interconnectedness of credit institutions and other financial institutions through the derivatives markets, the new framework is supporting the efforts of the committee on payments and settlement systems and International Organization of Securities Commissions ("IOSCO") to establish strong standards for financial market infrastructures, including central counterparties ("CCPs"). A 2.0% risk weight factor is introduced to certain trade exposures to qualifying CCPs (replacing the current 0% risk weighting). The capitalization of credit institution exposures to CCPs will be based in part on the compliance of the CCP with the IOSCO standards (since non-compliant CCPs will be treated as bilateral exposures and will not receive the preferential capital treatment referred to above);
- ***Counterparty Credit Risk.*** CRD IV is raising 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

[17] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

deteriorates. For example, the proposal includes a capital charge for potential mark to market losses associated with a deterioration in the creditworthiness of a counterparty (i.e. CVA risk) and the calculation of expected positive exposure by taking into account stressed parameters;

- ***Leverage Ratio.*** CRD IV introduced an unweighted Tier I leverage ratio (the "Leverage Ratio") that applies for all credit institutions as part of the Pillar II framework from January 1, 2013 with a view towards migrating the ratio to a Pillar I minimum requirement by 2018 (subject to any final adjustments);
- ***Liquidity Requirements.*** From October 1, 2015, CRD IV progressively introduced a liquidity coverage ratio (which defines 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, starting at 60% in 2015, and expected to be 100% in 2018). CRD IV also provides for a net stable funding ratio (which defines an 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 exposures, and which is being developed with the aim of introducing it from January 1, 2018). In both cases EU Member States may maintain or introduce national provisions until binding minimum standards are introduced by the European Commission; and
- ***Maximum Distributable Amount.*** Pursuant to Article 131 of the CRD Law, the Bank may not make discretionary payments (as defined in the CRD Law), beyond the Maximum Distributable Amount, For a description of the Bank's dividend policy please refer to Item 8, "Financial Information".

In addition to CRD IV, the EBA produces a number of binding technical standards, guidelines and recommendations for its implementation.

Together with Directive 2014/59/EU of the European Parliament and of the Council of May 15, 2014 (see below "*—Bank Recovery and Resolution Directive*") CRD IV forms the common financial regulatory framework in the EU, also known as 'the Single Rulebook'.

In addition to the substantial changes in capital and liquidity requirements introduced by Basel III and CRD IV, there are several new global initiatives, in various stages of finalization, which represent additional regulatory pressure over the medium term and will impact the EU's future regulatory direction. These initiatives include, among others, a revised Markets in Financial Instruments Directive (Directive 2014/65/EU) and Markets in Financial Instruments Regulation (Regulation (EU) No 600/2014), with a new deadline for transposition into national law of January 3, 2018.

Bank Recovery and Resolution Directive

On 15 May 2014, the European Parliament and the Council of the European Union adopted Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**"). The BRRD entered into force on 2 July 2014. It establishes a harmonized framework for the recovery and resolution of credit institutions and investments firms incorporated under the laws and licensed by the competent authorities of any of the Member States of the European Union, relying on a network of national authorities and resolution funds to resolve banks.

By virtue of Greek law 4335/2015 (the "**BRR Law**"), and in particular Article 2 "Recovery and resolution of credit institutions and investment firms and other provisions", the BRRD was transposed into Greek law and the Bank of Greece has been designated as the national resolution authority (the "**National Resolution Authority**"). Greek law 4335/2015 provides among others for the following:

(i) **Preparation and planning stage**: Preparation for adopting measures of recovery and resolution, including (a) drawing up and submitting recovery plans by credit

institutions to the competent authority for evaluation, which provide the measures to be taken for restoring their financial position following a significant deterioration of their financial position and (b) drawing up of a resolution plan by the National Resolution Authority for each credit institution.

(ii) **Early Intervention stage**: When the institution breaches its licensing and operational requirements or it is likely to breach them in the near future due to rapid deterioration of its financial condition, the BRR Law:

a) requires that the board of directors of the credit institution updates the recovery plan and/or implement one or more of the measures provided in the recovery plan,

b) requires that the board of directors of the credit institution draws up an action plan, with a specific timeline,

c) requires that the board of directors of the credit institution convenes a general meeting of its shareholders or, in case the board of directors does not comply, promptly convene itself a general meeting of the shareholders of the credit institution,

d) requires that one or more members of the board of directors or senior management be removed or replaced if they are considered unsuitable to perform their duties,

e) requires that the board of directors of the credit institution draws up and submits for consultation a plan for debt restructuring with one or all of its creditors according to the recovery plan,

f) requires the updating of the business strategy of the credit institution,

g) requires changes in the legal or business structures of the credit institutions, and

h) collects (through, inter alia, on-site inspections) and transmits to the National Resolution Authority all necessary information for the update of the resolution plan and the preparation of the potential resolution of the credit institution and the valuation of its assets and liabilities for the resolution purposes.

(iii) **Resolution measures**: The National Resolution Authority shall take action only if it considers that all of the following conditions are met:

a) the institution is failing or is likely to fail,

b) no alternative private sector measure, or supervisory action, including early intervention measures, would prevent the failure of the institution within a reasonable timeframe, and

c) a resolution action is necessary for public interest reasons, it is required for accomplishing one or more of the resolution objectives and it is proportional to them.

Before proceeding to resolution measures, the National Resolution Authority shall ensure that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out.

The resolution measures that may be implemented by the National Resolution Authority, either individually or in conjunction (save for the asset separation tool, which may only be applied in conjunction with another resolution tool), are the following:

- *Sale of business tool*: transfer, by virtue of a decision of the National Resolution Authority, to a purchaser who is not a bridge institution, of shares or other instruments of ownership and/or some or all of the assets of the institution under resolution, namely rights, obligations and contractual relationships, without the consent of the shareholders of the institution under resolution or of any third party other than the acquirer.
- *Bridge institution tool*: establishment of a bridge institution by the National Resolution Authority, to which shares or other instruments of ownership and/or some or all of the assets of the institution under resolution, namely rights, obligations and contractual relationships, are transferred without the consent of the shareholders of the institution under resolution or of any third party.
- *Asset separation tool*: transfer, by virtue of a decision of the Resolution Authority, of assets, namely rights, obligations and contractual relationships, of an institution under resolution or of a bridge institution to one or more asset management companies, without the consent of the shareholders of the institutions under resolution or of any third party other than the bridge institution. The asset management companies are legal persons owned in total or partially or controlled by one or more authorities, including the Fund or the Resolution Authority.
- *Bail in tool* write-down or conversion by the National Resolution Authority of any obligations of an institution that meets the resolution conditions, except for the cases prescribed by BRR Law.

Further to the above resolution tools, the National Resolution Authority is entitled to exercise the write-down or conversion powers in respect of Additional Tier 1 and Tier 2 capital instruments of the institution, either independently from the resolution tools implemented by the National Resolution Authority or in combination with the resolution tools implemented by the National Resolution Authority or in combination at the point of non-viability with the public financial stabilization tools described hereunder, under the circumstances provided by the law, for example when it is established that the conditions for resolution are met or when the competent authority establishes that if the said power is not exercised, the institution will cease to be viable. If an institution meets the requirements for resolution and the National Resolution Authority decides to implement a resolution tool, then the exercise of the above power is required.

In cases of an exceptional systemic crisis, extraordinary public financial support may be provided, as long as certain conditions are met. Extraordinary public financial support is 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 authority, through public financial stabilization tools as a last resort and only after having assessed and utilized, 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 stabilization 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 stabilization 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 recapitalization by an amount equal to at least 8% 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 public equity support through the equity 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 the involvement of resolution measures, under the following cumulative conditions:

- in order to remedy a serious disturbance in the economy of an EU Member State and preserve financial stability;
- to a solvent credit institution in order to address a capital shortfall identified in a stress test, 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;
- 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 authorization requirements in a way that would justify the withdrawal of its authorization;
- 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.

The Greek Regulatory Framework

The CRD IV framework, comprising CRD IV Directive (as transposed into Greek law by way of Greek law 4261/2014, the "**CRD Law**") on access to the activity of credit institutions and the Capital Requirements Regulation known as "CRR" on the prudential supervision of credit institutions and investment firms establishes the regulatory framework which governs the operation and supervision of credit institutions in the European Union.

The CRD Law replaced Greek law 3601/2007. According to Article 166 of Greek law 4261/2014, regulatory decisions issued by ministers or competent authorities by virtue of Greek law 3601/2007 remain in force as long as they are not contrary to the provisions of the CRD Law or Regulation No. 575/2013/EC and until replaced by new regulatory acts under Greek law 4261/2014.

Under the current regulatory framework, credit institutions operating in Greece are, among others, required to:

- Observe the capital adequacy and liquidity ratios, as well as the countercyclical buffer prescribed by Regulation No. 575/2013/EC and relevant Acts of the Governor of the Bank of Greece, to the extent that (according to article 166 of Greek law 4261/2014) such acts are not contrary to the provisions of the CRD Law or Regulation No. 575/2013/EC and until replaced by new regulatory acts issued under Greek law 4261/2014;

- Observe the own funds requirements and calculation rules provided for by Regulation No. 575/2013/EC and Decision no 114/1/4.8.2014 of the Credit and Insurance Committee Decisions as in force;

- Maintain efficient and independent internal audit, compliance and risk management systems and procedures (Bank of Greece Governor Act No. 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). The Monitoring Trustee mandate and the Amended Relationship Framework Agreement also include provisions regarding the maintenance of such systems and procedures;

- Submit to the Bank of Greece periodic reports and statements required under Bank of Greece Governor Act No. 2651/2012, as amended and currently applicable, and other relevant Acts of the Governor of the Bank of Greece;

- Disclose data regarding the credit institution's financial position and the risk management policy;

- Provide the Bank of Greece and the ECB any other information requested;

- In connection with certain operations or activities, notify or request the prior approval of the Bank of Greece/ECB, in each case in accordance with the applicable laws of Greece and the relevant acts, decisions and circulars of the Bank of Greece and the European regulatory framework; and

- Permit the Bank of Greece to conduct audits and inspect books and records of the credit institution, in accordance with Greek law (including Greek law 4261/2014) and certain Bank of Greece Governor's Acts;

If a credit institution breaches any law or a regulation falling within the scope of the supervisory power attributed to the Bank of Greece, the Bank of Greece is empowered, among others, to:

- Require the relevant bank to take appropriate measures to remedy the breach;
- Impose fines (article 55A of the Articles of Association of the Bank of Greece, as ratified by Law 2832/2000 and as amended by Bank of Greece Governor Act No. 2602/2008, and article 59 of Law 4261/2014);
- Revoke, in cooperation with the ECB according to Regulation 1024/2013, the license of the bank.

In the context of the Single Supervisory Mechanism (SSM) of the European Central Bank and the National Competent Authorities (Bank of Greece), Regulation 1024/13 stipulates the supervisory tasks conferred upon the SSM and Regulation 468/14 determines the framework of cooperation within the SSM.

The regulatory framework applicable to the Bank has been also affected by the establishment of the HFSF and the recapitalization framework (see *The Macroeconomic Environment in the Group's Markets—The Hellenic Republic's Economic Crisis*").

The Hellenic Republic's Bank Support Plan

In November 2008, the Greek Parliament passed Greek law 3723/2008 setting out the Hellenic Republic's Bank Support Plan initially at the amount of €28 billion and following increases thereof, at the amount of €98 billion. The law was passed with the goal of strengthening Greek banks' capital and liquidity positions in an effort to safeguard the Greek economy from the adverse effects of the international financial crisis.

The Hellenic Republic's Bank Support Plan contemplated in Greek law 3723/2008, as amended and in force, consisted of the following three pillars:

- ***Pillar I: Up to EUR 5 billion in Capital Designed to Increase Tier 1 Ratios***
- ***Pillar II: Up to EUR 85 billion in Hellenic Republic Guarantees***
- ***Pillar III: Up to EUR 8 billion in debt instruments***

  Credit institutions who chose to participate in the Hellenic Republic's Bank Support Plan using either the capital or guarantee facility, including the Bank, should accept a government-appointed member on their board of directors as a state representative, pursuant to the provisions of Greek law 3723/2008. Such representative would be in addition to the existing members of the board of directors and would have veto power on strategic decisions or decisions resulting in a significant change in the legal or financial position of the Bank and for which shareholder approval is required. The same veto power applied to corporate decisions relating to the dividend policy and the compensation of the Chairman, the Chief Executive Officer and the other members of the board of directors, as well as to the General Managers and their deputies. However, the government-appointed representative could only utilize his veto power following a decision of the Minister of Finance or if he considered that the relevant corporate decisions would jeopardize the interests of depositors or materially affect the solvency

and effective operation of the credit institution. Moreover, the government-appointed representative should have full access to the bank's books, data and reports on restructuring and viability, plans for medium-term funding needs of the Bank and data related to the level of financing of the Greek economy.

In the context of the Bank's recapitalization completed in December 2015 and as per the mandatory conversion in line with Cabinet Act 36/2.11.2015, the Bank's preference shares previously owned by the Hellenic Republic, issued under the Pillar I capital facility of the Hellenic Republic, were converted into ordinary shares and automatically transferred to the HFSF. Furthermore, the notes issued under Pillar III were returned to the Public Debt Management Agency of the Hellenic Republic and have been cancelled on 30 March 2016, while on 22.7.2016 the securities issued by the Bank under Hellenic Republic guarantees, as per article 2 of Greek Law 3723/2008, have been fully paid up and written off. Accordingly the Bank is no longer subject to the provisions of Greek Law 3723/2008 and, therefore, the representation of the Hellenic Republic on the Bank's Board of Directors has been ceased.

The Hellenic Financial Stability Fund—The Greek Recapitalization Framework

Formation of the Hellenic Financial Stability Fund

The HFSF was established by Greek law 3864/2010, as a private law entity with capital funded by the Greek government out of the resources made available by the EU and the IMF to ensure adequate capitalization of the Greek banking system. Additionally, Greek law 4389/2016 (article 188) prescribes HFSF as a subsidiary of Hellenic Corporation of Assets and Participations. It should be noted that Hellenic Corporation of Assets and Participations does not belong to the Greek public sector.

The purpose of the HFSF, according to the HFSF Law, is to maintain the stability of the Greek banking system for protection of the public interest. The duration of the HFSF has been set until and including 30 June 2020 and it may be extended upon decision of the Minister of Finance, provided that such extension is necessary for the fulfillment of its purposes.

Organizational issues: The administrative structure of the HFSF is comprised of two administrative bodies with decision making powers: (i) the nine-member General Council (of which one member is appointed by the Bank of Greece and one is appointed by the Ministry of Finance); and (ii) the three-member Executive Committee (of which one member is appointed by the Bank of Greece). One member of the Executive Committee shall be responsible for the reinforcement of the HFSF's role in facilitating the management of non-performing loans of the credit institutions in which the HFSF holds participation. Each of ECB, the EC and the ESM may appoint a non-voting observer to participate in the meetings of the General Council and the Executive Committee. Except for the Ministry of Finance and the Bank of Greece appointees, the appointment, renewal and salary of the other members sitting on the General Council and the Executive Committee requires the consent of the Eurogroup. It is noted that, in case the term of office of the members of the General Council and the Executive Committee ends before the expiry of the duration of the HFSF, the term of office of said members shall be automatically renewed. In case that a vacancy of a member of the General Council and the Executive Committee occurs when the duration of the HFSF is to expire in less than three (3) months, these bodies shall lawfully function even without filling the vacant position, provided that, during their meetings, the remaining members are sufficient to form the required quorum.

Selection Panel: The members of the General Council and the Executive Committee shall be selected by the selection panel which has already been formed by virtue of article 4A of the HFSF Law. The Governor, the Deputy Governors, the members of the collective bodies, the advisors, as well as any other Bank of Greece staff, may not become members of the Executive Committee. Par. 7 of Article 4

of the HFSF Law, stipulates all the positions for which there is incompatibility with being a member of the General Council and also of the Executive Committee.

The members of the General Council and the Executive Committee, except for the representative of the Ministry of Finance, shall, in the performance of their duties, enjoy full autonomy and shall not seek or receive instructions from the Hellenic Republic or any other state body or institution, or financial institution supervised by the Bank of Greece, and shall not be subject to influence of any nature. At least, every two months, the General Council shall submit activities reports to the Minister of Finance.

Provision of Capital Support by HFSF

Activation of the Capital Support Provision

Pursuant to the provisions of article 6 of the HFSF Law, in the event that a credit institution is faced with a capital shortfall that has been identified as such by the competent authority, the credit institution may request capital support from the HFSF up to the amount of the capital shortfall. Such request to the HFSF shall be accompanied by:

a) a letter of the competent authority setting out the amount of capital shortfall, the deadline by which the credit institution shall have covered such capital shortfall and the capital raising plan that has been submitted to the competent authority; and

b) a draft revised restructuring plan in case of credit institutions that already have a restructuring plan approved by the European Commission or a draft restructuring plan in case of credit institutions not having an approved restructuring plan.

The draft restructuring plan, or the draft revised restructuring plan, as the case may be, must also describe, in light of conservative estimates, by what means the credit institution shall return to sufficient profitability over the next three to five years. Following any amendments to the draft restructuring plan, or the draft revised restructuring plan, suggested by the HFSF, the latter approves the draft restructuring plan or the draft revised restructuring plan, it forwards the same to the Ministry of Finance and the Ministry of Finance submits it to the European Commission for approval.

For the realization of the objectives and the exercise of the rights of the HFSF, the HFSF determines the framework of the relationship framework agreement or of the amended relationship framework agreement, as the case may be, with all credit institutions that are or have been beneficiaries of financial assistance provided by the EFSF and the ESM. The credit institutions shall sign the above mentioned relationship framework agreement.

HFSF may provide the credit institution with a letter by which it commits to participate in the share capital increase of such credit institution up to the amount of the capital shortfall, provided that the credit institution falls under the exemption of article 32, par. 3 (d) (cc) of internal article 2 of the BRR Law (Greek law 4335/2015) (the "Precautionary Recapitalization").

Conditions of HFSF Participation in the Precautionary Recapitalization

In accordance with article 6A of the HFSF Law, should the voluntary measures provided for in a credit institution's restructuring plan or revised restructuring plan fail to address the total capital shortfall of the credit institution as identified by the competent authority and in order to avoid serious disturbances in the economy with adverse effects upon the public and in order to ensure that the use of public funds is minimal, the Cabinet, following a recommendation by the Bank of Greece, shall issue an act (the "**Cabinet Act**") for the application of mandatory measures (the "**Mandatory Measures**") aimed at allocating the residual amount of the capital shortfall of the credit institution to the holders of its capital instruments and other liabilities, as may be necessary.

Such allocation will respect the following hierarchy of claims:

- first, ordinary shares;
- second, if needed, preference shares and other CET1 instruments;
- third, if needed, Additional Tier 1 instruments;
- fourth, if needed, Tier 2 instruments;
- fifth, if needed, all other subordinated liabilities; and
- sixth, if needed, unsecured senior liabilities not preferred by mandatory provisions of law.

In case of conversion of preference shares issued in accordance with Greek law 3723/2008 into ordinary shares of the credit institution, the HFSF shall become the owner of such ordinary shares. Claims of the same ranking will be treated *pari passu*. Differentiations in the ranking order, in accordance with the mandatory provisions of Greek Banking Law regarding hierarchy of claims in case of special liquidation of credit institutions (i.e. article 145A of Greek law 4261/2014, as in force) and the relevant agreements, between claims that fall within the same class of the ranking order are taken into account during the above allocation. Deviations from both the above hierarchy of claims and the *pari passu* principle can be justified, however, when there are objective reasons to do so.

Mandatory Measures include:

- the absorption of losses by the existing shareholders in order to ensure that the equity of the institution becomes equal to zero, where appropriate, by means of decreasing the nominal value of its ordinary shares following a decision of the competent body of the credit institution;
- the decrease of the nominal value of preference shares and other CET1 instruments 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 then if needed, other subordinated liabilities and then, if needed, of the nominal value of unsecured senior liabilities not preferred by mandatory provisions of law in order to ensure that the net asset value of the credit institution is equal to zero; or
- if the net asset value of the credit institution is above zero, the conversion into ordinary shares of other CET1 liabilities and then, if needed, of Additional Tier 1 instruments and then, if needed, of Tier 2 instruments and other subordinated liabilities and then, if needed, of unsecured senior liabilities not preferred by mandatory provisions of law in order to restore the capital adequacy ratio of the credit institution to the level required by the Bank of Greece.

The Mandatory Measures may also concern:

- any liabilities undertaken through the provision of guarantees granted by the credit institution with regard to debt or equity instruments issued by legal entities included in the consolidated financial statements of such credit institution; and
- any claims against the credit institution under credit arrangements between the credit institution and the above mentioned legal entities.

The Cabinet Act, following recommendation by the Bank of Greece, determines by class, type, rate and amount of participation, the instruments or the liabilities that are subject to the mandatory

measures, on the basis, if needed, of a valuation of an independent auditor, appointed by the Bank of Greece. The conduct of such valuation is considered to exhaust any obligation to obtain an independent valuation provided for in any other applicable law. A valuation that meets the requirements of article 36 of BRR Law may act as a valuation for purposes of such requirements.

The instruments or liabilities referenced in the Cabinet Act as described immediately above are mandatorily converted into capital instruments within the context of a share capital increase decided by the credit institution in accordance with article 7 of the HFSF Law.

By way of derogation and subject to a positive decision of the European Commission in accordance with articles 107 to 109 of the Treaty on the Functioning of the European Union, the above measures may not apply, either fully or to individual instruments, in the event that the Cabinet concludes, upon recommendation by the Bank of Greece, that such measures would endanger financial stability or lead to disproportionate results, such as when the amount of capital support to be provided by the HFSF is small in comparison to that of the credit institution's risk weighted assets, and/or a significant portion of the capital shortfall has been covered by the private sector.

The final assessment of the derogation rests with the European Commission on an *ad hoc* basis.

The holders of any capital instruments, or other liabilities, including unsecured senior liabilities not preferred by mandatory provisions of law of the credit institution that is subject to recapitalization measures, shall not, following the implementation of the measures described above, be in a worse financial position than if the credit institution had been placed under liquidation (no creditor worse-off principle).

In the event that the no creditor worse-off principle is not observed, holders of any capital instrument, or other liabilities, including unsecured senior liabilities not preferred by mandatory provisions of law, are entitled to compensation by the Hellenic Republic, provided that they prove that their damages directly arising from the implementation of the mandatory measures are greater than if the credit institution had been put under special liquidation.

A valuation is conducted in order to determine the losses that the holders of any capital instrument, or other liabilities, including unsecured senior liabilities non-preferred by mandatory provisions of law, if instead of applying the mandatory measures, the credit institution had been liquidated. Any form of public financial support to the credit institution is disregarded for the purposes of such valuation. The valuation will be conducted after implementation of the mandatory measures by an independent valuator to be appointed by the Bank of Greece with a view to assessing whether shareholders and subordinated creditors falling under the aforementioned measures would have been in a more favorable financial position if the credit institution had entered into special liquidation immediately prior to the implementation of the mandatory measures.

The 2015 Recapitalization was a precautionary recapitalization pursuant to Article 32, paragraph 3(d) of the BRR Law.

Application of the public financial stabilization measures of article 57 of the BRR Law

If the Minister of Finance decides, in accordance with paragraph 4 of article 56 of the BRR Law, the application of the public financial stabilization measures (the "**Public Financial Stabilization Measures**"), the HFSF is appointed as the implementing body of article 57 of the BRR Law, following a decision by the Minister of Finance. In such case, the HFSF participates in the recapitalization of the credit institution and receives in exchange ordinary shares (CET1 instruments) or instruments as prescribed by Article 57, par. 1 of the BRR Law.

The HFSF participates in the share capital increase and receives in exchange the above capital instruments after the application of whichever measures are decided in accordance with the BRR Law.

Provision of Capital Support

The HFSF provides capital support exclusively for the purpose of covering the credit institution's capital shortfall, as it has been determined by the competent authority and up to the residual amount, subject to the prior implementation of the measures of the capital raising plan of the credit institution, any participation of investors of private sector and the approval of the restructuring plan by the European Commission and:

a) either the implementation of the Mandatory Measures, when the European Commission as part of the approval of the restructuring plan has confirmed that the credit institution fulfils the conditions for precautionary recapitalization of indent (cc) of case (d) of paragraph 3 of article 32 of BRR Law;

b) or when the credit institution has been put under resolution and measures have been taken in accordance with article 2 of the BRR Law,

the relationship framework agreement between the HFSF and the relevant credit institution must have been duly executed before the provision of the capital support.

Without prejudice to the aforementioned conditions and procedures, capital support is provided through the HFSF's participation in a share capital increase of the credit institution by issuance of ordinary shares with voting rights or contingent convertible bonds ("**CoCos**") or other convertible financial instruments that shall be subscribed for by the HFSF.

The HFSF may exercise, dispose of or waive its pre-emptive rights in cases of share capital increase or of issuance of contingent convertible securities or other convertible financial instruments of the credit institutions that request the provision of capital support. The share capital increases are settled by the HFSF in cash or in EFSF or ESM securities. Capital support is provided in compliance with state-aid rules.

Any decision of the credit institution concerning a share capital increase in accordance with the foregoing rules, including decisions concerning CoCos or other convertible financial instruments must be taken following a resolution of the General meeting of the shareholders according to article 7 of the HFSF Law, as in force.

The decision of the general meeting of the shareholders may, instead of the maximum number of shares, provide for the maximum amount of capital which shall be covered and provide the Board of Directors of the credit institution the power to decide, *inter alia*, the remaining amount following the implementation of the measures set out in article 6a of the HFSF Law, the exact number of shares and the allocation of shares. The time period for the convocation of the general meeting which will decide the share capital increase for the issuance of the ordinary shares, convertible securities or the other financial instruments is ten (10) calendar days, as provided under paragraph 2 of internal article 115 of article 2 of the BRR Law. The time period for the convocation of any repeat or upon postponement meeting and for the submission of documentation before the supervisory authorities is shortened to one third (1/3) of the time periods set out in the Corporate Law 2190/1920, as in force. The previous passage applies in every general meeting convened within the context of the HFSF Law. Subject to the restriction set out in the Corporate Law 2190/1920 not to issue shares below par, the subscription price is determined as the market price resulting by the book building procedure followed by the credit institution. By means of a decision of its General Council, the HFSF accepts this price provided that it has commissioned and received an opinion from an independent financial advisor who opines that the book building procedure complies with the international best practice in the particular circumstances.

The offering price of the new shares to the private sector shall not be lower than the subscription price of those shares subscribed of by the HFSF in the context of the same issuance. The offer price may be

lower than the price of the shares already subscribed by the HFSF or than the current stock market price.

The processes described under the two previous paragraphs do not apply in case that the HFSF is required to subscribe for the residual amount that has not been subscribed for through private placement in share capital increases of credit institutions which do not have a restructuring plan already approved by the European Commission at the time of submission of request for capital support or by applying article 6B (*Application of the public financial stabilization tools*) of the HFSF Law.

The Greek cabinet act 36/02.11.2015 (the "**Allocation Cabinet Act**") sets out, *inter alia*, the terms under which the CoCos may be issued by the credit institutions and subscribed for by the HFSF, as well as the terms of conversion thereof into ordinary shares of the relevant credit institution. The CoCos shall qualify as equity capital of the credit institution and their regulatory treatment shall be governed by the applicable legal framework. The terms and conditions of the CoCos are described in the Allocation Cabinet Act and shall be included in a detailed program for their issuance. The CoCos shall have a nominal value of EUR 100,000 each, shall be issued at par and shall be perpetual without a fixed repayment date. The CoCos shall constitute direct, unsecured and subordinated investments in the credit institution ranking at all times *pari passu* without any preference among themselves.

In the event the CET1 Ratio[18] of the credit institution, calculated on a consolidated basis or a solo basis, falls below 7%, the credit institution shall convert the CoCos by issuing to each holder of CoCos conversion shares determined by dividing 116% of the nominal value of the then outstanding CoCos by the subscription price of the ordinary shares of the credit institution, as determined in the share capital increase of the credit institution of article 7 of the HFSF Law, divided by the relevant holder's participation in the aggregate amount of CoCos.

The CoCos will bear interest at (i) a rate of 8 per cent per annum (the "**Initial Interest Rate**") from and including the date of issuance of the CoCos to the 7th annual anniversary after their issue date (the "**7th Anniversary**") and (ii) thereafter, if not repaid, at the applicable readjustment interest rate, namely the sum of (a) the 7-year Mid-Swap Rate for such readjustment period plus (b) a margin equal to the difference between the Initial Interest Rate and the 7-year Mid-Swap Rate at their issue date. Interest will be payable on an annual basis accrued, each on interest payment date. The CoCos shall automatically convert into ordinary shares of the credit institution if, for any reason whatsoever, the credit institution does not pay all or any part of any scheduled interest payments on two interest payment dates, which for the avoidance of doubt, do not need to be consecutive.

Payment of Interest (whether in whole or in part) is entirely at the discretion of the Board of Directors of the credit institution, but if paid, interest will be paid in cash. Any such interest elected not to be paid shall be cancelled and shall not accumulate. The Board of Directors of the credit institution shall have the option, at its full discretion, to pay the interest in the form of ordinary shares of the credit institution, to be newly issued for such purpose. If the Board of Directors of the credit institution so decides, the share capital increase shall take place automatically and without any further procedural requirements or corporate decisions (including without any need for consent of the shareholders) and the corresponding ordinary shares shall be automatically issued.

For the avoidance of doubt, any interest payment shall be subject to any applicable Maximum Distributable Amount as stands in accordance with article 131 of the CRD Law (Greek law 4261/2014). No dividend shall be paid on the credit institution's ordinary shares if the credit institution has decided not to pay interest on the previous interest payment date.

[18] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

The credit institution may, in its sole discretion, elect to repay all or some of the CoCos at any time at their initial nominal value plus any accrued and unpaid interest (excluding any interest which has been cancelled), subject to the following conditions:

a) the credit institution obtaining such approval as may be required from the competent regulatory authority; and

b) the satisfaction of such other requirements prior to repayment or purchases as may be specified in the then prevailing regulatory framework.

Such repayment at the credit institution's option will be in cash.

In addition, holders of CoCos shall have the right on the 7th Anniversary to convert their CoCos into ordinary shares.

The CoCos shall only be transferable with the consent of the credit institution (which is not to be unreasonably withheld) and the consent of the competent regulatory authority.

When the HFSF provides the Precautionary Recapitalization, the capital support shall be provided as follows:

a) 25% of the capital support shall be in ordinary shares; and

b) 75% of the capital support shall be in CoCos.

When the HFSF provides the capital support through the Public Financial Stabilization Measures, the capital support shall be be provided as follows:

a) up to the amount necessary to cover incurred losses or losses likely to occur in the near future, in ordinary shares; and

b) for the rest amount, that would correspond to precautionary recapitalization, 25% in ordinary shares and 75% in contingent convertible securities of article 1 of the present Cabinet Act.

The CoCos issued by the Bank as part of its 2015 Recapitalization have the terms and conditions as prescribed in Cabinet Act no 36/2.12.2015 and summarized above.

As announced by the Issuer on 15 December 2016, following relevant resolution of its Board of Directors and in accordance with the Commitments stemming from the Issuer's updated Restructuring Plan, as this was approved by the European Commission on December 4th 2015, it repaid the contingent convertible bonds (CoCos) amounting to €2,029.2m which it had issued in December 2015 and were held by the Hellenic Financial Stability Fund (HFSF), following receipt of approval by the Single Supervisory Mechanism (SSM) of the European Central Bank in accordance with the applicable regulatory framework.

Powers of the HFSF

The HFSF will acquire ordinary shares with full voting rights in the share capital increases in which it will participate.

For shares acquired by the HFSF under the previous recapitalization framework, where the minimum private sector participation condition had been met, the HFSF shall continue to exercise its voting rights with restrictions (i.e., the HFSF may exercise its voting rights only on matters relating to resolutions amending the bank's articles of association, including share capital increases or decreases

or granting a relevant authorization to the Board of Directors, mergers, divisions, conversions, revivals, extensions of the term or dissolution of the company and transfers of assets, including sales of subsidiaries or any other matter requiring an increased majority, in accordance with Greek Company Law 2190/1920), unless it is concluded, following a decision of the members of the General Council of the HFSF, that the bank is in breach of material obligations which are included in or promote the implementation of the restructuring plan or which are described in the agreement entered into between the HFSF and the bank. The HFSF is represented by one director to the board of directors of a bank having received capital from the HFSF according to the HFSF Law, as its representative. The HFSF has currently appointed one representative in the Bank's Board of Directors. Additionally, the HFSF appoints one observer to the Board (without voting rights), and both the representative and the observer participate in Board Committees *(see below—Relationship Framework Agreement)*.

The HFSF representative has certain powers over credit institutions:

a) to veto corporate decisions of a credit institution's board of directors related to (a) dividend distributions, the remuneration policy (including grant of additional payments (bonuses) relating to the chairman, managing directors and the other Board members, as well as those who have the position or perform general manager's tasks and their respective deputies; (b) any other matter which may set at risk the rights of depositors or have a material adverse effect on the liquidity, solvency or, in general, on the operation of the credit institution, including its business strategy and asset/liability management); and (c) decisions referring to matters for which the restriction in the voting rights of the shares held does not apply and which significantly affect the HFSF's shareholding in the credit institution;

b) to call a general shareholders' meeting for a credit institution;

c) to request an adjournment of a Board meeting for three (3) business days in order to receive instructions from the HFSF Executive Committee. Such right may be exercised by the end of the meeting of the Credit Institutions Board of Directors;

d) to call a board meeting;

e) to approve the appointment of the chief financial officer.

In exercising his rights, the HFSF's representatives in the Board of Directors shall respect the credit institution's business autonomy.

HFSF shall have free access to the credit institution's books and records using employees or consultants of its choice.

The remuneration of the Chairman, the Managing Director and the other members of the Board of Directors, as well as those who have the position or perform general manager's tasks and their deputies may not exceed the total remuneration of the Governor of the Bank of Greece. For the period during which the credit institution participates in the capital support program under the HFSF Law, no bonuses shall be granted to the aforementioned persons and dividend payouts must be limited to up to 35% of distributable profits.

The HFSF, with the assistance of an independent advisor of international reputation and established experience and expertise, will assess the corporate governance framework of the credit institutions with which the HFSF has executed a Relationship Framework Agreement and establish criteria for such assessment in line with the international best practices, in addition to the criteria set out in the HFSF Law. The assessment shall include the size, organization, structure and the allocation of tasks

and responsibilities within the board of directors and its committees according to the business needs of the credit institutions, as well as the members of the board of directors and its committees.

The above evaluation will involve all committees of the board of directors as well as any other committee of these credit institutions which the HFSF deems necessary to evaluate for the fulfillment of its objectives. The HFSF with the assistance of an independent consultant will develop criteria for the evaluation of the above elements and the members of the boards and committees of these credit institutions along best international practices. Based on this evaluation the HFSF will develop specific recommendations for improvements and changes, if needed, in the corporate governance of each credit institution. The members of the boards and committees shall cooperate with the HFSF and its consultants in conducting the review and provide necessary information for the purposes of the review.

Beyond the criteria established by the HFSF with the assistance of the independent consultant, the evaluation shall include certain minimum criteria as set out below:

a) With respect to the evaluation of the members of the board of directors and its committees at least the following must be satisfied:

(i) The member must have at least ten (10) years of experience at senior managerial level in the areas of banking, audit, risk management or distressed asset management, of which the non-executive members must have been at least three (3) years as a board member of a credit institution or of a company of the financial sector or of an international financial institution.

(ii) The member is not, and has not been entrusted in the last four (4) years, with prominent public functions, such as Head of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, important political party officials. The member must declare all financial affiliations with the credit institution before appointment; the competent authority has confirmed that the individual is fit and proper to act as a member.

Additional criteria defining specific skills needed for specific tasks within the board will be determined by the HFSF in cooperation with the independent consultant under the corporate governance review. The criteria will be updated at least once every two years and more often if there is material change in the financial position of the credit institution.

The size and collective knowledge of the boards and committees shall reflect the business model and the financial condition of the credit institution and the review of the members should ensure the right size and composition.

The evaluation of the structure and composition of the Boards and Committees shall have the following minimum criteria:

(i) the Banks' Board of Directors include at least three independent non executive experts as members with adequate knowledge and international experience of at least fifteen (15) years in relevant banking institutions of which at least three (3) years' experience on a board of an international banking group not operating on the Greek market. These experts should have no affiliation over the previous ten years with credit institutions operating in Greece;

(ii) the aforementioned independent non-executive members chair all Board committees;

(iii) at least one board member shall have relevant expertise and international experience of at least five (5) years in the management of non-performing loans. This board member will focus on and will have sole responsibility for management of non-performing loans at board level and chair a specific board committee of the credit institution that deals with Non-Performing Loans.

In the case that a review or evaluation determines that the subject of the review does not meet the relevant criteria, the HFSF will inform the board of directors and, if the board of directors does not take action to implements the recommendations, will call a General Assembly of shareholders to inform them and recommend the necessary changes. The HFSF will send the findings of the review to the competent authorities. In the case of a board or committee member does not meet the relevant criteria, or if the board collectively does not satisfy the recommended structure with respect to the size, allocation of tasks and expertise within the board and the necessary changes cannot be achieved otherwise, these recommendations shall include that certain board or committee members need to be replaced.

In the event that the General Assembly of shareholders does not agree within three months to replace board members who fail to meet these criteria, the HFSF shall publish a report on its website within four weeks naming the credit institution, the recommendations and the number of board members that do not meet the relevant criteria and specify the criteria the board and its individual members do not meet.

Each of the Bank of Greece and European Central Bank, in their capacity as the competent authority for the supervision of credit institutions, and the HFSF will be authorized to exchange confidential information with one another to the fullest extent permitted by law. (see "*Risk Factors—Risks Relating to the Issuer's Recapitalization and Receipt of State Aid—The HFSF, as shareholder, has certain rights in relation to the operation of the Bank*" and *"Business Overview—Relationship with the Hellenic Republic—Hellenic Republic as Shareholder*" for further detail).

In the event that the Bank is placed under liquidation, the HFSF as shareholder is satisfied in priority before all other shareholders.

The Relationship Framework Agreement

Following the participation of the HFSF in the Bank's share capital in 2013, the Bank and the HFSF entered the Relationship Framework Agreement. In connection with its receipt of State Aid as part of its recapitalization in December 2015, the Bank entered into an Amended Relationship Framework Agreement ("**Amended Relationship Framework Agreement**") with the HFSF on December 3, 2015. This Amended Relationship Framework Agreement replaced the earlier Relationship Framework Agreement entered into by the Bank in 2013.

According to the Amended Relationship Framework Agreement, the HFSF should, among others (i) monitor and assess how the Bank complies with the applicable restructuring plan of the Bank, (ii) exercise its shareholding rights in compliance with the rules of prudent management of its assets and in compliance with State Aid and competition rules of the European Union, (iii) ensure that the Bank operates on market terms, and (iv) that in due time the Bank returns to private ownership in an open and transparent manner. The Amended Relationship Framework Agreement determines the relationship between the Bank and HFSF certain matters relating to, amongst 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 NPL management framework and of the Bank's performance on NPL resolution. In addition, the Amended Relationship Framework Agreement deals with (d) the obligations that are defined as material for the purposes of the Relationship Framework Agreement, including for the switch to full voting rights, (e) the monitoring of Bank's actual risk profile against the approved risk and capital strategy (f) the HFSF's consent for matters that are defined as material for the purposes of the Amended Relationship Framework Agreement and, in particular, for the

HFSF's consent request, (g) litigation and other proceedings that are defined as material for the purposes of the Amended Relationship Framework Agreement and concern the Group, and (h) the duties, rights and obligations of HFSF's representative on the Board. Moreover, the Amended Relationship Framework Agreement states that, subject to its provisions, the applicable law, and the charter documents, the Bank's decision making bodies will continue to determine independently, amongst others, the Bank's commercial strategy and policy in compliance with the currently applicable restructuring plan and the decisions on the day-to-day operation of the Bank will continue to rest with the Bank's competent bodies and officers, as the case may be, in accordance with their statutory, legal and fiduciary responsibilities.

The Amended Relationship Framework Agreement prescribes the appointment of the HFSF Representative to the Board of Directors and the appointment of an Observer (without voting rights) also participating at the Board of Directors. Additionally, as prescribed by the Relationship Framework Agreement, both the representative and the observer participate in the Board Committees.

According to the provisions of the applicable framework as outlined previously, the HFSF Representative's rights as prescribed within the Amended Relationship Framework Agreement include the following:

i. To request the Board to convoke the General Assembly of Shareholders or to include items on the agenda to be discussed at a General Assembly to be convoked by the Board. The request regarding the convocation of the General Assembly shall be addressed to the Chairman of the Board in writing and shall include the proposed items on the agenda. The Board shall have the obligation to convoke the General Assembly upon respective request of the HFSF Representative. Furthermore, the Board shall have the obligation to include the proposed items in the respective invitation for the convocation of the General Assembly.

ii. To request that the Board is convened within the next seven (7) calendar days from the HFSF's Representative written request to the Chairman of the Board. The relevant request shall be addressed to the Chairman of the Board in writing and include the proposed items on the agenda. If the Chairman of the Board does not proceed to the convocation of the Board within the above deadline or does not include all the proposed items in the invitation, then the HFSF Representative shall be entitled to convoke the Board within five (5) days as of the expiry of the above seven (7) days period.

iii. To include items in the agenda of a scheduled Board meeting, including any item which may be related to any entity of the Bank Group. For this purpose, the HFSF Representative will submit in writing to the Chairman of the Board the desired additional items on the agenda at least two (2) business days prior to the date of the Board meeting. The Chairman of the Board must include these items in the agenda of the scheduled Board meeting.

iv. To request an adjournment of any meeting of the Board or the discussion of any item up to three (3) 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.

Additionally, as per the Relationship Framework Agreement, the HFSF Representative has the following rights in Board Committees:

i. to include items on the agenda of a committee meeting scheduled. For this purpose, the HFSF Representative will submit in writing to the Chairman of the Committee the

proposed additional items of the agenda at least one (1) day prior to the date of the Committee meeting;

ii. to request that the committee is convened within the next seven (7) days from the HFSF representatives' written request to the Chairman of the committee. The relevant request shall include the proposed items of the agenda. If the Chairman of the committee does not proceed to the convocation of the committee within the above deadline or does not include all the proposed items in the invitation, then the HFSF representative shall be entitled to convoke the committee within five (5) days as of the expiry of the above seven (7) days period.

Further, the Amended Relationship Framework Agreement prescribes in detail requirements for the Bank to inform the HFSF Representative and the HFSF observer, including on the activities and decisions of Board committees in which they participate.

Under the Relationship Framework Agreement, the Bank has the obligation to obtain the prior written consent of the HFSF for all material matters set forth within the agreement, including, among others, the Restructuring Plan, including any amendment, extension or revision of the Plan, the Bank Group policy governing relations with connected borrowers and any amendment, extension, revision or deviation thereof, the Bank Group Risk and Capital strategy document(s) especially the risk appetite statements and risk governance and any amendment, extension, revision or deviation thereof, the Bank Group Investment/Divestment Policy regarding participations, real estate and loan portfolios and any amendment, extension, revision or deviation thereof, and other matters particularly prescribed within the Amended Relationship Framework Agreement as material materials requiring prior-written consent and according to the exceptions the Amended Relationship Framework Agreement prescribes.

If the Bank breaches or defaults in performing or complying with or fails to perform or comply with any of its material obligations, the HFSF shall give to the Bank a default notice specifying such breach, default or failure and, in the case of a breach, default or failure capable of remedy, stipulating a period during which such breach, default or failure shall be remedied. Provided that such period is accepted by the HFSF, and if such event is still outstanding after a remedy period has been provided by the HFSF, whenever such period is applicable, and without prejudice to any other rights of the HFSF under the Law and the Relationship Framework Agreement, restrictions of the HFSF's voting rights concerning the portion of shares to which these apply, shall be lifted and the HFSF shall have full voting rights with respect to the particular shares now subject to restrictions in accordance with Article 7A of Law 3864/2010, upon notification to the Bank of the respective decision of the General Council of the HFSF.

The Amended Relationship Framework Agreement requires that:

- The Bank shall at each time adopt and apply a corporate governance structure that ensures the implementation of the Relationship Framework Agreement, compliant at any time with the requirements of the Law, the contractual obligations and the Revised Restructuring Plan.

- Provide to the HFSF the documents, as required, in order to ensure the effective monitoring of the implementation of the Restructuring Plan and the Non-Performing Loans ("**NPL**") management framework, to effectively allow the HFSF to perform its statutory role.

- If the Bank has engaged, prior to the signing of the Relationship Framework Agreement, an external audit firm for more than five years, the Bank should replace the audit firm. The new engagement contracts should not exceed five years. As of the financial year of 2016 the Bank shall rotate its statutory audit firm after a maximum of five consecutive years.

- In case of any actual or reasonably foreseeable adverse deviations in the Bank Group's performance and risk profile, relative to the base scenario of the Restructuring Plan, or relative to the budget, or with respect to the Risk and Capital Strategy if adverse deviations have already been approved by the HFSF through the approval of the budget, the Board should promptly submit its recommended corrective strategic actions to the HFSF for its review and consent.

- Performance against the Restructuring Plan as well as progress on key initiatives undertaken by the Bank (e.g. Divestments, Integrations, etc.) will be monitored as follows:

i. Regular meetings between the Bank's management and the HFSF.

ii. A formal monitoring review of performance against the Restructuring Plan or relative to the budget, if adverse deviations have already been approved by the HFSF through the approval of the budget (see above), will be conducted on a quarterly basis, in line with the Bank's results reporting cycle. For the purpose of the monitoring reviews, the Bank will provide the HFSF with a report on its financial and business performance against the Restructuring Plan or relative to the budget, if adverse deviations have already been approved by the HFSF through the approval of the budget (see above) quarterly targets, clearly highlighting performance to date against the currently applicable restructuring plan targets as well as against budget, key initiatives and expected impact for the next four quarters rolling and identifying any adverse deviations from the targets and associated corrective measures /initiatives, which must be approved by the HFSF.

- The HFSF will monitor and evaluate the performance of the Bank's Board of Directors and its Committees.

- The Bank will inform in writing the HFSF as soon as it executes a non-binding agreement /memorandum of understanding for the sale of (or receives any proposal from third parties for the acquisition of) a subsidiary of the Bank, or part of its business.

- The Board should conduct a self-assessment exercise on an annual basis not only as a whole, as per current legislation but also for each of its Committees. The results of this evaluation should be disclosed in the Annual Report on Corporate Governance.

iii. The Board should approve the following policies and amendments thereof: the Bank's Group Strategy, Policy and Governance regarding the management of its Arrears and Non-Performing Loans, Conflict of Interest policy, Related Party Transactions policy, Provisioning & Write-off policy, Sponsorship/Donation policy, Outsourcing policy, Board /Committees self-assessment policy.

The Amended Relationship Framework Agreement shall remain in force for as long the HFSF holds shares or CoCos issued by the Bank, irrespective of its participation percentage. However, if its participation percentage falls below 15% of the Bank's share capital (for this calculation any CoCos held by the HFSF are assumed to be fully converted), only certain clauses of the Amended Relationship Framework Agreement shall remain in force, as particularly prescribed within the Relationship Framework Agreement.

The Amended Relationship Agreement is available at HFSF's website www.hfsf.gr (section: agreements). The information on this website is not incorporated by reference in this Base Prospectus.

Disposal of Shares

The HFSF will decide on the way and procedure for disposing its shares at a time it deems appropriate, whether in a single transaction or a series of transactions, and in any case within five years from entry into force of Greek law 4340/2015 and in compliance with the EU state aid rules. The disposal of shares within the time limits stipulated above may not be made to any entity belonging directly or indirectly to the Hellenic Republic, in accordance with Greek law. The Minister of Finance, following a proposal by the HFSF, can extend the above mentioned periods.

In order to reach such decision, the General Council of the HFSF will take into account a report prepared by an internationally accredited independent financial expert of recognized experience in such issues. This report should be accompanied by a comprehensive time schedule for the disposal of shares. The prerequisites and the method of disposal of the shares as well as the acts necessary for the completion of the process and compliance with the time schedule must be sufficiently explained in the report.

Subject to the provisions of Greek law 3401/2005, as amended and in force, the shares may be disposed either by the sale of the relevant shares to the public or to specific investor(s) or group of investors through: (a) open tender procedures or calls for expressions of interest to eligible investors; (b) market orders; (c) public offers of the shares for cash or in exchange of other securities; and (d) book building exercises.

The HFSF may decrease its participation in credit institutions through a share capital increase of the credit institution by waiving or disposing of its pre-emptive rights.

The price at which the shares will be disposed by the HFSF and the minimum price at which the shares shall be subscribed are described in Article 8 par. 4 of HFSF Law.

In the event that shares of the credit institution held by the HFSF are disposed to a specific investor or group of investors, or in the event that the participation of the HFSF is decreased pursuant to paragraph 3, of Article 8 of HFSF Law, in favor of a specific investor or group of investors:

a) The HFSF may invite the interested investors to submit their offers, by setting the procedure, the deadlines, the content of the offers and any other term, including the provision of proof of funds and guarantee letters by the interested investors, in any stage of the procedure it may be deemed necessary, in the respective call.

b) The HFSF may enter into a shareholders' agreement, subject to its judgment, which sets the relations between the HFSF and the investor or group of investors, as well as to proceed to any amendment of the relationship framework agreements referred under paragraph 2 of article 2 of HFSF Law. Within this framework, a restriction to the investors, group of investors or the HFSF to maintain their participation for a specific time period may be provided in the shareholder agreement.

c) The HFSF may grant rights of first offer and rights of first refusal to investors identified in line with the assessment criteria referred to under subparagraph d) below.

d) The investor or group of investors is selected by following assessment criteria such as the experience of the investor with respect to the main activity of the enterprise and to the restructuring of credit institutions, its credibility, its ability to complete the transaction and the price to be offered. The assessment criteria applicable to each process shall be notified to the interested investors prior to the submission of their binding offer.

This also applies in the case of share capital increases by credit institutions under Greek law 2190/1920.

Specific Information on the Warrants Issued by the HFSF

According to article 7 par.4 of Law 3864/2010 and the Cabinet Act 38/2012 (as amended by Cabinet Act 6/2013) issued on 26 June 2013, 245,779,626 warrants were granted to private investors participating in the capital increase of the Bank in 2013 according to Law 3864/2010 and Cabinet Act 38/2012. Trading of the warrants on the Athens Stock Exchange began on 27 June 2013.

Warrants are transferable securities with no restrictions concerning their transfer. Each warrant incorporates the right of its holder to purchase HFSF shares, the corresponding number of which is determined based on the provisions of Cabinet Act 38/2012, while relevant terms are adjusted in case of corporate actions according to the provisions of the relevant legal and regulatory framework. In line with Cabinet Act 43/2015 which amended Cabinet Act 38/2012, the warrants exercise terms and conditions were adjusted in 2015, to each warrant incorporating the right of its holder to purchase from HFSF 0.54861592129144 shares, acquired by HFSF due to its participation in the above capital increase of Bank, while based on Cabinet Act 43/2015 the exercise prices applying to each exercise period were also adjusted in 2015. The warrants do not provide voting rights to holders or owners thereof.

The warrants may be exercised every six months, with the first exercise date being six months following their issuance and the last exercise date being fifty-four (54) months following their issuance. Call options not exercised until the last aforementioned exercise date will automatically cease to exist and the corresponding warrants will be cancelled by HFSF. The procedure for the exercise of the call option and their settlement, as well as any change in the rights and obligations of the holders of warrants that may occur during the term that the warrants are in force, is announced by the Bank on its website and in the Daily Bulletin of the Athens Stock Exchange at least 10 days prior to each date of exercise of the warrants. The last exercise date (26 June 2017) is the date of expiry of the warrants.

Following the reverse split in November 2015, the exercise price of the call option for each warrant in order to acquire new shares held by HFSF, will be equal to EUR 64.35 plus accrued interest at an annual rate of 3% plus the margin:

- 1% (100 basis points) for the first year from the issue date;
- 2% (200 basis points) for the second year from the issue date;
- 3% (300 basis points) for the third year from the issue date;
- 4% (400 basis points) for the fourth year from the issue date; and
- 5% (500 basis points) for the remaining period

on the number of new shares that the holder of the warrant is entitled to acquire upon exercise of his right. The exercise price will be adjusted accordingly in the event of corporate actions and is announced by the Bank on its website and in the Daily Bulletin of the Athens Stock Exchange. The last exercise date (26 June 2017) is the date of expiry of the warrants.

After 36 months from the issuance of the warrants, HFSF may, under certain conditions, transfer the underlying common shares to third parties without any compensation being owed to holders of warrants that decide not to acquire those shares.

After the end of the eight exercise period (26 June 2015), outstanding warrants were 245,745,661, whereas the shares of the Bank upon which they are drawn and which are held by HFSF are 134,819,987 (after the reverse split).

Reporting Requirements for Banks

The reporting requirements for financial institutions are governed by the CRD IV framework. EU Implementing Regulation 680/2014, as in force, has established implementing technical standards with regard to supervisory reporting of institutions according to EU Regulation 575/2013 (CRR). Specifically, the said Regulation lays down uniform requirements in relation to supervisory reporting to competent authorities for the following areas:

- capital structure, special participations, persons who have a special affiliation with the bank and loans or other types of credit 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 and losses for operational risk;
- large exposures and concentration risk;
- liquidity risk;
- leverage ratio
- interbank market details;
- financial statements and other financial information;
- supervisory reporting on forbearance and non-performing exposures under article 99(4) of Regulation (EU) No 575/2013
- covered bonds;
- internal control systems;
- information technology systems; and
- other information.

The Bank submits to the Bank of Greece / ECB (SSM) a full set of regulatory reports both at Bank and at Group level on a quarterly basis. Some of the above information is submitted on a monthly basis.

In addition to the above reporting requirements, the SSM set up in 2014 a quarterly structured data collection process, the "Short Term Exercise (STE)", comprising reports regarding credit risk, profitability, concentration risk, market risk, liquidity risk, sovereign risk and banking book interest rate risk at Group level. This data collection process is effective up to the end of 2016 and forms a

part of SSM's broader "Supervisory Review and Evaluation Process (SREP)" aiming, among other things, to assess the capital and liquidity needs of EU banks.

ECB published Regulation 2015/534 on reporting of supervisory financial information. This Regulation, as in force, lays down the rules and procedures for the reporting of supervisory financial information by supervised entities to National Competent Authorities and the ECB.

Finally, the Bank submits to the Bank of Greece on a regular basis a full set of regulatory reports with information (e.g. for capital structure related parties, internal control systems, AML/CFT, information technology systems, branches of the Bank etc.) both at Bank level and at Group level, according to the stipulations of the Bank of Greece Governor's Act 2651/2012, as in force.

Hellenic Deposit and Investment Guarantee Fund

By virtue of Law 2832/2000 the Greek deposit protection fund (the "**Deposit Guarantee Fund**" or "**DGF**") was established. The DGF has been succeeded by the Hellenic Deposit and Investment Guarantee Fund (the "**HDIGF**"), established by virtue of Law 3746/2009, such law having been replaced by Law 4370/2016 "*On Deposit Cover Schemes and Deposit and Guarantee Fund"*, that implemented Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit cover schemes.

According to Greek law 4370/2016, as in force, the HDIGF is a private law legal entity, has its registered seat in Athens, is supervised by the Minister of Finance, is not a public organization or a state owned legal entity and does not belong to the Greek public sector.

Greek law 4370/2016 defines, among others, 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. The HDIGF objectives are (1) to indemnify depositors of banks participating in the HDIGF who are unable to fulfill their obligations towards their depositors and to fund resolution measures of the banks through the deposits cover scheme (the "**Deposit Cover Scheme**") in accordance to article 104 of Greek law 4335/2015 (BRR Law), (2) to indemnify investors—clients of banks, in relation to the provision of investment services from these banks in case the latter are unable to fulfill their obligations from the provision of covered investment services through the investments cover scheme (the "Investment Cover Scheme") and (3) to provide for the provision of financing to banks placed under the resolution measures through the resolution scheme (the "**Resolution Scheme**") in its role as Resolution Fund. All authorized banks 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, are obliged to participate in the aforementioned schemes of 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.

A credit institution shall not take deposits unless it is a member of the aforementioned Deposit Cover Scheme.

The maximum coverage level for each depositor at a credit institution under Greek law 4370/2016 is EUR 100,000, taking into account the total amount of its deposits with a bank minus any due and payable obligations towards the latter. This amount is paid in the currency of the State where the account is located, to each depositor as an indemnity irrespective of the number of accounts held in a credit institution, the currency, or the place where the deposit is held. In case of joint bank accounts, each depositor's share shall be taken into account for the purposes of the calculation of the maximum indemnification amount as a separate deposit and is entitled to cover up to the aforementioned limit with his or her other deposits, as analyzed above. In case of so-called temporary high deposit

balance—stemming from real estate transactions (e.g. sale of property) as well as from some specific life events (such as compensations due to divorce, retirement, etc.)—depositors will be entitled to coverage up to EUR 300,000. However, such coverage will be limited in time up to maximum three months after the determination by the competent authority or a judge that deposits are unavailable and after a relevant petition of the depositor towards HDIGF.

Depositors must be able to access their funds within seven working days after the determination by the competent authority or a judge that deposits are unavailable.

Covered deposits are explicitly excluded from the bail-in regime. Certain deposits are excluded from coverage by the Deposit Cover Scheme, such as deposits made by other credit institutions, financial institutions, investment firms, collective investment undertakings and public authorities.

The HDIGF also indemnifies the investors-clients of banks participating in the HDIGF with respect to claims from investment services falling within the scope of Greek law 4370/2016, up to the amount of EUR 30,000 for the total of claims of such investor, irrespective of covered investment services, number of accounts, currency and place of provision of the relevant investment services. In case the investors of HDIGF member credit institutions are co-beneficiaries of the same claim to guaranteed investment services, each investor's share in the claim shall be taken into account for the purposes of the calculation of the maximum indemnification amount as a separate claim and is entitled to cover up to the aforementioned limit in aggregate with his or her other investment claims. If the part of the claim corresponding to each co-beneficiary is not specified in the agreement signed by the co-beneficiaries and the HDIGF member credit institution, for the purposes of compensation each co-beneficiary is considered as having an equal share in the investment.

Certain investors are excluded from coverage by the Investment Cover Scheme, such as claims made by other credit institutions, financial institutions, investment firms, collective investment undertakings.

Pursuant to Greek law 4370/2016, all, credit institutions licensed to operate by the competent authority in Greece must participate in the Resolution Scheme. Pursuant to Greek law 4335/2015, the Resolution Scheme is empowered to collect from participating credit institutions, including the local branches of credit institutions established in non-EU Member States, *ex ante* contributions and, under certain circumstances, extraordinary *ex post* contributions. *Ex ante* contributions are calculated taking into account the risk profile of the relevant credit institutions whereas ex post contributions are calculated pursuant to a decision of the competent authority which imposes the contribution.

Credit institutions, apart from contributions paid to each of the three schemes of the HDIGF at least on an annual basis, must pay on an annual basis contributions to HDIGF for its operational and investment expenses.

Capital Controls applying to banks operating in Greece

In order to protect the Greek financial system and the Greek economy in general from the lack of liquidity, Legislative Act of 28 June 2015 introduced a short term bank holiday period starting on 28 June 2015 and imposed capital controls, which apply to all credit institutions operating in Greece in any form. As prescribed by the aforementioned Act, credit institutions were required to remain closed to the public during the bank holiday period, although specific bank branches were subsequently permitted to open in order to perform certain transactions as contemplated by the relevant legislative provisions.

Within the context of the capital controls regime, a Bank Transactions Approval Committee was established at the Ministry of Finance, with the responsibility of examining and approving transactions in view of the capital controls framework.

Following a decision of the above Committee, each credit institution was able to establish a special subcommittee for the approval of transactions in the context of the capital controls framework. The Bank Transactions Approval Committee is responsible for determining the conditions of operation of these subcommittees and any other procedural and operational detail, including the amount and breakdown by credit institution of the daily limit on individual types of transactions and the reevaluation of such limits.

Pursuant to Legislative Act of 18 July 2015 ("**Act**"), the short term bank holiday period ended on Monday, 20 July 2015, while the capital controls and restrictions on banking activities were extended. Moreover, it was prescribed that the Bank Transactions Approval Committee would continue its operation. The capital controls regime continues to apply as of the date of this Base Prospectus.

The aforementioned framework and the above Act, as amended and in force, impose the following restrictions on bank transactions:

- cash withdrawals are permitted only up to the amount of Euro 60 per depositor, per credit institution, per day; cash amounts not withdrawn on one day or several days, may be withdrawn cumulatively up to the amount of €1,800 per calendar month;

- transfer of funds outside Greece is prohibited, with certain exceptions, including where amounts are transferred from abroad following the entry into force of the Act by means of crediting an account held with a credit institution operating in Greece and are resent abroad, funds transferred by companies importing goods where there are particular limits applying and approval procedures that need to be followed, transfer of up to EUR 1,000 per month per person (Customer ID) and cumulatively up to a monthly threshold that the Banking Transactions Approval Committee assigns to each bank,

- opening of new bank accounts (current or deposit accounts), addition of new joint-holders to existing accounts is prohibited where a new Customer ID is thus created with certain exceptions, principally, the opening of certain categories of accounts is permitted, e.g. payroll payments to personnel, payment of new pensions, as well as pensions of non-residents and welfare benefits, for legal entities, as well as one-person- business and freelancers, that do not own an account for the service of their activities in any credit institution operating in Greece, deposit of cash as collateral in relation to letters of guarantee, account openings where amounts of at least EUR 10,000 or its equivalent in any foreign currency are credited from abroad, account openings for particular customer categories like new students upon conditions, account opening for legal entities with single or double entry bookkeeping by means of creating a new Customer ID, irrespective of whether they already hold another bank account.

  Pursuant to a Minister Decision dated 13 November 2017 and published in Government Gazette No. 3976 of 14 November 2017 opening of new bank accounts (current or deposit accounts) and addition of new joint-holders to existing accounts, is allowed by natural persons through the creation of a new Customer ID provided that there is no other available account in another credit institution and that a relevant verification statement is filed by the applicant.

- Pursuant to a Minister Decision dated 21 July 2016 and published in Government Gazette No. 2282 of 22 July 2016, early repayment of a loan, in part or in full, is allowed;

- the early termination, in full or in part, of fixed term deposits is permitted following the amendment on 15 March 2016 of the relevant article 1, par. 9 of the Act,

- transfer of custody of financial instruments of Article 5 of Greek law 3606/2007 (MiFID) abroad is prohibited, except for the transfer of financial instruments to a custodian abroad for the purpose of clearing and settlement of transactions on such financial instruments,

- transactions for the payment of medical and tuition fees abroad are allowed according to certain prerequisites,

- cash withdrawal from a bank account up to a maximum amount of EUR 2,000, or its equivalent in foreign currency, is permitted under certain conditions for a person accompanying a patient admitted to hospitalization abroad,

- transfer of the maximum amount of EUR 5,000 or the same amount in foreign currency, per calendar quarter, in total, is allowed for accommodation and living expenses of students studying abroad or participating in student exchange programs, whereas the transfer of a maximum amount of EUR 8,000 is permitted if such amount is directly credited to the account of a student residence or a student house lessor,

- certain provisions refer to the capability of shipping companies to perform cash withdrawals up to the amount of EUR 50,000 daily, from the amounts that have been transferred following the entry into force of the Act from abroad by crediting accounts held with a credit institution operating in Greece,

- capital transfer outside Greece by an institution is permitted, for the purpose of purchasing foreign financial instruments, as defined in article 5 of Greek law 3606/2007, as in force, 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 the beginning of the bank holiday (i.e. after 28 June 2015) with funds arising from remittance from abroad,

- cash withdrawal up to a total of 50% is permitted from money that, following the 1st of September 2017, are transferred from abroad by means of credit transfer to existing accounts held with a credit institution operating in Greece under a procedure to be further determined by the Committee for the Approval of Banking Transactions; following the 1st of December 2017 the abovementioned percentage of cash withdrawal is increased to 100%,

- cash withdrawal up to 100% in total is permitted concerning cash deposited to bank accounts of either natural or legal persons after the 22nd of July 2016, in compliance with AML/CFT framework,

- transfer of cash in euro or other currency is permitted per person and per trip abroad up to the amount of EUR 2,000 or its equivalent in foreign currency,

- capital transfer transactions which relate to the management of the liquidity of a credit institution operating in Greece and to payment obligations in the context of the management of the credit institution's own portfolio, are permitted as set out in the Act, as amended and in force. Such exemptions relate, inter alia, to interbank transactions, clearing of transactions, margin swap transactions in the context of international contracts ISDA, CSA, GMRA, escrow, and EIB and other collateral transactions with foreign credit institutions, etc. and service of payments relating to instruments and securitizations issued, directly or indirectly, by the credit institution, including coupon payments, repayment of capital for the scope of complying with its contractual obligations or triggering relevant contractual clauses, payments to legal counsels, trustees and paying agents;

- Pursuant to a Minister Decision dated 13 November 2017 and published in Government

Gazette No. 3976 of 14 November 2017, transactions of legal entities or professionals involving a transfer of funds abroad, in the context of their business activities, in an amount not in excess of €20,000 each, per customer, per day, are allowed, following the submission of the relevant invoices and other evidence and documentation, compulsorily accompanied by a solemn declaration to the effect that the above documents are genuine and have not been submitted to any other credit institution. These transactions shall be processed directly by the branch networks of credit institutions, by crediting the counterparty's account, and shall be subject to the ceiling determined by the Committee for the Approval of Banking Transactions for each credit institution;

Transactions carried out by the Hellenic Republic and the Bank of Greece are excluded from the restrictive measures set out above.

Transactions in financial instruments traded on Greek regulated markets were subject to the provisions of Minister of Finance Decision published in the Official Gazette of the Greek Republic, Issue B' number 1617/31.7.2015 on "Lifting of the restrictions of the Legislative Act regarding transactions in financial instruments on Greek regulated markets". A basic prerequisite determined by this decision, was that transactions on financial instruments of Article 5 of Greek law 3606/2007 (MiFID) traded on Greek regulated markets and multilateral trading facilities ("MTF") in Greece ("Financial Instruments") would be conducted with "new money", as defined in the Ministerial Decision (e.g. money deriving from the sale of financial instruments of Article 5 of Greek law 3606/2007 excluding units in collective investment undertakings). Such decision was subsequently overturned by the Decision of Minister of Finance published in the Official Gazette of the Greek Republic, Issue B number 2625/7.12.2015 on "Lifting of the restrictions of the Legislative Act regarding transactions in financial instruments on Greek regulated markets", as amended and in force.

In addition, the proceeds from the clearing and settlement of transactions on Financial Instruments, as well as the amount of the cash distributions from the issuers to the beneficiaries of the financial instruments of article 5 of Greek law 3606/2007, can be credited to a bank account up to the end beneficiary, even outside the Greek banking system, on the condition that the clearing and settlement of transactions of the relevant investment account was made through such account before the commencement of the bank holiday period (i.e. before 28 June 2015).

Payment Services in the Internal Market

Directive 2007/64/EC on Payment Services provides for common rules on electronic payments (e.g., payments through the use of debit card or money transfers) in 31 countries (i.e., countries of the EU, Iceland, Norway and Lichtenstein). The PSD regulates in detail the information that must be provided to the users of the payment services and renders the payments faster and more secure. It also permits to entities called "payment institutions" (e.g., companies of money transfers, retailers, telecommunication companies) to provide payment services in parallel to banks as "payment services providers". The PSD covers any kind of payment through electronic means and not payments made in cash, from transfer of credit and direct charge orders to payments through the use of a card (including credit cards), wire transfers and payments through the use of a mobile phone and internet, excluding the payments with cash and checks. Payments in every European currency, not only euro, are covered, under the condition that the payment service providers of both the payer and the payee are located in one of the 31 European countries.

The PSD, together with Directives 2007/44/EC and 2010/16/EU were transposed into Greek law by Greek law 3862/2010, in accordance with which every payment service provider, including the Bank,

is obliged to ensure in an accessible form a minimum level of information and transparency regarding the payment services provided, under specific terms and conditions. The relevant framework also provides further protection regarding the rights of the users of the payment services.

A new payment services directive 2015/2366 (the "**PSD2**") has been published, incorporating and repealing the PSD. 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. PSD2 widens the scope of the PSD by covering new services and players as well as by extending the scope of existing services (payment instruments issued by payment service providers that do not manage the account of the payment service user), enabling their access to payment accounts. Furthermore, PSD2 includes transactions with third countries when only one of the payment service providers is located within the EU ("one-leg transactions"). Moreover, the extension in scope will also have as an effect that the same rules will apply to payments that are made in a currency that is not denominated in Euro or another Member State's currency. To make electronic payments safer and more secure, PSD2 introduces enhanced security measures to be implemented by all payment service providers, including banks.

The PSD2 entered into force on 12 January 2016 and the PSD is repealed with effect from 13 January 2018. By 13 January 2018, Member States shall adopt, publish and apply the measures necessary to comply with this revised directive. The European Council has also adopted Regulation 2015/751 on interchange fees for card-based payment transactions.

It should be noted that Greece has not yet transposed PSD2 into national legislation.

Payment accounts

Directive 2014/92/EU provides for the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features.

By 18 September 2016, EU Member States shall adopt and publish the laws, regulations and administrative provisions necessary to comply with this Directive. The above mentioned Directive was transposed in Greece by Greek law 4465/2017.

Settlement of Amounts Due by Indebted Individuals

On August 3, 2010, Greek Law 3869/2010 (see also "*Constraints on the Use of Capital—Restrictions on Enforcement of Granted Collateral*") was put in force with respect to the "settlement of amounts due by indebted individuals" and was modified mainly by Greek Laws 3996/2011, 4019/2011, 4161/2013,4336/2015, 4346/2015 and 4366/2016. The law allows the settlement of amounts due by individuals evidencing permanent and general inability to repay their debts, by submitting an application for a three-year settlement of their debts and writing off the remainder of their debts, in accordance with the terms of the settlement agreed. All individuals, consumers and professionals are subject to the provisions of Greek Law 3869/2010, with the exception of individuals already subject to mercantile law. Applicants having submitted applications prior to Greek Law 4336/2015 but not yet been heard or settled may reapply in order to benefit from the provisions of Greek Law 4336/2015.

All the debts of the abovementioned to private individuals fall within the law, including all debts to banks (consumer, mortgage, business loans), except for debts due to an offense committed by the borrower with intention or gross negligence, administrative fines, monetary sanctions and debts related to the obligation for child or spousal support. By virtue of Greek Law 4336/2015, Greek Law 3869/2010 was amended and its scope was also expanded to the settlement of debts owed to the Hellenic Republic, tax authorities, local authorities of grade A' and B' and to social security funds. In addition, 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 been contracted more than one year before the application date and relief may be used only once.

The amendments effected by Greek 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 Hellenic Republic 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. These amendments became effective as from January 1, 2016.

Before the submission of the application, the parties may have recourse to the preliminary settlement procedure. After the submission of the application, the hearing date of the application (compulsory within six-months from the completion of submission of the application) and the day of validation (within two months from the completion of the submission of the application) are set. During the day of validation, the court either validates any preliminary settlement or issues a preliminary injunction (with maximum duration six-months) by virtue of which the court may order, inter alia, the suspension of prosecuting measures against the borrower and determines the amount of the monthly installments which the borrower has to pay to its creditors until the issuance of the decision. Following the day of validation and until the hearing date of the application, the parties may reach to a settlement at any stage of the procedure.

If creditors having claims exceeding half of the total claims' amount, including collateral secured creditors and creditors having claims exceeding half of any labor claims, are included in the debts settlement plan proposed by the borrower, the court substitutes in any procedural stage the lack of the consent of any creditor, who is abusively opposed to the settlement, except where a. the claim of such creditor is not proportionally satisfied, compared to the other creditors; or b. in case of implementation of the plan, such creditor proves that its financial position shall be less favorable than the one it would have been in case of continuation of the procedure for the debtor's relief; or c. a claim is disputed by the borrower or any other creditor.

During the hearing date of the application, if the creditors do not accept the debtors' settlement plan, or if objections are submitted by some creditors and not substituted according to the above, the court confirms the existence of the disputed claims, the fulfillment of the conditions for settlement of debts and the borrower's relief. If the borrower's real estate property is not sufficient, after deducting the required amount for the coverage of the reasonable living expenses of the borrower and the members protected by the latter, including social security expenses borne by the borrower, the court orders the monthly payment of the remaining amount for the satisfaction of creditors' claims, pro rata distributed and for a period of three (3) years, pursuant to the borrowers' income and its real estate property.

Greek Law 4336/2015 introduced an accelerated settlement process regarding minor debts of particular indebted individuals. Indebted individuals are given a temporary relief for their debts and an eighteen-month period of supervision is granted, after the expiration of which, and only if the real estate property or income situation of the borrower remain unchanged, the borrower is discharged from the remainder of its debts.

If there are assets that can be liquidated and their liquidation is deemed necessary, a liquidator is appointed by the court. Special provisions are set for the protection of the main residence of the debtor. In case that the debtor does not fulfill the obligations under the settlement plan or intentionally delays four consecutive monthly payments on a yearly basis or payments so that the due amount cumulatively exceeds the value of four (4) monthly installments annually, the court allows the creditor to commence liquidation procedures against the debtor and his only residence. 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 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 deduction of any amount paid by the debtor.

The rights of creditors against co-borrowers or guarantors are not affected, unless such co-borrowers or guarantors are also subject to the same insolvency proceedings. Co-borrowers and guarantors have no rights of recourse against the debtor for any amount paid by them. The rights of secured creditors are not affected.

Settlement of business debts

Greek Law 4307/2014, as amended by Greek Laws 4374/2016 and 4380/2016 (art. 2) and in force, among others, provides for urgent interim measures for the relief of private debt, especially debt of viable small businesses and professionals towards financial institutions (namely credit institutions, leasing and factoring companies, provided they are under the supervision of the Bank of Greece), the Hellenic Republic and Social Security Institutions, as well as for emergency procedures for the reorganization or liquidation of operating indebted but viable businesses, provided that the aforementioned persons are considered as "*eligible debtors*" under the relevant provisions, namely, they have submitted the relevant application by June 30, 2016 and cumulatively meet the following criteria:

(1) they have not submitted an application to be subject to the provisions of Greek Law 3869/2010 or have validly resigned from such application;

(2) they have not stopped their operations or dissolved and (if applicable) they have not submitted an application to be declared bankrupt or have validly resigned from such application;

(3) they have not been convicted in any capacity for fraud against the Hellenic Republic of State Pension Funds or for smuggling; and

(4) their turnover of the fiscal year 2013 must not exceed the limit of EUR 2,500,000.

In particular the new measures deal with the following:

a) Provide incentives to small businesses and professionals on the one hand and to other funding entities to regulate / delete private debt,

b) Relief and settlement of debts of small businesses and professionals to the Hellenic Republic and Social Security Institutions that are settling their debts to financial institutions,

c) Provide for an extraordinary debt business regulation process (with binding force for all the creditors),

d) Provide for extraordinary special management procedure and

e) Set up the monitoring and coordination committee with a view to their imminent and effective implementation.

Greek Law 4307/2014, as in force, provides for the write off of specific claims that cumulatively meet the criteria set by the relevant provisions of Greek Law 4307/2014.

For the implementation of the above procedure the Ministerial Decision 4837 (Government Gazette Issue B'66/16.1.2015) has been issued.

Extrajudicial debt settlement mechanism for businesses

Greek Law 4469/2017, as amended by Law 4472/2017, provides for an extrajudicial procedure for settling debts towards any creditor, which derive from the debtor's business activity or other cause, provided that the settlement of those debts is considered vital by the participants in order to secure the debtor's business viability.

Any individual who can declare bankruptcy and any legal entity with income from business activity may apply for inclusion in the extrajudicial debt settlement mechanism, provided their tax residence is in Greece and specific criteria provided for by Law are met. The extrajudicial debt settlement mechanism does not apply to debts generated after 31 December 2016.

More specifically, each debtor's application may be submitted electronically to the Special Private Debt Management Secretariat (EGDICH) by 31 December 2018 on the dedicated electronic platform in EGDICH's website. Financial institutions may, as creditors, initiate the procedure by communicating a written invitation to the debtor to enter the procedure. If the debtor fails to respond, he/she loses the right to initiate the procedure at a later stage.

Submitting an application for inclusion in the extrajudicial debt settlement procedure does not constitute a significant reason for terminating long-term contracts.

A quorum of participating creditors is formed, when creditors that are beneficiaries of at least 50% of all claims against the debtor participate. For the purpose of forming a quorum, claims by persons associated with the debtor or not bound by the debt restructuring agreement are not taken into consideration. If the quorum is not achieved, the procedure is deemed unsuccessful and the coordinator draws up minutes declaring its failure.

The approval of the debt restructuring proposal requires the debtor's consent and the formation of a majority of 3/5 of participating creditors, which includes 2/5 of participating creditors with special privilege.

The extrajudicial procedure is concluded by the execution of a debt restructuring agreement between the debtor and consenting creditors, otherwise the procedure is deemed unsuccessful. The debtor or a participating creditor may submit an application for ratification of the debt restructuring agreement to the Multi-Member Court of First Instance of the debtor's registered seat.

The ratification decision covers the total of the debtor's claims governed by the restructuring agreement and binds the debtor and all the creditors, irrespective of their participation in the negotiation procedure or in the debt restructuring agreement.

In case the debtor fails to pay any amount due to any of the creditors in accordance with the terms of the debt restructuring agreement for more than ninety (90) days, the creditor has the right to request cancellation of the agreement towards all parties.

It is noted that, when more financial institutions or firms under Law 4354/2015 have acquired or manage overdue receivables of the same debtor, provided there is sufficient evidence of the debtor's inability to fulfil his financial obligations, they may cooperate to submit a common proposal to the debtor, in order to reach a sustainable solution.

Finally, the said Law explicitly sets out the cases of suspension of injunction and enforcement procedures against the debtor.

Non-performing loans and loans in arrears

Pursuant to article 72 of Greek Law 4389/2016 a governmental council for private debt management (the "**Council**") has been created, whose objective is, amongst others:

(i) to form and disclose the strategy and policies for the organization of an integrated mechanism for the effective administration of private debt, as well as to form and review an action plan with binding timetables for the implementation of the abovementioned strategy,

(ii) to identify weaknesses and propose amendments to the existing legal framework, both in terms 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;

(iii) 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;

(iv) to create a network for the provision of free consultancy providing advisory services to individuals and legal entities on debt management and for planning of financial on debt management awareness for households and SMEs issues; and

(v) 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.

The Council provided a definition of "cooperating borrower" specifying when a borrower is classified as cooperating towards his/her lenders and assessed a methodology for determining "reasonable living expenses".

Moreover, Greek Law 4389/2016 (article 78) provides for a specialized secretariat for private debt management responsible for a) supporting the governmental council's for private debt management work, b) organizing and forming the policy for the provision of information and support to citizens interested in taking loans and to borrowers, as well as the financial education of households and small-medium enterprises, and c) business coordinating of the Steering Committee. Furthermore, the Greek law 4389/2016 (article 81), as amended and in force, also provides for 30 Borrowers' Service Centres, as regional offices of the specialized secretariat for private debt management, responsible for informing and supporting natural and legal persons (households and small-medium enterprises) and providing financial, legal and consulting services regarding taking up loans, management of debts and in general financial management issues.

Additionally, Greek Law 4224/2013, as in force, provides for the establishment, by virtue of a decision of the Bank of Greece, of a Code of Conduct for non-performing loans.

Moreover, Greek law 4224/2013, as in force, in conjunction with ministerial decision No.5921/2015, provides that the consumer ombudsman will act extra judicially as mediator solely for the amicable settlement of the dispute between lenders and borrowers for the purpose of settling non-performing loans within the framework of the Code of Conduct for the management of non-performing loans.

In the implementation of the above the Bank of Greece has published regulatory framework concerning the management of loans in arrears and non-performing loans and specifically:

• Executive Committee Act No. 42/30.5.2014 "Supervisory framework for the management of loans in arrears and non-performing loans" as amended by Executive Committee Act No.47/9.2.2015 and Executive Committee Act No.102/30.8.2016.

• Credit and Insurance Committee Decision 116/1/25.8.2014 of Bank of Greece "Introduction of a Code of Conduct under Greek Law 4224/2013", as originally amended by Credit and Insurance

Committee Decision No.129/2/16.2.2015 and further amended by Credit and Insurance Committee Decision No. 148/1/05.10.2015 and as revised by Credit and Insurance Committee Decision No. 195/1/29.7.2016.

Executive Committee Act No. 42/30.5.2014, as in force, lays down a special framework of requirements for credit institutions' management of past due and non-accruing loans, in the framework of the provisions of Law 4261/2014, EU Regulation 575/2013 and the relevant Bank of Greece decisions. This framework imposes, among others, the following obligations on credit institutions:

a) to establish an independent arrears and NPLs management ("ANPLM") function;
b) to develop a separate, documented ANPLM strategy, the implementation of which will be supported by appropriate Management Information Systems ("MIS") and procedures; and
c) to establish regular reporting to the management of the credit institution and the Bank of Greece.

The provisions of this Act apply to:

a) all credit institutions authorized by the Bank of Greece, on a solo and a consolidated basis; and
b) branches in Greece of credit institutions based in third countries, as defined in the CRD Law which fulfill certain criteria.

In order to ensure an objective and impartial approach to ANPLM and the application of modifications to distressed debtors, credit institutions shall ensure that the ANPLM function enjoys an appropriate degree of independence from other functions, in particular the lending and management of performing loans functions. This function shall be clearly defined, separate and subject to control and monitoring by the internal audit function of the credit institution.

The Code of Conduct under Greek law 4224/2013, as revised by virtue of no. 195/29.7.2016 decision of the Credit and Insurance Committee of the Bank of Greece, lays down general principles of conduct and introduces provisions in relation to the procedures for risk assessment, valuation of the repayment ability, binding rules of conduct for the institutions with precise timelines, including the establishment of detailed and documented arrears resolution procedure and appeals review procedure, and terms of communication between institutions and borrowers. Furthermore, it introduces best practices, aimed to strengthen the climate of confidence, ensure engagement and information exchange between borrowers and lending institutions, so that each party can weigh the benefits or consequences of alternative forbearance or resolution and closure solutions for loans in arrears for which the loan agreement has not been terminated, with the ultimate goal of working out the most appropriate solution for the case in question.

The Code of Conduct requires, *inter alia*, detailed written procedures for loans in arrears, detailed record with categorisation of loans and borrowers, standardisation of the content of communications, compliance with the guidelines of the Code of Conduct as to the manner, timing and confidentiality of communications and specific requirements as to the procedures for loans in arrears, the procedures for the assessment of objections and the handling of "non-cooperating" borrowers. 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.

The provisions of this Code shall apply to all supervised institutions that extend credit in Greece, including branches of foreign credit institutions and the financial institutions.

In dealing with cases of borrowers in arrears or pre-arrears, every institution shall apply an Arrears Resolution Procedure (the "**ARP**") involving the following steps:

- Step 1: Communication with the borrower
- Step 2: Collection of financial and other information
- Step 3: Assessment of financial data
- Step 4: Proposal of appropriate solutions to the borrower
- Step 5: Appeals review procedure

It should be noted that the Bank of Greece will not deal with individual cases of disputes between creditors and borrowers that may arise from the implementation of the Code of Conduct.

Moreover, according to Greek Law 4281/2014 amending, among others, Article 1 of Greek Law 4224/2013, currently laying down that the borrowers are not charged by the lenders (credit and financial institutions) with any fee related to the application of the Code, the procedure of the assessment and selection of the settlement and in general services that are related to the application of the Code.

As per Press Release of 20.3.2017, the ECB has published its final guidance on non-performing loans (NPLs)[19]. The guidance outlines measures, processes and best practices which banks should incorporate when tackling NPLs. The ECB expects banks to fully adhere to the guidance in line with the severity and scale of NPLs in their portfolios. The ECB does not stipulate quantitative targets to reduce NPLs. Instead, it asks banks to devise a strategy that could include a range of policy options such as NPL work-out, servicing, and portfolio sales.

Article 65 of Law 4472/2017 provides for the liability of the representatives of the State and credit institutions deriving from loan or other debt restructuring actions.

New framework for the management and transfer of claims

Articles 1-3A of Greek law 4354/2015, as amended by Greek laws 4380/2016 and 4393/2016, as well as Executive Committee Act 118/19.5.2017 (that replaced Executive Committee Act 95/27.5.2016) establish the framework for the management and transfer of claims from loans that can include non-accruing loans and set the requirements for the operation of loan management companies and loan transfer companies. Certain loan categories have been temporarily excluded from the scope of the permitted sale and transfer until December 31, 2017; in particular, such exclusion includes loan agreements with mortgage or prenotation of mortgage on first residence of an objective value of up to EUR 140,000.

The management of claims from loans and credit granted by credit or financial institutions shall be undertaken, exclusively by Societe Anonymes having their registered offices:

(a) in Greece or
(b) in another EEA Member State, which have established a branch in Greece and have the aforementioned business activities in their scope.

Bank of Greece is the competent authority for the issuance of the respective license for such companies.

Furthermore, the aforementioned companies, following a relevant authorization by Bank of Greece, may grant loans or credit to debtors whose loans and/or credit have been managed by them, aiming exclusively at the refinancing of the debtors' loans or the restructuring of the debtor business on the basis of a restructuring plan agreed between the parties and under the consent of the claims' owner.

[19] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

In relation to the agreements for the assignment of claims' management from non accruing loans, Greek law 4354/2015 lays down that Non accruing Loans Management Companies may undertake the management of claims from loans and/or credit, which have been granted or are granted by credit or financial institutions. Said management companies are entitled to initiate any legal proceedings and to proceed with any other judicial measures for the collection of claims.

The transfer of claims from credits and loans granted by credit or financial institutions can take place only through sale, under relevant written agreement, in accordance with the provisions in Article 3 of Greek law 4354/2015, as in force, and only to:

(a) limited liability companies that according to their Articles of Association are allowed to engage in acquiring claims from loans and credits and they have their registered office in Greece and are also registered in General Commercial Registry ("**GEMI**"),
(b) Companies that are seated in the EEA and according to their Articles of Association are allowed to engage in in acquiring claims from loans and credits and subject to the provisions of the European Union legislation;
(c) in companies that are seated in third countries, and according to their Articles of Association are allowed to engage in acquiring claims from loans and credits, subject to the provisions of the European Union legislation and have the discretion to be located in Greece through a branch under certain conditions.

A necessary condition in order for the claims of the credit or financial institutions from non-performing loans to be offered for sale, is the extrajudicial invitation of the borrower and the guarantor, within twelve (12) months prior to the offer, to arrange its obligations on the basis of a written offer for an appropriate arrangement with specific payment terms according also to the provision of the Code of Conduct. Disputed or adjudicated claims as well as claims against non-cooperative, are excluded from the above mentioned condition.

Furthermore, by virtue of article 48 of Law 4472/2017 certain provisions of Law 4354/2015 were amended. In line with the new provisions, the Credit Servicing Firms are also allowed to manage the property that was offered as collateral for the respective loans and credits and has been transferred to the beneficiary of the claim. However, these firms are not allowed to acquire, via transfer or assignment or voluntary sale or auction, any property related to the loans and credits serviced by them. Also, the new assignee, upon transfer of claims from NPLs[20], continues the procedure of the Code of Conduct from where it was stopped before the transfer, while, in line with the former provisions, any new assignee should restart the Arrears Resolution Procedure (ARP) of the Code of Conduct (Credit and Insurance Committee Decision 116/25.8.2014).

Lastly, Law 4472/2017, by adding article 959A to the Code of Civil Procedure, introduces the option to conduct an auction by electronic means ("electronic auction"). See "*The Mortgage and Housing Market in Greece*".

Facilitation Program

Greek law 4161/2013 established a facilitation program allowing individuals in financial distress to service their loans by paying reduced monthly installments for a prescribed period of time. The facilitation program applies exclusively to loans contracts entered into no later than 30 June 2010 and which have not fallen due, are secured on residential property and owed to credit institutions, financial institutions and credit companies.

Those eligible for the facilitation program are individuals whose total household income at the time of submission of the application has fallen by at least 20% since 2009. The provisions of Greek law 4161/2013 set forth additional eligibility criteria relating, among others, to the value of the debtor's

[20] See also "*Alternative Performance Measures*" on page 5 of this Base Prospectus.

primary residence over which the bank has collateral and total immovable property, as well as to the total annual household income. Debtors who benefit from the facilitation program are subject to an ongoing duty of disclosure of their financial status, and failure to comply with that duty results in the debtor's removal from the scheme. Moreover, the facilitation program is granted only once and for a maximum grace period of 48 months. After the grace period, the facilitation program is automatically terminated and the debtor, if not otherwise agreed, fulfills his contractual obligations as agreed prior to the facilitation program and the duration for performing the contract is prolonged for a period equal to the grace period.

Credit institutions in Greece cannot terminate the contracts of individuals who have joined the facilitation program and must refrain from pursuing any enforcement proceedings against the debtor and its guarantor.

The original deadline for submission of applications for participation in the facilitation program was 16 January 2014. However, according to Ministerial Decision Z1-32/2014, this deadline has been extended for three more months.

Consumer Services

Credit institutions in Greece are also subject to various legislation that seeks to protect consumers from abusive terms and conditions, most notably Greek 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.

At the same time, numerous consumer protection issues are regulated through administrative decisions, 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 Ministerial Decisions Z1-21/2011 and Z1-74/2011. Also, the Governor of the Bank of Greece Act No. 2501/2002, as in force, includes fundamental disclosure obligations of credit institutions operating in Greece *vis- à-vis* any type of contracting party.

Ministerial Decision Z1-699/2010 (Government Gazette Issue B; 917/.2010) transposed into Greek law Directive 2008/48/EC on credit agreements for consumers and repealing Council Directive 87/102/EEC, as amended and currently applicable. The aforementioned decision 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. Ministerial Decision Z1-699/2010 was amended by Ministerial Decision Z1-111/07.03.2012 (Government Gazette Issue B'27/2012) that transposed into Greek law European Directive 2011/90 providing additional assumptions for the calculation of the annual percentage rate of charge.

Most recently, 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 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.

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 relating to the prevention of money laundering and terrorist financing.

More specifically Greek Parliament adopted Greek law 3691/2008, as in force, on the prevention and suppression of money laundering and terrorist funding, which implemented EU Council Directives 2005/60/EC and 2006/70/EC. The main provisions of Greek legislation on money laundering and terrorist financing are as follows:

- A declaration that money laundering and terrorist financing are criminal offences;
- Defining persons falling within the ambit of Greek law 3691/2008, including, among others, banks, financial institutions and certain insurance undertakings;
- A requirement that banks (and certain other persons) are required to identify customers, build KYC procedures, retain documents and report suspicious/unusual transactions to the relevant authorities;
- Restrictions relating to banking confidentiality that do not apply in case of money laundering activities; and
- The establishment of a relevant Authority responsible, among others, for examining reports filed by banks and other individuals or legal persons with respect to suspicious transactions.

Following the amendments of the Greek law 3691/2008 provisions were added about the tax evasion, smuggling and non-payment of debts to the State as main offences, as well as provisions regarding the necessary legalization documents for the verification of client's identity and provisions for law infringement.

The Banking and Credit Committee of the Bank of Greece, has also issued Decision No. 281/5/17.3.2009 on the "Prevention of the Use of the Credit and Financial Institutions, which are Supervised by the Bank of Greece, for the Purpose of Money Laundering and Terrorist Financing" and Decision 285/6/09.07.2009, which sets an indicative typology of unusual or suspicious transactions within the meaning of Greek law 3691/2008 as well as Decision 290/12/11.11.2009. Both the aforementioned decisions 281/5/17.3.2009 and 290/12/11.11.2009 were supplemented by Decision 300/30/28.7.2010, while Bank of Greece Governor's Act no 2652/29.02.2012, by amending Decision 281/5/17.3.2009 and supplementing Decision 285/6/09.07.2009 included therein:

f) an obligation for financial institutions to confirm their clients' income through their tax reports or, in the case of legal persons, based on the tax returns they file (including confirmation of reporting and tax burden), when outlining their financial profile.

g) the compulsory addition of a new category of clients presenting a high risk of tax evasion or the unlawful laundering of proceeds from tax evasion, to which enhanced due diligence measures apply.

h) lower the limit of cash withdrawals to EUR 50,000 (from EUR 250,000), over which financial institutions should encourage their customers to use bank checks or wire transfers to a bank account.

i) a new category of target typology of unusual or suspicious transactions that may relate to or be associated with tax evasion.

Decision No. 281/5/2009 takes into account the principle of proportionality, and includes the obligations of all credit and financial institutions and FATF recommendations. This decision also reflects the common understanding of the obligations imposed by European Regulation 1781/2006 on the "Information on the Payer Accompanying Transfers of Funds".

Since 2012, the FATF standards have been 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. Banks should first identify, assess and understand the risks of money laundering and terrorist finance that they face, 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 two Decisions (No. 94/23/2013 and 95/10/22.11.2013) which further strengthen the regulatory framework within which the supervised entities in Greece operate. Decision no. 95/10/22.11.2013 on information to be periodically disclosed by supervised institutions to the Bank of Greece was further amended by Decision no. 108/1/04.04.2014, enhancing the frequency of reporting. The amendments mainly harmonize the applicable regulations to the revised FATF recommendation with respect to Politically Exposed Persons ("**PEPs**") by categorizing local PEPs as high-risk customers; introduce criteria for the use of simplified due diligence by electronic money institutions; and 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.

Directive (EU) 2015/849 (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 and repealing Directive 2005/60/EC and Directive 2006/70/EC, as well as Regulation 847/2015 (which came into force on 26 June 2017) on information accompanying transfers of funds, repealing Regulation (EC) No 1781/2006, are intended to strengthen EU rules against money laundering and ensure consistency with the approach followed at international level. The Regulation deals more specifically with information accompanying transfers of funds. The texts implement recommendations by the Financial Action Task Force (FATF), which is considered a global reference for rules against money laundering and terrorist financing. On some issues, the new EU rules expand on the FATF's requirements and provide additional safeguards.

Moreover, the European Commission issued Regulation (EU) 2016/1675 supplementing Directive (EU) 2015/849 by identifying high-risk third countries with strategic deficiencies in their national anti-money-laundering and terrorism-financing frameworks.

Lastly, iIt should be noted that the establishment of the first common EU list of non-cooperative jurisdictions is expected before the end of 2017.

Equity Participation

Equity Participation by Banks in other Companies

The CRD Law (which has replaced Greek law 3601/2007 in its entirety) does not contain any provision regulating equity participations by Greek credit institutions in other companies.

Regulation 575/2013, which applies directly since 1 January 2014 (with the exception of specific articles), to all EU Member States (including Greece) provides in article 89 that competent authorities of EU Member States shall publish their choice on the requirements applicable to acquisitions by credit institutions of qualifying holdings in other companies, based on the choices made available in article 89 of Regulation 575/2013. Pursuant to Decision 114/2014 of its Credit and Insurance Affairs Committee, the Bank of Greece has elected option (a) as referred in paragraph 3 of article 89. In particular, in respect of (i) a qualifying holding exceeding 15% of the eligible capital of a bank in undertakings outside the financial sector and (ii) a total amount of qualifying holdings exceeding 60% of the eligible capital of a bank in undertakings outside the financial sector, Bank of Greece elected

the option by virtue of which for the purpose of calculating the capital requirement in accordance with the provisions of the Regulation 575/2013, banks shall apply a risk weight of 1.250% to the greater of the amount of qualifying holdings referred to under (i) above in excess of 15% of eligible capital of the bank and the total amount of qualifying holdings referred to under (ii) above that exceed 60% of the eligible capital of the bank.

Under the previously applicable Greek law 3601/2007, the Act of the Governor of Bank of Greece No. 2604/2008, as clarified by decision 281/10/17.03.2009 of the Banking and Credit Committee, had been issued regarding the conditions for the acquisition or increase in a qualifying holding in the share capital of banks, financial institutions, insurance and reinsurance companies, investment firms, information technology companies, real estate property management companies, asset and liability management companies, paying systems management companies, external credit assessment institutions and financial data collection and processing companies. Following the enactment of Greek law 4261/2014, it is not clear whether the aforementioned Act still applies or the extent to which it is applicable. Under article 166 of Greek law 4261/2014, such regulatory decisions that have been issued pursuant to articles of Greek law 3601/2007 remain in force until their replacement by new regulatory decisions, as long as they are not contradictory to the provisions of the CRD Law or the Regulation 575/2013.

Subject to EU regulations, new and significant holdings (concentrations) must be reported to the Greek Competition Commission according to Greek law 3959/2011, as currently in force, and the European Commission must be notified, provided that they have community dimension within the meaning of Regulation no. 139/2004 on the control of concentrations between undertakings (as supplemented by Commission Regulation (EC) 802/2004).

The HCMC and the ATHEX must be notified once certain ownership thresholds are exceeded with respect to listed companies according to Greek law 3556/2007, as amended by Greek laws 4374/2016 and 4416/2016, the implementing HCMC decisions and the ATHEX Regulation.

Equity Participation in Greek Credit Institutions

The CRD Law (mainly through Articles 23 and 27) and relevant Bank of Greece acts, establish a specific procedure for the notification to the Bank of Greece of a physical or legal person's intention to, directly or indirectly, acquire or increase or dispose a holding exceeding certain enumerated thresholds according to article 23 of the CRD Law (i.e., 20%, 1/3 and 50% of voting rights or equity participation in or control of a bank). The applicant acquirer is assessed by the Bank of Greece on the basis of a series of criteria set out in article 24 of the CRD Law and, approval is required in line with the provisions of the law for the intended acquisition.

Executive Committee Act No. 22 of Bank of Greece, issued on 12 July 2013, as in force, codifies the provisions regarding the authorization of credit institutions in Greece and the acquisition of a qualifying holding in a credit institution. Furthermore, this act specifies the necessary information for the prudential assessment of the proposed shareholders, the proposed members of the management body and the proposed key function holders of a credit institution by the Bank of Greece under the relevant EBA guidelines. Moreover, according to Executive Committee Act No. 48 of Bank of Greece, issued on 24 March 2015, the aforementioned information should be accompanied by appropriate privacy statements included in this Act concerning personal data processing. Given that: (a) no other implementing act(s) of the relevant provisions of Greek law 4261/2014 has been issued and (b) that the provisions of this Act, do not appear to be at any point contradictory to the relevant provisions of the CRD Law, the provisions of the Executive Committee Act No. 22 of Bank of Greece shall be considered as applicable and in force, pursuant to article 166 para. 2 of the CRD Law.

As at 4 November 2014, the supervisory tasks described above were conferred to the ECB in cooperation with the Bank of Greece, according to the provisions of Regulation 468/2014.

Constraints on the Use of Capital

There are no constraints on the use of capital that have or may have a significant impact, directly or indirectly, on the Group's activities, except for constraints discussed above and the obligations towards the Monitoring Trustee and the Revised Restructuring Plan approved by the Directorate General for Competition on 4 December 2015. Additionally, pursuant to Article 131 of the CRD Law, the Bank may not make discretionary payments (as defined in the CRD IV), beyond the Maximum Distributable Amount.

Interest Rates

Under Greek law interest rates applicable to bank loans 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, Governor of the Bank of Greece Act No. 2501/31.10.2002 and Decision No. 178/19.7.2004 of the Banking and Credit Committee of the Bank of Greece provide that credit institutions operating in Greece should, among others, 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 30 of Greek law 2789/2000 as in force and article 39 of Greek law 3259/2004, as in force. Greek credit institutions must also apply article 150 of the CRD Law on interest rates of loans and other credits pursuant to which 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 given to physical persons.

Moreover, according to Article 150 par.2 of the CRD Law it is prohibited to grant new loans for the repayment of overdue interest or to enter into debt settlement having a similar result, unless such actions are taken in the context of an agreement for the settlement of the entirety of the debts of the borrower, which shall be based on a detailed examination of the borrower's capacity to fulfill the undertaken obligations under specific time frames. Default interest may not exceed the aggregate of annual, contractual interest plus a maximum percentage determined by the Bank of Greece over and above the normally applicable interest rate.

Secured Lending

According to Greek law 4261/2014, Article 11, among the activities that Greek credit institutions are permitted to engage is lending including, inter alia: consumer credit, credit agreements relating to immovable property, factoring, with or without recourse, financing of commercial transactions (including forfeiting).

The provisions of legislative decree 17.7/13.08.1923 regulate issues regarding the granting of loans secured by *in rem* rights and Greek 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 upon 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. As prescribed by the Directive, Member States would have to adopt and publish, by 21 March 2016 the laws, regulations and administrative provisions necessary to comply with this Directive and the provisions of this directive shall not apply to credit agreements existing before 21 March 2016. In Greece, the aforementioned Directive has been transposed into Greek legislation by virtue of Greek Law 4438/2016 (published in Government Gazette 220/A/28.11.2016). The main provisions of Greek Law 4438/2016, include among others, consumer information requirements, principle based rules and standards for the performance of services (e.g. conduct of business obligations, competence and knowledge requirements for staff), a consumer creditworthiness assessment obligation, provisions on early repayment, provisions on foreign currency loans, provisions on tying practices, some high-level principles and a passport for credit intermediaries who meet the admission requirements in their home Member State.

Compulsory Deposits with the Bank of Greece

The compulsory reserve requirement framework has been amended in accordance with Eurosystem regulations. As from January 2012 according to ECB Regulation 1745/2003 as amended by the Regulations 1052/2008, 1358/2011, 1376/2014 and 2016/1705 the compulsory reserve requirement ratio set by Eurosystem regulation is 1% for all categories of liabilities (such as deposits and debt securities issued) to clients comprising the commitment base, with the exception of the following categories, to which a zero ratio applies:

- deposits with agreed maturity over two years;
- deposits redeemable at notice over two years;
- repos; and
- debt securities with agreed maturity over two years.

This commitment ratio applies to all credit institutions in Greece.

Restrictions on Enforcement of Granted Collateral

Hellenic Bank Association on 21 July 2015 announced 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. According to Greek law 4224/2013 enforcement of auctions concerning the primary residence of individuals was suspended from 1 January 2014 until 31 December 2014 provided that the relevant property was declared as such in the last income tax declaration of those individuals and the assessed market value of such property did not exceed the amount of EUR 200,000, under the condition that the following criteria were cumulatively met: (a) the debtor's family annual declared net income was lower than EUR 35,000 (excluding, however, any social security funds' contributions, income tax and social solidarity contribution); and (b) the total value of the debtor's assets and property did not exceed the amount of EUR 270,000 of which the total value of the debtor's deposits and securities in Greece and abroad as at 20 November 2013 did not exceed the amount of EUR 15,000 (excluding however any periodic benefits from social security or pension schemes). Those properties that did not fall under the criteria of that law were no longer protected from foreclosure and auction proceedings. During the aforementioned suspensions, debtors were obliged to pay monthly installments. Nevertheless, in exceptional cases (e.g., debtors with no income), there was an option of zero amount payments.

Furthermore, due to the difficulties caused by the imposition of the capital controls, any enforcement action and primarily auctions, seizures, evictions, were suspended from 21 July to 31 July 2015 by virtue of the ministerial decision no. 49214/21.07.2015. The validity of this ministerial decision was further extended, through successive ministerial decisions, until 31 October 2015. Further to an announcement of the Ministry of Justice, Transparency and Human Rights, dated 29 October 2015, as from 2 November 2015 any enforcement actions and primarily auctions, seizures, evictions and relevant enforcement procedures are reinstated.

Moreover, enforcement of collateral has been affected by Greek law 3869/2010 (see *"—Reporting Requirements for Banks in Greece—Settlement of Amounts Due by Indebted Individuals"*), as in force, regarding restructuring of individuals' debt through a court application. Within August 2015 Greek law 4336/2015, amended the Greek law 3869/2010 and included in the settlement, debts to public sector, such as tax authorities, municipalities and social security organizations. As at 31 December 2015 and 31 December 2014, 71,960 and 58,948 customers that had applied to the court under the provisions of Greek law 3869/2010 had outstanding balances of EUR 3,411 million and EUR 2,784 million respectively. So far 21% were rejected and 79% were accepted. Greek law 3869/2010 was further amended by Greek laws 4346/2015 and 4366/2016, referring among others to the necessary criteria for the protection of primary residence (e.g. cooperative borrower, income and residential property value thresholds) and to the possibility of partial state subsidy for three years for vulnerable borrowers under certain conditions. According to Greek Law 3869/2010, as in force, until December 31, 2018 the primary residence of the debtors may be protected under the provisions of this law provided that the specific requirements of the said law are fulfilled.

EU Regulation Proposals

EU 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 Notes (including secondary market transactions) in certain circumstances.

Under the Commission's proposal, 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 Notes 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 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 Notes are advised to seek their own professional advice in relation to the FTT.

THE MACROECONOMIC ENVIRONMENT IN THE GROUP'S MARKET

The Macroeconomic Environment in the Group's Markets

The Hellenic Republic's Economic Crisis

For the six-month period ended 30 June 2017, 93.7% of the Issuer's net interest income from continuing operations and 95.1% of the Issuer's loans and advances to customers before allowance for impairment, were derived from Issuer's domestic operations. In addition, the Issuer's holdings of €2.9 billion of Greek government bonds and Greek treasury bills represented, as at 30 June 2017, 4.6% of its total assets excluding non-current assets held for sale and 39.2% of Issuer's trading and investment debt securities. Accordingly, the Issuer's financial condition and its results of operations are heavily dependent on macroeconomic and political conditions prevailing in Greece.

Greece has been receiving financial support from the euro area member States and the IMF to cope with financial difficulties and economic challenges, since May 2010. See "*—Private Sector Initiative (PSI) for Greek Government Debt restructuring and effort for Economic Stabilization and in the context of financial Support Programs*" below. The extremely intensive fiscal adjustment on the back of a significant increase in tax burden and broad-based government spending cuts in a very limited time period, in conjunction with uncertainty and structural deficiencies of the economy, translated in into a deep and protracted recession which has been accompanied by a sharp drop in Greek financial and real asset valuations. The progress in fiscal consolidation, the gradual recovery in economic sentiment and the easing in fiscal pressure ultimately led to a moderate pick up in economic activity in 2014, which was the first year with positive GDP growth since 2007 (Sources: EL.STAT, Quarterly National Accounts Press Release, March 2017 and EL.STAT., Annual National Account Press Release, October 2017). However, uncertainty started to build up since the third quarter of 2014, when there were increasing signs of difficulties in reaching an agreement with official creditors on the completion of the pending review of the Second Program of financial support which was followed by the holding of early elections in January 2015 (Source: EL.STAT, Quarterly National Accounts Press Release, March 2017).

Uncertainty has been on an upward trend and macroeconomic conditions deteriorated in the first half of 2015, following protracted negotiations between the new Greek Government (elected on 25 January 2015) and official creditors on the continuation of, or transition to, a new program of financial support. Rising domestic liquidity constraints and the absence of external financing to the Hellenic Republic amplified uncertainty over the Greek Government's ability to meet its domestic obligations, including sizeable upcoming repayments on both official (IMF and ECB) and marketable debt in the period June–August 2015. Uncertainty peaked in late-June 2015, when an agreement with the official lenders had still not been reached and, as a result, the Program expired and a referendum called in the relation to the conditions underlying the agreement on the activation of a new program of financial support.

Financial markets, pushed Greek Government bond yields into "credit event" territory in late-June and early-July 2015, when the Greek government delayed the repayment of maturing debt to the IMF (EUR 1.5 billion to the IMF on 30 June 2015 which was subsequently cleared) and the absence of sufficient external financing. Accordingly, the Governing Council of the ECB decided to maintain the ELA ceiling for the Greek banking sector unchanged (at the 26 June 2015 level) (Source: ECB, Press Release, June 28, 2015), effectively inhibiting any additional access by Greek banks to the Eurosystem financing in a period of accelerating deposit withdrawals.

In response to the fear of an outright bank run the Greek government imposed a "bank holiday" on 28 June 2015 that lasted until 19 July 2015 and applied specific restrictions on banking and other financial transactions of Greek citizens and legal entities (jointly referred to as "capital controls"

(Source: Bank of Greece, Act of Legislation, 28 June 2015), with a view to protecting financial and macroeconomic stability. Moreover, in view of the severe economic and financial disturbance that appeared to threaten the continued membership of the Hellenic Republic in the European Monetary Union and the EU, the Greek government officially requested financial assistance from the European Union on 10 July 2015 (Source: European Commission's proposal for a council implementing decision on granting short term European Union financial assistance to Greece under a new program from the European Stability Mechanism "**ESM**"). A Third Program was subsequently agreed with its creditors in August 2015, in order to restore the sustainability of public finances and to continue participating in the Eurozone and Greece pledged to implement an ambitious program of structural and fiscal reforms. The Eurogroup on 16 July 2015 (Source: Eurogroup Statement, 16 July 2015) on the basis of a positive assessment by the Institutions decided to grant "in principle" a three-year ESM-based program of financial support to Greece.

The challenges relating to the state of Greek public finances (compounded by high uncertainty, declining demand, weakening private sector balance sheets, protracted capital flight, increasing risk premium and credit downgrades) have affected the liquidity and profitability of the financial system in the Hellenic Republic in 2015 and have resulted in:

1. limited liquidity in the Greek banking system reflecting very limited access to market financing and a sizeable contraction of the domestic deposit base since the end of 2009 and through July 2015 of about −47.4%. It should be noted that, the domestic deposit base contracted by 26.6% (EUR 47.3 billion) between November 2014–June 2015 (Source: Bank of Greece, Monetary and Banking Statistics), and this liquidity gap has been covered by the ECB and the Bank of Greece mainly through ELA funding (Source: Bank of Greece, Monthly Balance Sheet, November 2014 and June 2015);

2. very limited and unstable access to interbank and wholesale markets and limited unutilized collateral at a banking system level;

3. an increase in the amount of past due loans reflecting the substantial impact of the recession on the debt servicing ability of the Greek private sector;

4. a protracted period of deleveraging in the economy (−18.2% between 2009 and 2015) (Source: Bank of Greece, Monetary and Banking Statistics); and a continuing cycle of deposit contraction and falling domestic demand, business activity and GDP; and

5. lower market values for Government debt and other Greek financial and real estate assets.

As a consequence of the preceding developments, the Bank has experienced higher costs of funding (in particular in the first half of 2015, relative to the comparable period in 2014), increased provisions for loan losses and increasing level of past due loans.

Private Sector Initiative (PSI) for Greek Government Debt restructuring and effort for Economic Stabilization and in the context of financial Support Programs

A private sector initiative for Greek debt restructuring took place in February 2012 due to the insufficiency of the first intensive round of fiscal adjustment achieved under the First Program of financial support (Source: IMF Country Report No. 10/110, May 2010) to bring the Greek sovereign debt to a sustainable level. The completion of the PSI in April 2012 contributed to a significant reduction of the Greek debt burden and debt servicing needs through lower interest rates on the bonds issued as part of an exchange process and a substantial extension of the average debt maturity and deferral of a significant part of the effective debt servicing costs on loans provided by the EU and the EFSF.

A commitment to a future intervention of the official sector with a view to improving the public debt sustainability was decided by the Eurogroup of 27 November 2012 (Source: Eurogroup Statement on Greece, 27 November 2012). This intervention, *inter alia* includes debt repurchases by the Hellenic Republic, new changes in official loan conditions (interest rate reduction on bilateral loans and deferral of interest payments on EFSF loans) and a refund to Greece of income and profits related to Eurosystem holdings of Greek bonds. For more details see section below *"Eurogroup decisions of 27 November 2012 on the disbursement of pending financing for 2012 under the Second Program, the coverage of medium-term funding gap and the provision of additional sovereign debt relief"*.

The Second Program [7]

In March 2012, following the effective completion of the sovereign debt restructuring, the Government agreed to a second economic adjustment program, jointly supported by the IMF and the member states of the Eurozone (the "**Second Program**"), the term of which extended through 2016 and which was jointly supported by the IMF and Eurozone Member States. The Second Program replaced the original program of EUR 110 billion, agreed in May 2010, for the period of 2010–2013 in the form of a cooperative package of IMF and Eurozone Member State funding. The international assistance loans disbursed under the original program amounted to EUR 73 billion. Of this amount, EUR 52.9 billion was sourced from Eurozone Member States and EUR 20.1 billion from the IMF.

(7) Note: most of the data referred to in this sub-section is drawn from the IMF Country Report No. 12/57 (March 2012), and European Commission Occasional paper on Greece March 2012, Source: European Commission.

The main elements of the Second Program were as follows:

- Direct measures to improve Greek competitiveness through an internal devaluation comprising making collective bargaining more effective, reducing the minimum wage by 22%, lowering non-wage labor costs, and liberalizing product and services markets according to Organization for Economic Co-operation and Development ("OECD") guidelines.

- A front-loaded additional fiscal adjustment for the 2013–14 period primarily based on structural expenditure reforms, permanent revenue measures and improvements in tax collection had been specified with a view to reach, a surplus in the primary general Government budget of 1.5% of GDP by the end of 2014.

- Measures to restore financial sector stability. Significant resources—EUR 48.2 billion, according to the IMF report "2nd Review of the program" embedded in IMF Country Report No. 12/57 (March 2012)—were disbursed in 2012 and 2013 to help Greek banks build sufficient capital buffers to cope with the impact of the recession on their portfolio quality and of the restructuring of Government debt. Around EUR 37.3 billion of those funds were used for Greek banks' recapitalization and resolution costs through 2013. Under the terms of the banks' recapitalization, the desire for private sector management and effective control of the banking sector was to be balanced with the need to safeguard the taxpayers' significant capital injection.

The adjustment process also contemplated the successful completion of an ambitious privatization agenda. Similarly, the structural reform agenda included measures to increase fiscal efficiency, strengthen Greece's institutional capacity and improve efficiency of the labor, product and service markets.

Eurogroup decisions of 27 November 2012 (Source: Eurogroup Statement on Greece, 27 November 2012) on the disbursement of pending financing for 2012 under the Second Program, the coverage of medium-term funding gap and the provision of additional sovereign debt relief.

On 27 November 2012, the Eurogroup's finance ministers and the IMF Managing Director provisionally agreed to disburse EUR 43.7 billion of the pending EU tranches (for 2012) of the Second Program for Greece and agreed to offer Greece some additional debt relief with a view to counteracting the adverse impact of sharper-than-expected macroeconomic conditions and the slower build-up of a primary surplus of 4.5% of GDP (estimated according to updated program assumptions to be achieved in 2016 or two years later than envisaged in the original program of economic support for Greece). The agreement involved a combination of additional measures to reduce the debt servicing burden and related funding needs of the Hellenic Republic including: interest rate cuts on bilateral loans; a 10-year interest payments deferral on EFSF loans; and refund to Greece of ECB/national central banks' profits on Greek bond holdings. These measures aimed at providing sufficient liquidity to the Government to fully cover the funding gap until mid-2014—following the use of about EUR 10 billion of funding for the financing of the repurchase by the Hellenic Republic of its own debt securities in December 2012 (Source: IMF Country Report No. 13/20, January 2013). In this context, the deadline for the achievement of a primary surplus of 4.5% of GDP was extended from 2014 to 2016.

In addition, a debt buyback was introduced as part of the debt-reduction strategy, resulting in a reduction in Greek government debt of EUR 21.1 billion in net terms. The PSI and the debt-buyback were the key building blocks of the Greek sovereign debt reduction strategy in conjunction with the official creditors' commitment in the Eurogroup of 27 November 2012 to provide additional debt relief to the Greek State which has been conditioned on the progress in program implementation and the achievement of the respective fiscal targets. These developments provided a considerable boost to the economic sentiment (Source: European Commission, Indicators of confidence and economic sentiment, October 2014) and have been accompanied by a gradual improvement in economic conditions in 2013 and most part of the first half of 2014 (when the economy showed positive annual economic growth of +0.7% year-over-year in full year 2014, Source: EL.STAT, Annual National Accounts Press Release, October 2017).

However, by the end of the second quarter of 2014 significant delays occurred in the completion of the pending since mid-2014, second program review, attributed to delays in implementation of structural reform and fatigue in fiscal adjustment effort (Source: Ministry of Finance, General Government Monthly Data, December 2014), which inhibited the disbursement of related financing of up to EUR 7.2 billion according to the original funding plan. The unsuccessful conclusion of the Presidential Election - ahead of the termination of the President's term in March 2015- led to a snap Parliamentary election on 25 January 2015, which resulted in the formation of a new coalition government with a stable parliamentary majority.

Macroeconomic developments from the fourth quarter of 2014

On 8 December 2014, (Source: Eurogroup Statement, 8 December 2014), the Eurogroup agreed to withhold the disbursements due under the Second Program of financial support of the Hellenic Republic and announced a "technical extension" of this program to end February 2015 of the EU side of the Second Program, initially set to be completed by the end of 2014.

On 20 February 2015, the Eurogroup agreed to a four-month extension of the Master Financial Assistance Facility Agreement ("**MFFA**") underpinning the Second Program (Source: Eurogroup Statement, 20 February 2015). Pursuant to the agreement to extend the MFFA, the Greek government presented a list of new reform proposals, which had been planned to be discussed with official creditors and agreed with the Institutions by the end of April 2015, with a view to set the groundwork for policy conditionality which could support a further extension of the existing program or related to the transition to a new program of financial support. However, the agreement with the Institutions was

not finalized and the pending review of the financial assistance program was not completed by June 2015. This resulted in further weakening of economic sentiment and intensifying financing shortages for the Hellenic Republic. Rising liquidity constraints and the absence of any external financing amplified uncertainty over the Greek government's ability to meet its domestic obligations as well as upcoming repayments on both official and marketable debt in the period June–August 2015.

The Greek government called a referendum on 26 June 2015 which took place on 5 July 2015, in which Greek citizens voted not to accept a set of conditionality terms imposed by lenders for extending a new financing agreement. On 30 June 2015, the MFFA and the Second Program, which had already been extended twice, expired without an agreement on a follow-up program. As a result, Greece had to forfeit access to the remaining EUR 12.7 billion of available funding through the EFSF (including the remaining EUR 10.9 billion buffer earmarked for bank resolution and recapitalization) (Source: EFSF Statement, 30 June 2015). Consequently, Greece did not repay EUR 1.5 billion in payments due to the IMF on 30 June 2015 and the IMF's Executive Board declared that Greece was in arrears with the fund (Source: IMF, Press Release, 30 June 2015).

In response to escalating Greek sovereign risk the ECB Governing Council decided to maintain the ELA ceiling for the Greek banking sector at an unchanged level of approximately EUR 89 billion (since 26 June 2015, Source: ECB, Press Release, 28 June 2015), limiting any additional access of Greek banks to ELA financing in a period of extremely high cash withdrawals from Greek banks (Source: Bank of Greece, Monthly Balance Sheet, June 2015). Against this backdrop, confidence in the banking system evaporated, leading to the decision for the imposition of a bank holiday on 28 June 2015. Although the bank holiday terminated on 19 July 2015, the capital controls remain in place. See "*Regulation and Supervision of Banks in Greece—Capital Controls applying to banks operating in Greece*".

The Third Program

In view of the severe economic and financial disturbance that appeared to threaten the continued membership of the Hellenic Republic in the European Monetary Union and the EU, the Greek government officially requested financial assistance from the European Union on 10 July 2015 (Source: European Commission's proposal for a council implementation decision on granting short term European Union financial assistance to Greece under a new program from the ESM), with a view to restoring confidence and enabling the return of the economy to sustainable growth, and safeguarding the country's financial stability. The Greek government submitted a draft proposal of the new economic and financial adjustment program to the European Commission and the Council on 14 July 2015. The Eurogroup on 16 July 2015 (Source: Eurogroup Statement, 16 July 2015) on the basis of a positive assessment by the Institutions decided to grant "in principle" a three-year ESM stability support to Greece.

On 19 August 2015 - and following the Eurogroup Statement of 14 August 2015 (Source: Eurogroup Statement, 14 August 2015) - the Board of Governors of the ESM approved the proposal for a Financial Assistance Facility Agreement (FFA, Source: ESM Statement, 19 August 2015) with Greece, and adopted a Memorandum of Understanding with Greece (Source: European Commission, Memorandum of Understanding, 19 August 2015). The MoU and FFA together constitute the "Third Program" and specify the relevant deliverables that must be successfully implemented and on which the total amount of financial assistance will depend.

The Third Program aims to achieve sustainable fiscal consolidation and promote key structural reforms—predominantly designed by the Greek Government – that enhance Greece's long-term growth potential and promote social cohesion. The program is accompanied by a new financial assistance agreement that provides financing of up to EUR 86 billion to cover the external financing needs of the Hellenic Republic until mid-2018 – including the State contribution to bank

recapitalization. The disbursement of this financing is conditional on periodic reviews of Greece's progress in implementing agreed measures and reforms. As of the date of this Annual Report, the participation of the IMF in the funding relating to the Third Program has not been specified. The financing of up to EUR 86 billion is only indicative, and may be considerably lower since bank recapitalization funding from the Third Program resources has been significantly smaller than anticipated at the time of the agreement on the Third Program. In this respect, it should be noted that the comprehensive assessment of Greek systemic banks released on 30 October 2015 identified a system-wide shortfall of EUR 4.4 billion in the baseline scenario and EUR 14.4 billion in the adverse scenario of the stress test. The official sector has participated in the recapitalization through the HFSF with only EUR 5.4 billion – compared with a total financing that has been earmarked of up to EUR 25 billion under the Greek financial support program – with the participation of private investors limiting further the use of earmarked program funding. Accordingly the Hellenic Republic's funding needs for the period 2016–2018 are limited to below EUR 60 billion compared to the initial estimate and a respective Third Program financing envelope of EUR 86 billion (Sources: ESM Statement, 22 December 2015 and European Commission, Compliance Report The Third Economic Adjustment Programme for Greece, Second Review, June 2017).

Furthermore, the Eurogroup of 25 May 2016 committed to provide new conditional concessions with a view to ensuring debt sustainability by agreeing on a package of debt measures, which will be phased in progressively and subject to the pre-defined conditionality under the ESM program. These measures include, *inter alia*, a smoothening of payment profiles and design of other debt-management and re-profiling measures in the short, medium and long-run in order to extend further the effective maturities, lower medium-to-longer-term debt servicing costs and effectively reduce the net present value of the outstanding Greek debt (Source: Eurogroup Statement on Greece, 25 May 2016).

Moreover, the Eurogroup on 25 May 2016 agreed on a contingency fiscal mechanism as a prerequisite for the successful completion of the first review of the Third Program and the Greek government legislated this mechanism in May 2016, with a view to enhance longer-term credibility. This mechanism provides for automatic triggering a set of corrective measures in the case of objective evidence that there is a failure to meet the annual primary surplus targets according to the program. These measures include automatic reduction of non-discretionary expenditure and the corresponding claims, as well as selected reductions in discretionary expenditure. If measures enacted have a temporary nature when the mechanism is triggered, permanent structural measures agreed with the institutions, including revenue measures, should become effective in the year thereafter, as part of the regular budgetary process, in order to bring the budget implementation back on track (Source: European Commission, Supplemental Memorandum of Understanding, June 2016).

Eurogroup of 5 December 2016 (Source: Eurogroup Statement on Greece, 5 December 2016) endorsed the implementation of the short-term debt relief measures which mainly include: i) a smoothing of future debt repayments profile through the lengthening of the repayment schedule of official loans from the European Financial Stability Facility (EFSF) to 32.5 years from the existing 28 years, ii) a reduction of interest rate risk through debt swaps by the ESM with a view to stabilize the ESM's overall cost of funding and, thus, reduce the risk that Greece would have to pay higher interest rates on its loans in the future. Moreover a prospective bond exchange of floating rate notes used for Greek banks' recapitalization for fixed-rate notes with much longer maturities has been suggested, iii) The European Stability Mechanism (ESM) has decided to finance its future disbursements to Greece under the Third Program with the issuance of long-term notes that closely match the maturities of loans to Greece, stabilizing the related interest rate costs for Greece. Finally, the waiver of the step-up interest rate margin applying to the €11.3 billion tranche of the EFSF loans under the Second Program used to finance a debt buy-back has been maintained for 2017.

According to ESM estimates (Source: Transcript of statement by ESM Managing Director K. Regling in the Press conference following Eurogroup meeting, 5 December 2016) the prospective benefit from the implementation of the above short-term debt relief measures on Greece's gross public debt is estimated at 20% of GDP by 2060, while contribute to a reduction of the longer-term financing needs

of the Greek State closer to sustainability threshold – decided by the Eurogroup – of 15% of GDP during the post-programme period for the medium term, and below 20% of GDP after that.

The recorded progress of the Hellenic republic in Third Program implementation paved the way for the disbursement of several trances of the Third program financing. More specifically, on 20 August 2015, the first sub-tranche of EUR 13 billion of the Third Program was disbursed to cover budget financing and debt servicing needs of the Hellenic Republic, EUR 10 billion in ESM notes were made immediately available for bank recapitalization and resolution purposes of which EUR 5.4 billion have been used for bank recapitalization in November 2016 (while the remaining EUR 4.6 billion were not used and the notes were subsequently cancelled) and another EUR 3 billion have been disbursed (in two sub-tranches) in November-December 2015, following the completion of a set of prior actions (Source: ESM Press Releases, 20 August 2015, 24 November 2015 and 23 December 2015). On 17 June 2016 and following the successful completion of the first review of the program, the Board of Directors of the ESM authorized the second tranche of ESM financial assistance to Greece amounting to EUR 10.3 billion -- for debt servicing obligations and arrears clearance -- which was disbursed in two subtranches of EUR 7.5 and EUR 2.8 billion in June and October 2016, respectively (Source: ESM Press Releases, 17 June 2016 and 25 October 2016). Finally, a third tranche, amounting to EUR 8.5 billion, has been approved by the ESM Board of Directors, following the successful completion of the second review of the program, and has been disbursed in two subtranches of EUR 7.7 and EUR 0.8 billion in July and October 2017, respectively (Source: ESM Press Releases, 7 July 2017 and 26 October 2017).

Fiscal adjustment and pension system viability

The deterioration in macroeconomic conditions in 2015 due to higher uncertainty, the further pressure on liquidity conditions from the capital flight and the imposition of capital controls, and the potential implications of the above for the economic and fiscal trends in the following years were taken into account in designing the fiscal adjustment strategy. The planned fiscal adjustment path under the Third program has been more gradual compared to the previous program, with the targeted annual improvement in primary balance of the general government budget (i.e. the annual change in primary surplus as per cent of nominal GDP) set at 0.75% of GDP in 2016, 1.25% in 2017, and 1.75% in 2018 that correspond to primary surplus levels of 0.5% of GDP in 2016, 1.75% in 2017 and 3.5% of GDP in 2018 and beyond (Source: Memorandum of Understanding, 19 August, 2015). In this regard, the recessionary impact of the program in 2016–2018 is expected to be milder than in the previous two programs (Source: National Bank of Greece ("NBG"), Economic analysis estimates, Greece Macro View, October 2015). Actually, GDP contraction in 2015 (-0.3% year-over-year, Source: EL.STAT., Annual National Accounts Press Release, October 2017), was significantly milder than the forecasts published in the third quarter of 2015 (-2.3%, year-over-year, Source: European Commission, Debt Sustainability Analysis, July 2015).

The fiscal adjustment strategy is planned to be achieved primarily through a combination of upfront fiscal reforms and new interventions in the pension system. The cornerstones of the adjustment on the revenue side are: a) an effective increase of about 2% in the effective VAT rate through the transition of almost one-fifth of goods and services to the higher VAT rate of 23% (since 20 July 2015), which was then raised to 24% as of 1 June 2016 and intensification of effort to reduce tax evasion, and b) parametric and qualitative changes in 2016 of the tax system that involve an increase in personal income tax progressivity, reforms in the taxation of farmers, self-employed, corporates and other sources of non-wage income and sustainable gains in tax efficiency. Most of these measures have been fully implemented until mid-2017, while other tax policy reforms, such as the alignment of property (tax) assessment zonal values with market prices or the review of all business income tax incentives, are planned to be implemented under the completion of the third review of the Third program. Government revenue is also expected to be supported by structural fiscal reforms aimed at strengthening tax compliance and fighting tax evasion by capitalizing on the increasing technical capabilities for verifying wealth profiles and income flows.

New savings from further interventions on the pension system correspond to a core aspect of the fiscal strategy for 2016–18 with a view to ensuring the medium-to-longer term sustainability of the social security system and minimizing near-term financing gaps of social security entities through additional parametric changes in conjunction with measures to increase the efficiency and the incentives structure provided by the system. In this respect, the Third Program also outlines a new round of changes in the pension system, primarily focusing on the complete implementation of provisions of the relevant laws of 2010–2011 and new amendments focusing on minimizing the impact of remaining exemptions, increasing disincentives for early retirement and further rationalizing wage replacement ratios for new retirees. These changes aim at minimizing fiscal pressures and improving the efficiency and long-term viability of the system.

Financial stability and soundness

Safeguarding financial stability is one of the four pillars under the Third Program, acknowledging the critical role that a stable and sound banking system must play during the recovery process. The 2015 Comprehensive Assessment was finalized on 30 October 2015 specifying the additional capital needs of systemically significant Greek banks at EUR 4.4 billion in the baseline scenario and EUR 14.4 billion in the adverse scenario of the stress test. In turn, the banks undertook capital raising exercises during the fourth quarter of 2015, with the recapitalization process completed by the end of 2015 (Source: ESM Statement, 8 December 2015).

Moreover, a comprehensive strategy for addressing non-performing loans and related changes in the legal framework have taken place in 2016 (such as amendments of corporate bankruptcy law) and in 2017 (such as the amendment of the "Dendias Law", the legislation regarding the out-of-court settlement and electronic auctions) and are planned to be finalized until end-2017, permitting banks to cope more effectively with problematic loans, protect the weakest income groups and, at the same time, release vital financial resources to finance the economy during the recovery process. Finally, a number of measures intended to improve the governance of the HFSF and the Greek banks have been legislated in 2016 and are expected to be fully implemented until the end of 2017.

Structural reforms in labor, product and services markets to enhance competitiveness and growth and sustainable progress in privatization strategy

The third pillar of the Third Program focuses on a number of wide ranging reforms in labour and product markets to enhance competitiveness along with the growth-enhancing implications of the ambitious privatization strategy. In recent years, major changes have been made to Greek labor market institutions and wage bargaining systems to make the labor market more flexible and efficient. On this basis, the Greek authorities have announced their commitment to launching a consultation process to review a number of existing labor market frameworks, including collective dismissal, industrial action and collective bargaining, taking into account best practices internationally and in Europe. Furthermore, an integrated action plan has been adopted under the second Program review, with a view to fight undeclared and under-declared work in order to strengthen the competitiveness of legal companies and protect workers, as well as raise tax and social security revenue.

The Greek government authorities have also been committed to improve public administration and judicial system efficiency. The latter aims at effective implementation of the Greek Civil Procedure Code (adopted in July 2015), rationalization of court fees and implementation of measures to reduce the backlog of cases in administrative and civil courts.

The Greek Government has also committed to facilitate the privatization process and complete all needed Government actions to allow tenders to be successfully executed. In line with the statement of the Euro Summit of 12 July 2015, a new independent fund has been established and has under its management a sizeable portfolio of the Hellenic Republic's assets. The "overarching objective of the fund is to manage valuable Greek assets; and to protect, create and ultimately maximize their value which it will monetize through privatizations and other means" (Source: Memorandum of

Understanding, 19 August 2015). The privatizations fund has been established in Greece and is planned to be managed by the Greek authorities under the supervision of the relevant European institutions and is expected to fulfill its objective by adhering to international best practices in terms of governance, oversight and transparency of reporting standards, and compliance.

For risks relating to the Hellenic Republic economic crisis and the impact it may have on the Bank, see "*Risk Factors—Recessionary pressure and uncertainty resulting from the Hellenic Republic's economic crisis and the challenging effort to restore macroeconomic equilibrium have had and may continue to have an adverse impact on the Issuer's business, results of operations and financial condition"* and *"—Deteriorating asset valuations resulting from poor market conditions may adversely affect the Issuer's business, results of operations and financial condition and may limit its ability to post collateral for funding purposes from Eurosystem"*.

Implementation of the Capital controls and "Bank Holiday"

Greek depositors (especially households) withdrew EUR 54.1 billion of bank deposits between November 2014 and June 2015 (of which EUR 31.9 billion were household deposits, EUR 7.8 billion were non-financial corporation deposits, EUR 5.3 billion were general government deposits and around EUR 4.0 billion non-resident deposits), with withdrawals peaking in late-June 2015, when the standstill in negotiations had become evident. The significant reduction in the banking system's deposit base and the loss of access to private funding markets were covered by a net increase in Eurosystem financing (including the ELA) of EUR 81.7 billion in the same period (Source: Bank of Greece, Monthly Balance Sheet, November 2014 and June 2015). Total dependence peaked at EUR 126.6 billion in June 2015, of which EUR 86.8 billion corresponded to ELA.

However, due to the further deterioration in liquidity conditions in the Greek banking sector, the non-timely servicing of a maturing loan to the IMF and the termination of the Second Program on 30 June 2015, without agreement on a new program, the ECB Governing Council decided to maintain the ELA ceiling for the Greek banking sector unchanged at around 89 billion (at the June 26 level) effectively inhibiting any additional access by Greek banks to the Eurosystem financing in a period of accelerating deposit withdrawals (especially in cash form, Source: ECB Press Release, 28 June 2015).

Against this backdrop, the Greek Government imposed a "bank holiday" on 28 June 2015 that lasted until 19 July 2015, and applied specific restrictions on banking and other financial transactions of Greek citizens and legal entities (jointly referred to as "capital controls", Source: Bank of Greece, Act of Legislation, 28 June 2015).

Accordingly, liquidity tensions eased somewhat in the second half of 2015, permitting a reduction in Greek banks' Eurosystem reliance by EUR 19.1 billion, to EUR 107.5 billion in December 2015 (Source: Bank of Greece, Monthly Balance Sheet, December 2015), despite the concurrent loosening of capital controls on enterprises, through higher approvals at the respective committees. Eurosystem funding declined further to EUR 82.8 billion in July 2016 and to EUR 68.5 billion in November 2016 reaching its lowest point so far of EUR 37.3 billion in October 2017 (Source: Bank of Greece, Monthly Balance Sheet, July 2016, November 2016 and October 2017).

Although there is considerable progress in the implementation of the Third Program, as noted above, macroeconomic conditions remain challenging due to the intensification of fiscal adjustment effort, the slow improvement in liquidity conditions and the lagged impact of uncertainty and the capital controls on private sector spending decisions. Moreover, the fiscal drag is expected to remain significant in 2017-2018 due to the implementation of the new fiscal measures, as agreed with official creditors in the context of the Medium Term Fiscal Strategy for 2018-2021 with a view to achieve the ambitious program target for a primary surplus in General government budget of 3.5% of GDP by 2018 (Sources: Memorandum of Understanding, 19 August, 2015 and Ministry of Finance, Medium Term Fiscal Strategy (MTFS) for 2018-2021, May 2017, in Greek).

Recent Macroeconomic Developments in Greece

After a slight decline of 0.2% year-over-year, in real Gross Domestic Product ("GDP", in constant prices), GDP growth entered positive territory in the first half of 2017 (+0.6%, year-over-year), supported by exporting activity and resilient private consumption (7.4% year-over-year and 1.0% year-over-year, respectively, in the same period). Deflation ended during this period, with the GDP deflator increasing by 0.1%, in the first half of 2017, following an annual average decline of 1.2% in 2012-2016 (Source: EL.STAT., Quarterly National Accounts Press Release, March 2017 and Annual National Accounts Press Release, October 2017). A solid improvement in a significant number of coincidence and economic confidence indicators in the second quarter of 2017 and, especially, in the third quarter of 2017 suggest that economic activity is going to gain additional traction in the second half of 2017 (Sources: Bank of Greece, Bulletin of Conjunctural Indicators, September-October 2017 and European Commission, Business and Consumer Surveys, October 2017). This trend is expected to be buoyed by inflows of the Third Program funding (including funds for general government arrears clearance), a supportive impact on disposable income from the sustainable improvement in labour market conditions (increase in employment of 2.0%, year-over-year, in 2016 and of 2.1%, year-over-year, in the first eight months of 2017, respectively, Source: EL.STAT., Labour Force Survey, Monthly Data, Press Release, December 2016 and August 2017) and a strong tourism performance – with tourism revenue growth (+12.1% year-over-year in June-August 2017, Source: Bank of Greece, Balance of Payments Press Release, August 2017) keeping up with arrivals growth (+12.5%, year-over-year, in June-August 2017, Source: Bank of Greece, Developments in the Balance of Travel Services Press Release, August 2017) – which jointly provide a significant impetus to GDP growth. Against this backdrop, real GDP growth is expected to reach +1.7%, y o y, on average, in 2017, according to the latest estimates of the European Commission and the International Monetary Fund (the "IMF", Sources: European Commission, Autumn Forecast, November 2017 and IMF, World Economic Outlook, October 2017). However, the recovery remains susceptible to downside risks related, inter alia, to the additional fiscal effort to meet the medium term fiscal targets, a slower-than-expected improvement in liquidity conditions and the still vulnerable financial position of a significant number of business entities and households, following the multiyear crisis. Adverse external factors affecting export demand or financial and monetary conditions internationally could weigh on Greece's economic performance.

Developments in the business sector, and the path of forward looking indicators (with some of these indicators reaching multi-year highs in the third quarter of 2017 i.e. Economic Sentiment Indicator reached 33 month high, whereas PMI reached a 9-year high in September) (Source: Bank of Greece, Bulletin of Conjunctural Indicators, September-October 2017, ELSTAT, Production Index in Industry Press Releases, September 2017, European Commission, Business and Consumer Surveys, October 2017 and Markit Economics, Manufacturing PMI, News Release, October 2017), have been supportive of the resilience of the export-oriented business activity and of a further improvement in GDP in the second half of 2017 on the back of gradually improving liquidity conditions, increasing employment and an increasing support from tourism. Notably, manufacturing production increased by 3.5% year-over-year in the nine months of 2017 on the back of solid production growth in export oriented sectors such as food, basic metals, chemicals and oil products (Source: EL.STAT. Production Index in Industry, Press Release, September 2017).

In the eight months of 2017, the current account is broadly balanced (0.1% of GDP), reflecting two offsetting trends: i) the strong growth in exports of goods and services (1.4% of GDP) and ii) a broadly analogous combined widening in trade deficit and primary incomes balance mainly, due to higher oil imports (Source: Bank of Greece, Balance of Payments Press Release, August 2017).

The Greek labour market showed a remarkable resilience to the new contraction in GDP, with employment expanding by a solid 2.0% year-over-year in 2016 and by 2.1% year-over-year, on average in the eight months of 2017 and the unemployment rate declined to a six-year low of 20.6% in August 2017 from 23.5% in December 2016 (Source: EL.STAT., Labour Force Survey, Monthly Data, Press Release, December 2016 and August 2017).

CPI inflation increased to 1.2% year-over-year, on average, in the ten months of 2017, marking the end of a 4-year period of negative inflation (Source: EL.STAT., Press Release, Consumer Price Index, October 2017). Fuel prices added almost 1.6 percentage points to inflation in the ten months of 2017, while the net contribution of the increase in indirect taxes in mid-2016 and early 2017 is estimated at 0.9 percentage points, on average, during this period (Source: Eurostat database and NBG estimates). Core inflation entered positive territory in March, and increased by 0.3% year-over-year, on average, in March-October, from -0.7% year-over-year, in January-February 2017 (Sources: NBG estimates based on Bank of Greece methodology). Inflation is expected to show a further increase in 2018 as economic activity will accelerate leading to a closing of the output gap and labor market conditions will improve further (Source: European Commission, Autumn Forecast, November 2017). On the fiscal front, Greece has overperformed strongly in comparison with the Third Program target in 2016, for a second consecutive year, achieving a primary surplus of 3.8% of GDP in General Government budget (according to the Program definition, Sources: EL.STAT., Fiscal data, 2nd notification, October 2017, Ministry of Finance, Draft Budget 2018, October 2017 and NBG estimates), compared to a targeted surplus of 0.5% of GDP in the same period (Source: European Commission, Memorandum of Understanding, 19 August, 2015). Greece's State budget continues to over perform in the first ten months of 2017, with the primary surplus in State budget reaching 3.1% of GDP compared with 2.8% of GDP in the first ten months of 2016 (Source: Ministry of Finance, State Budget Execution, Monthly Bulletin, October 2017). The Draft Budget for 2018, which was released in October 2017, foresees a primary surplus at a General Government level (according to Program definition) of 2.2% of GDP in FY:2017 (Source: Ministry of Finance, Draft Budget 2018, October 2017). Nonetheless, maintaining this favourable momentum in the remaining months of 2017 remains highly dependent on an increasing revenue performance, which, in turn, will weigh on private sector's financial position. The above trends, increase the credibility of the adjustment effort for 2018, when the respective Program target for the primary surplus is particularly demanding (3.5% of GDP). In fact, the Draft Budget, foresees a general government primary surplus of 3.6% of GDP in 2018, which will be supported by the implementation of new fiscal measures combined with favourable cyclical and efficiency effects on public revenue and spending (Source: Ministry of Finance, Draft Budget 2018, October 2017). Nonetheless, the achievement of this target is expected to have, again, a negative impact on economic activity in 2018.

A second Supplemental Memorandum of Understanding ("SMoU") – following the one signed on 16 June, 2016 -- containing key aspects of the medium-term fiscal strategy has been agreed and signed in July 2017, following the completion of the second review of the Third Program in June 2017. This agreement followed the legislation and implementation by the Greek government of a new set of fiscal and structural policies and a list of related prior actions, that led in late May and early June 2017 to a positive assessment by the Institutions of the progress in completing the second review of the Third Program, which has been confirmed by the Eurogroup of 15 June, 2017 (Source: Eurogroup Statement on Greece, 15 June, 2017). In this context, a set of additional fiscal measures – comprising income tax reform and a new round of interventions in the pension system – has been pre-legislated in May 2017 and is planned to take effect in 2019-2020. The agreement provides for the possibility of activation of some offsetting expansionary measures in the event of a fiscal overperformance in these years. Accordingly, the risk of imposition of additional fiscal pressure is expected to remain evident in the following years in the event of slippage from fiscal targets in 2018 (Source: Ministry of Finance, Medium Term Fiscal Strategy (MTFS) for 2018-2021, May 2017, in Greek). In this vein, it should be noted that the Eurogroup on 25 May 2016 agreed on a contingency fiscal mechanism as a prerequisite for the successful completion of the first review of the Third Program and the Greek government legislated this mechanism in May 2016, with a view to enhance longer term credibility by ensuring the sustainable achievement of future fiscal targets. This mechanism provides for automatic triggering of a set of corrective measures in the case of objective evidence that there is a failure to meet the annual primary surplus targets according to the Program and could weigh on economic performance looking forward (Source: Eurogroup Statement on Greece, 25 May 2016).

The General Government debt to GDP ratio reached 180.8% in 2016 and is estimated to decline to 179.6% in 2017 and follow a downward trend by end-2018 onwards, according to the estimate of

European Commission's forecasts (Source: European Commission, Autumn Forecast, November 2017). However, the above development is conditional on the pace of GDP growth and the achievement of fiscal targets, while a sustainable reduction of gross debt as per cent of GDP is highly dependent on the provision of additional concession from official lenders, especially as regards the EFSF and ESM loans. As regards the issue of Hellenic republic's debt sustainability, the Eurogroup of 25 May, 2016 committed to provide new conditional concessions with a view to lower medium-to-longer term debt servicing costs by agreeing on a package of debt measures, which will be phased in progressively and subject to the pre-defined conditionality under the ESM Program (Source: Eurogroup Statements on Greece, 25 May, 2016). In this context, the Eurogroup of 9 May, 2016 outlined the following general guiding principles for a potential provision of additional relief in Greece's public debt servicing burden: (a) facilitating market access; (b) smoothing the repayment profile; (c) incentivizing the country's adjustment process even after the Program ends; and (d) flexibility to accommodate uncertain GDP growth and interest rate developments in the future. The new debt measures have been planned to include, inter alia, a smoothening of payment profiles and design of other debt-management and re-profiling measures in the short, medium and long-run aiming at extending further the effective maturities, lower medium-to-longer-term debt servicing costs and effectively reduce the net present value of the outstanding Greek debt (Source: Eurogroup Statements on Greece, 9 May, 2016).

As regards to the recent disbursements of Program financing, following the completion of the second review of the Third Program in June 2017, the Institutions decided the disbursement of the third tranche of the ESM Program amounting to €8.5 billion "to cover current financing needs, arrears clearing, and possibly room to start building up a cash buffer" (Source: Eurogroup Statement on Greece, 15 June 2017). The amount has been planned to be released in various instalments. More specifically, the first instalment of this tranche has already taken place (on 10 July, 2017), following the ESM Board approval on 7 July, 2017, and amounts to €7.7 billion, of which €6.9 billion to be used to repay maturing debt and the remaining €0.8 billion for arrears clearance (Source: ESM, Press Release, 7 July, 2017). The disbursement of an additional instalment for arrears clearance in the amount of €0.8 billion, was approved by the ESM Board of Directors on 26 October 2017, following the compliance with the Program requirements concerning the clearance of arrears (Source: ESM, Press Release, 26 October, 2017).

The Eurogroup of 5 December, 2016 endorsed the implementation since early 2017 of a first set of short-term debt relief measures agreed in principle in the Eurogroup meetings of 9 May and 25 May, 2016, when the Eurozone countries stated that they stand ready to consider, if necessary, "possible additional debt measures aiming at ensuring that Greece's refinancing needs are kept at sustainable levels in the long run (Source: Eurogroup Statement on Greece, 9 May, 2016). The Eurogroup of 5 December 2016 also agreed to establish a benchmark for assessing sustainability of the Greek debt, based on the Hellenic Republic's annual gross financing needs "GFNs" related to the servicing costs of the Hellenic Republic's total debt. The Eurogroup decision had foreseen a sequenced approach, whereby a package of debt measures could be phased in progressively, as necessary to meet the agreed benchmark on gross financing needs and subject to the pre-defined conditionality of the ESM Program (Source: Eurogroup Statement on Greece, 5 December, 2016). According to ESM estimates, the prospective benefit from the implementation of the above short-term debt relief measures on Greece's gross public debt is estimated at 20 percentage points of GDP by 2060, while contribute to a reduction of the longer-term financing needs of the Greek State closer to sustainability threshold -- decided by the Eurogroup -- of 15% of GDP during the post-program period until 2040 and the vicinity of 20% of GDP post 2040 under two of the four alternative scenarios of the European Commission's updated debt sustainability analysis "DSA". However, these estimates continue to be surrounded by uncertainty related to macroeconomic and financial market conditions as referred in the respective "DSA" documentation (Source: Compliance Report, Second Review, June 2017).

In this context, the Eurogroup of 15 June, 2017, repeated the assessment of debt sustainability on the basis of gross financing needs ("GFN") and stated that it stands ready to implement a second set of debt measures to the extent needed to meet the GFN objectives. These measures will be implemented

at the end of the Program in 2018, conditional upon its successful implementation and their "exact calibration will be confirmed at the end of the Program by the Eurogroup on the basis of an updated DSA". In order to take into account possible differences between GDP growth assumptions and actual growth developments over the post-program period, the Eurogroup decided that "the EFSF loans re-profiling could be recalibrated according to an operational growth-adjustment mechanism to be agreed". This mechanism will be fully specified as part of the medium-term debt relief measures, following the successful implementation of the ESM Program. According to the Eurogroup statement, these additional measures "shall not lead to additional costs for other beneficiary Member States", while future liability management operations within the current ESM Program shall take "due account of the exceptionally high burden of some Member States". For the long term, the Eurogroup recalled the May 2016 agreement that "in the case of an unexpectedly more adverse scenario, a contingency mechanism on debt could be activated. The activation of this mechanism would be considered, subject to a decision by the Eurogroup, and could entail measures such as a further EFSF re-profiling and capping and deferral of interest payments" (Source: Eurogroup Statement on Greece, 15 June, 2017).

The Executive Board of the IMF approved in principle on 20 July, 2017 a precautionary Stand-By Arrangement (SBA) for Greece amounting to 1.3 billion special drawing rights "SDR" (about EUR 1.6 billion). According to the IMF, this arrangement "will become effective only after the Fund receives specific and credible assurances from Greece's European partners to ensure debt sustainability, and provided that Greece's economic Program remains on track". The IMF acknowledges that the newly-legislated measures for broadening the income-tax base and reforming pension spending are critical to rebalancing the budget toward more growth-friendly policies and that they will help achieve an ambitious primary surplus target of 3.5% of GDP. However, the IMF considers that this fiscal target should be reduced to a more sustainable level of 1.5% of GDP "as soon as possible, to create fiscal space" for promoting economic growth and social cohesion through efficiency increasing policies. The IMF statement concludes that despite the significant progress on the structural front, Greece's overarching challenge remains the liberalization of restrictions that impair its investment climate and that "even with full Program implementation, Greece will not be able to restore debt sustainability and needs further debt relief from its European partners. A debt strategy anchored in more realistic assumptions needs to be agreed. Effectiveness of the new Stand-By Arrangement is contingent on this agreement on debt" (Source: IMF, Press Release No 17/294, 20 July, 2017).

The Greek banking system remained in deleveraging mode during 2017 (-0.8% year-over-year in September 2017), with the pace of annual contraction in the lending to private sector contracting further, albeit, at a slightly slower pace compared with end-2016 (-1.5% year-over-year in December 2016), with loans to households contracting by 2.2% year-over-year (-2.8% year-over-year in December 2016). Credit to non-financial corporates (outstanding amounts) increased marginally in September 2017 (0.1% year-over-year compared with 0.0% year-over-year in December 2016). Private sector deposits increased by EUR 4.3 billion cumulatively in 2016, with corporate deposits increasing by EUR 1.7 billion and household deposits by EUR 1.9 billion, reflecting, *inter alia*, the improvement of the economic sentiment. In the first nine months of 2017, private sector deposits increased, as well, by EUR 2.1 billion, with the period between May-September recording a EUR 4.2 billion increase -- counterbalancing the loss of the first four months of 2017 -- reflecting, mainly, a significant increase of corporate deposits amounting to EUR 2.3 billion during this period (Source: Bank of Greece, Monetary and Banking Statistics). Accordingly, the Greek banking system's financing from the Eurosystem decreased to EUR 37.3 billion in October 2017 from EUR 66.6 billion in December 2016 and by EUR 89.2 billion cumulatively since June 2015, with the Emergency Liquidity Assistance ("ELA") dependence contracting by EUR 64.0 billion, in this period (Source: Bank of Greece, Monthly Balance Sheet, June 2015, December 2016 and October 2017) also assisted by a re-opening of the interbank market (an increase of €18.4 billion in net financing in September 2017, Source: Bank of Greece, Monetary and Banking Statistics) and further deleveraging, which contributed to a reduction of the banking system's funding gap (Source: Bank of Greece, Overview of the Greek Financial System, July 2017, in Greek).

Against this backdrop, on 23 June 2017, Moody's upgraded Greece's sovereign bond rating to 'Caa2' and changed the outlook to positive, reflecting its view that the prospects for a successful conclusion of Greece's Third Program have improved, a development that raises the likelihood of provisions of additional debt relief by the official lenders. On 18 August 2017, Fitch Global Ratings upgraded Greece's sovereign rating by one notch to 'B-' and revised its outlook to positive, while S&P also revised its outlook to positive on 21 July 2017 affirming, however, its 'B-' long-term sovereign rating on the Hellenic Republic. The key drivers for the rating agencies decisions were declining uncertainty, recovering economic growth, improving fiscal credibility, alongside improving prospects for the provision of further official debt relief (Sources: Bloomberg and Moody's, Fitch and S&P press releases on Greek Sovereign outlook).

The completion of the review and the provision by Eurogroup on 15 June 2017 of further detail on the medium and longer-term strategy for ensuring sovereign debt-servicing sustainability lowered further sovereign bond yield bringing the 10-year GGB yield at a 7 1/2 -year low and contributed to a notable decline of the yields at shorter maturities, while in the period between August-October 2017, 10-year GGB yield remained stabilized at 5.5% on average (Source: Bloomberg).

On 25 July 2017, the Hellenic Republic successfully issued through syndication a new 5-year benchmark bond, alongside a tender to buy back an outstanding 5-year bond issued in 2014. This was the first attempt in 3 years to tap markets, and the total amount raised was €3.0 billion, with the coupon set at 4.375% and the implied yield at 4.625% (Sources: Greek Government Gazette (ΦΕΚ), Volume B΄, No2557/24.07.2017, July 2017, in Greek and Athex Exchange Group, Press Release "The Hellenic Republic announces the pricing of its new 2022 Notes", 25 July, 2017). The capacity of the Hellenic Republic to re-access markets for financing its maturing debt on a sustainable basis is a critical step for the return of the country to economic normalcy and thus, additional successful attempts for new debt issuance in the following quarters will be crucial for ensuring a smooth disengagement from program financing as the Third Program is planned to end in August 2018. In this respect, Greece launched a €30bn debt swap and invited all holders of the twenty outstanding Sovereign bonds issued during the PSI process which mature in the years 2023-2042 with five new bonds with longer effective maturities --5, 10, 15, 17 and 25 years -- and coupons ranging from 3.5% to 4.2%. The process is expected to be finalized until 28th November and the results are expected to provide additional information on the market assessment of Greece's capacity to access market financing in 2018. In this context, a timely completion of the Third Review, along with the provision of further detail on the specifics of the medium and long-term strategy for reducing public debt servicing costs is expected to support the efforts of the Hellenic Republic to access the markets on a sustainable basis.

Uncertainties, risks and future prospects

The official projections for a strong economy recovery in the remainder of 2017 and in 2018 (Sources: European Commission Autumn Forecast, November 2017 and IMF World Economic Outlook, October 2017) continue to be subjected to downside risk related to the additional fiscal drag from the implementation of new fiscal measures to support the achievement of a targeted primary surplus in Government budget of, at least, 3.5% of GDP in 2018 (Source: Memorandum of Understanding, 19 August, 2015) and the uncertainties regarding the path of transition to economic normalcy, following the end of the Third Program, and the capacity of the economy to refinance its debt in the markets, at competitive terms. The timeliness of specification of new interventions on Greece's debt, along the lines of relevant Eurogroup decisions, could also have an impact of liquidity conditions and general economic conditions.

The projected recovery is expected to be supported by: i) improving sentiment compared to the previous year, which will support private sector spending decisions; ii) positive tourism contribution, as indicated by the pick up in tourism revenue (9.6%, year-over-year, in the first eight months of 2017) following a weak 2016, as well as in tourism arrivals (of 9.9%, year-over-year, in the first eight months; iii) improving goods' net export trends (+8.0%, year-over-year, excluding oil products, in the first eight months of 2017); iv) supportive business and public investment activity enhanced by inflows of program funding and EU structural funds, v) an additional normalization of liquidity conditions (reflecting, *inter alia*, additional progress in the clearance of government arrears), which has already become evident in the improved pricing of large Greek corporates' debt issuance in the first nine months of 2017, as well as, in the issuance of covered bonds by Greek banks and and vi) a further easing of capital controls.

Most of the above developments are supportive of an acceleration in GDP growth in the remainder of 2017 and in 2018, however, medium term growth prospects, as well as, the pace of improvement in the private sector financial position – especially of households and less competitive enterprises – and liquidity conditions, as well as, the exact timeline for lifting capital controls, remain uncertain.

The timely completion of the third review of the Third Program, which will unlock additional funding resources in the first months of 2018, is expected to provide a considerable boost in activity and economic confidence and more than compensate for the drag from the new fiscal measures.

A potential participation of Greek assets in the ECB's quantitative easing ("QE") which is expected to expire by September 2018, would accelerate the improvement in liquidity conditions and support further economic confidence and activity. On the other hand, a significant delay in the completion of the third review could give rise to negative confidence and liquidity effects delay the relaxation of capital controls and exert additional downward pressures on collateral valuations – especially real estate – along with the considerable pressure on demand from fiscal measures.

Overview of the Macroeconomic Impact of the Capital Controls

Overall, capital controls and restrictions on cash transactions in Greece are generally considered to have affected domestic demand and small business activity since their imposition in July 2015, but the recessionary impact appears to have mitigated by the reduction in uncertainty and gradual normalization of liquidity conditions, following the activation of the Third program. See also "*Regulation and Supervision of Banks in Greece—Capital Controls applying to banks operating in Greece*".

Capital controls and constraints on cash withdrawals in Greece have created downward pressures on economic activity, albeit less severe than initially expected, contributed to an increase of cashless transactions (higher use of credit, debit cards and electronic money transfers which registered an increase of 80% year-over-year in the second half of 2015, according to estimates of the Hellenic Banks Association) and stabilized bank deposits (Source: Bank of Greece, Monetary and Banking

Statistics). The negative impact on domestic demand from the three-week bank holiday in July and restrictive limits on financial transactions has been partially offset by the pre-emptive adjustment of the business sector (liquidity and inventory hoarding since the first half of 2015) and the over-doubling in the use of cashless payments in economy-wide transactions. Moreover, falling energy prices and a strong tourism season (increase in tourism revenue of 5.5% year-over-year in 2015 or 0.4% of GDP annualized excluding second round effects, Source: Bank of Greece, Bulletin of Conjunctural Indicators, September-October 2017) also absorbed a considerable part of the recessionary shock due to uncertainty and the capital controls. Nonetheless, the sharp reduction in services revenue (-10.1% year-over-year, in 2015 and -10.4%, year-over-year, in 2016, Source: Bank of Greece, External Sector Statistics) on the back of sizeable decline in transportation and other services revenue is indicative of a still significant negative impact of capital controls on the export performance of the economy with many firms –especially in exporting services – hoarding their liquidity abroad and avoiding repatriate the proceeds from their exporting activities. The negative macroeconomic impact of capital controls – especially on external transactions – is estimated to have receded further in 2017, as exemplified by the strong expansion in services receipts from abroad (+14.2% year-over-year in the first eight months of 2017) and the increase in non-oil exports and imports of goods of 9.1% year-over-year and 7.0% year-over-year, respectively, in the first eight months of 2017 (Source: Bank of Greece, Balance of Payments Press Release, August 2017). The impact of capital controls on larger firm activity is estimated to have declined further in 2017 but remains evident in the external transactions of smaller firms. Most households are not considering capital controls and remaining restrictions on cash withdrawals as a significant constraint to their spending decisions as indicated by the sharp increase in the number and value of retail transactions made through cashless payment methods (Sources: Bank of Greece, Survey on capital controls and cash withdrawal restrictions, November 2017and ECB, Statistical Data Warehouse, Payment Statistics Report, September 2017).

The Macroeconomic Environment and the Banking Services Sector in South Eastern Europe-5 ("SEE-5", comprising Albania, Bulgaria, FYROM, Romania, and Serbia)[21]

The economies and banking sectors of SEE-5 performed well in the first three quarters of 2017.

The fundamentals and performance of the economies and the banking sectors of SEE-5 improved across the board in the first half of 2017. Indeed, economic activity gained momentum, the fiscal deficit narrowed, the external gap receded and the banking sector profitability strengthened.

Real GDP growth accelerated sharply to an estimated post-global crisis high of 5.3% year over year in the first three quarters of 2017 from 4.2% year over year in the same period a year earlier, despite a tighter fiscal stance (the fiscal deficit narrowed to 1.7% of GDP in the first three quarters of 2017 from 2.1% in the same period a year earlier, on a 4-quarter rolling basis). The acceleration was supported by both domestic and external demands. Private consumption remained the main engine of growth, underpinned by improving labour market conditions and strengthening consumer confidence. On the other hand, exports of goods and services gained steam, mainly on the back of accelerating economic activity in SEE's main trading partner – the euro area (growth is expected to reach a 10-year high of 2.2% in the euro area this year, up from 1.8% in 2016, according to the latest European Commission forecast – Autumn 2017).

On another positive note, despite unfavourable global oil prices (the price of the Brent Barrel surged by c. 33.0% on an annual basis to EUR 48.8 in the first half of 2017), the current account deficit receded to 1.7% of GDP in the first half of 2017 from 1.3% in the same period a year earlier, on a 4-quarter rolling basis -- well below the pre-global financial crisis range of 15% - 17% of GDP. The improvement reflects stronger exports, which more than offset the negative impact from higher

[21] Source: Published data from the Central Banks and the National Statistical Agencies of the related countries and processed by NBG. The SEE-5 weighted averages are based on NBG estimates of nominal EUR GDP in each country.

imports stemming from the rebound in domestic demand. Encouragingly, the quality of financing of the current acoount deficit remained sound. Indeed, non-debt generating foreign direct investments continued, for the third year in a row, to more than cover the current account deficit (106.2% in the first half of 2017).

Amid a favourable operating environment, the fundamentals and the performance of the SEE-5 banking sector improved in the first half of 2017. Indeed, the bottom line rose to an estimated €2,691 million (annualized) in the first half of 2017 from €2,357 million (annualized) in the same period a year earlier. This performance was largely underpinned by lower provisions for bad loans, in line with the moderation of the ratio of problematic loans to total gross loans (ranging between 6.8% in FYROM and 15.6% in Serbia in the first half of 2017 and 7.5% in FYROM and 20.2% in Serbia a year earlier). The downward trend in the non-performing loans reflects strengthening economic activity and, to a large extent, significant write-offs and sales of problematic loans encouraged by Central Banks. Moreover, the capital adequacy ratio improved further (ranging between 15.8% in FYROM and 22.5% in Bulgaria in the first half of 2017 and 15.6% in FYROM and 22.7% in Bulgaria a year ago). The improved asset quality and solvency bode well for a strong rebound in lending activity in the near future, in view of the region's low penetration rate (loan-to-GDP ratios ranged between 28.2% in Romania and 51.9% in Bulgaria in September 2017), especially in the retail segment (retail lending-to-GDP ratios ranged between 11.4% in Albania and 22.9% in FYROM in September 2017) and adequate liquidity ratios (the SEE-5 average loan-to-deposit ratio stood at 84.4% in September 2017).

The positive macroeconomic and banking sector performance in SEE-5 is expected to continue throughout 2018.

In view of leading indicators, economic activity is estimated to have maintained momentum in the fourth quarter of 2017, bringing full-year 2017 growth to a 9-year high of 5.2%. For 2018, the Issuer expects economic expansion to slow to 4.0% -- still above its long-term potential of 3.1% -- mainly on the back of normalizing private consumption reflecting slower employment growth and lower increases in real disposable incomes.

There are, however, downside risks to the SEE-5 positive outlook, stemming mainly from tighter global liquidity conditions and weaker-than-expected economic activity in the region's main trading, investing and financing partner -- the euro area. Indeed, stronger-than-expected growth momentum or inflation in the US could prompt the Fed to proceed with a faster or stronger monetary tightening than currently anticipated. Moreover, elevated geopolitical tensions (e.g. on the Korean peninsula and in the Middle East) could create negative effects on the rest of the world growth – including the euro area.

THE MORTGAGE AND HOUSING MARKET IN GREECE

The first mortgage lending institution, the National Mortgage Bank of Greece, was established in 1927, followed by the National Housing Bank in 1930. Both institutions were under government control, but have since been merged with the National Bank of Greece. Since then, another three institutions under government control have become active in the field of mortgage lending: the Postal Savings Bank (*Tachydromiko Tamieftirio*); the Consignment Deposits and Loans Fund (*Tamio Parakatathikon kai Daneion*); and Agricultural Bank, the first two providing loans to civil servants and the latter providing loans mainly to those in the agricultural industry. In 1985 the state monopoly of mortgage lending was ended, allowing commercial banks to enter the market, provided that their mortgage financing did not exceed 2.0% of their deposits. From the early 1990's onwards the mortgage loans market was rapidly deregulated and as a result many commercial banks operating in Greece (both foreign and national) now have a presence in this market as well as in the broader region of SEE.

As at the end of 2015, the four largest lenders in the Greek residential mortgage market were National Bank of Greece, Alpha Bank, Eurobank and Piraeus Bank together accounting for almost 100.0% of the total market.

Mortgage lending growth, which remained relatively resilient until H1:2008, followed a steep downward trend after the intensification of international financial crisis following the Lehman Brothers and the high pressures on peripheral economic crisis valuations in Q1:2009. Financial market conditions have deteriorated further since Q4:2009 and especially during 2010 when worries about Greece creditworthiness and the sizeable fiscal credibility deficit, in conjunction with turbulent market conditions, drove sovereign financing costs at pre-EMU levels. Against this backdrop, credit mortgage expansion slowed to 3.7% year over year in December 2009 and to 0.4% year over year in October 2010 falling for the first time below the euro area average since August 2010.

The pressures intensified significantly during 2010 following the eruption of the Greek crisis. The crisis took a severe toll on economic activity, household incomes and decisions for new household formation as well as on liquidity conditions and economic sentiment, giving rise to a period of severe adjustment in the real estate market that continued until Q2:2017. Following the Hellenic Republic's loss of access to market financing in April 2010, a Program of financial support (the 1st Program) from the EU and the IMF under certain policy conditionality was activated in May 2010 for restoring significant fiscal imbalances and implementing an agreed set of structural reforms. A second program was activated in March 2012 which was terminated in July 2015 and followed by a third program activated in August 2015 based on financing provided by European Stability Mechanism (ESM) under the surveillance of the EU, ECB and the IMF and has been planned to provide financing for covering the needs of the Greek state until mid-2018, under a new set of conditions relating to the achievement of fiscal and structural adjustment targets during this period.

In this environment, the Greek real estate market suffered a severe adjustment. House prices declined by 42.4% cumulatively between Q3:2008 and Q3:2017, while commercial prices (for which data are only available from 2010 until H2:2016) by 29.8% (Source: Bank of Greece, Real estate database), as a result of sharply deteriorating macroeconomic and financial conditions. The adverse macroeconomic and market conditions, led to a sharp reduction in supply and demand of mortgage loans and triggered a protracted period of deleveraging that continues until end-2017, during which the outstanding stock of mortgage loans declined by €2.0 billion in the first nine months of 2017, to €59.1 billion in September 2017, following a €6.2 billion decline in FY:2016. The cumulative decline between the peak of €81.1 billion in mortgage loan balances in 2010 and

their level in September 2017 reached €22.0 billion or 27.2% of outstanding balance in 2010 (Source: Bank of Greece, Monetary and Banking Statistics).

Mortgage Products

The Greek mortgage market is characterised as a matured market, with fairly standard products on offer, although, in the last few years, this has further expanded to include a variety of newer and more sophisticated products, due to increasing demand from borrowers and strong competition among lenders. Currently, most banks offer the following mortgage products:

(a) long-term fixed rate mortgages (accounting for a small percentage of the market);

(b) medium-term fixed rate mortgages for an initial period up to 15 years, converting to a floating rate thereafter;

(c) floating rate mortgages, based on EURIBOR or ECB refinancing rates;

(d) mortgages with floating rates which are subsidised up to a certain amount and for a specific period of time by the Greek States; and

(e) preferential floating rate mortgages granted in favor of the banks' employees.

Typically, mortgage loans have a term of 15 to 30 years, although the maximum term is 40 years. Annuity loans are the most common form of repayment, while interest-only loans account for only a very small proportion of total loans.

The Greek Housing Market

Real estate has long been one of the pillars of economic growth in Greece in previous decades. In this respect the residential property market traditionally played a relatively more important role in the Greek economy compared with most other euro area countries: The estimated value of household wealth held in residential real estate was 510.0% GDP by end-2009, compared with 430.0% of GDP for the euro area as a whole (Source: Bank of Greece estimates) and residential investment accounted for a relatively large share of total investment for almost 5 decades. In 2007, the share of residential investment in GDP reached the highest point for this decade of 9.9% of GDP (Source: EL.STAT. Database). Apartments are the most common type of property available, with maisonettes and detached houses being usually restricted to the more affluent city areas.

Strong disposable income growth and low real interest rates, in addition to positive demographic trends between the early 1990s and 2006, related mainly to the significant increase in the immigrant population (which has increased to an estimated 10.0% of the total population from less than 4% in the late 1980s) and have prompted an acceleration in the pace of new household formation since the early 1990s (Source: ELSTAT population census data, several releases). This trend also reflected other supportive socioeconomic factors relating to changes in the traditional family structure during the same period, with younger members preferring to live on their own and the growth in secondary/holiday homes. The average household size has decreased to 2.7 persons in 2006 from 2.8 in 1999 and 3.1 in 1994, remaining above the euro area average of 2.4 (Source: Eurostat Database).

In this vein, the average growth in private sector disposable income reached 6.6% per annum in the period 1996-2007 (a cumulative growth of 96.5% between 1996 and 2007 and 58.5% between 2000 and 2007, Source: EL.STAT., Annual Non-Financial Sector Accounts, November 2017) and financial conditions showed an unprecedented improvement reflected in rapidly falling lending interest rates and strong credit expansion to the private sector that followed the participation in the euro area since 2000. In particular, mortgage lending showed a steady expansion of 26.9% per year, on average, in 2003-2007, starting from a very low base in the early 2000s (Source: Bank of Greece, Monetary and

Banking Statistics). The sharp decline in lending rates that has accompanied the EMU participation (about 800 bps between 1998 and 2002) and higher growth in disposable income have been the main drivers of mortgage credit expansion. At the same time, the sufficient liquidity buffers of the Greek banking system reflected in the relatively low loan-to-value (LTV) ratio for the most part of the previous decade (74.2% between 2001 and 2008, Source: Bank of Greece, Monetary and Banking Statistics) permitted bank loan supply to keep up with strong demand. Against this backdrop, house prices increased by 66.1% cumulatively at an economy-wide level between 2001 and 2008, being broadly in line with cumulative increases in nominal GDP and private sector disposable income of 59.0% and 55.8%, respectively, in the same period (Sources: ECB, Statistical Data Warehouse, EL.STAT. Database and Annual Non-Financial Sector Accounts, November 2017). Moreover, significant infrastructure projects, in conjunction with demand for dwellings of higher quality, have also supported demand and translated into a solid upward trend in construction activity until 2007.

The first signs of significant weakening in residential construction activity, credit demand and a slowing in house price growth were registered by end 2007, along with occurrence of the international financial crisis. The slowdown has been transformed into a sharp market adjustment following the eruption of the Greek crisis in 2009, which took a severe toll on economic activity, household incomes and decisions for new household formation as well as on liquidity conditions and economic sentiment. The reduction in residential valuations and activity has been particularly protracted and continued until Q2:2017, when the latest data are available.

House prices declined by 42.4% cumulatively between Q3:2008 and Q3:2017, reflecting a broad based deterioration in private sector's financial position, increasing property taxes and deleveraging. The above adjustment in the residential market already exceeds the cumulative contraction in key drivers of residential valuations, such as the real GDP and nominal disposable income of households, which recorded cumulative declines of 25.9% and 33.0%, respectively, in Q2:2008-Q2:2017 (Sources: EL.STAT., Quarterly National Accounts, September 2017 and EL.STAT., Quarterly Non-Financial Sector Accounts, second quarter 2017). According to the quarterly national accounts data on fixed investment, total investment in construction declined by 68.4%, year over year, cumulatively, in Q2:2008-Q2:2017, with residential construction declining by 93.7%, year over year, cumulatively, in this period (Source: EL.STAT. database). The average number of transactions in the residential market (with bank intermediation) dropped to 3,051 in H1:2015 from 39,284 in H1:2007 (Source: Bank of Greece, Real estate database) and the annual volume of building permits issues declined to 11.670 thousand cubic meters in 2013 and to 10,210 thousand cubic meters in 2016 and stood at 7,004 thousand cubic meters in the first seven months of 2017 (Source: EL.STAT., database). The share of total construction and residential investment in GDP declined steadily in the 9 years to 2016, with total construction remaining to historical lows (5.2% of GDP in 2015 and 5.3% of GDP in 2016) and residential investment reaching a historical low of 0.7% of GDP in 2016. This trend continued in the first six months of 2017 with residential investment declining further to 0.6% of GDP (Source: EL.STAT., database).

On the demand side, the sharp adjustment in prices reflected a significant reduction in households' disposable income between 2009 and 2016 (-34.2%, per annum, Source: EL.STAT., Annual Non-Financial Sector Accounts database), mainly due to the decline in employment (-19.2%, year over year, in the same period, Source: EL.STAT. database) and a sharp adjustment in economy-wide wages of 20.2%, cumulatively, in the same period (Source: EL.STAT., Press release, Index of Wages Cost, June 2017). Similarly, corporate profitability, as approximated by national accounts data (gross operating surplus of non-financial corporates), contracted by 32.2%, year over year, in this period (Source: EL.STAT., Annual Non-Financial Sector Accounts database), weighing negatively on non-residential construction. The significant increase in property taxation (from 0.2% of GDP in 2009 to 2.1% of GDP in 2016, Source: Ministry of Finance, State Budget Execution Monthly Bulletin, December 2009 and December 2016 and NBG estimates), in conjunction with high risk aversion and expectations of a further decline in prices, weighed further on investment decisions and amplified the downward pressures on prices.

Supply-side tensions have been also considerable, as the eruption of the crisis coincided with the completion of a significant number of projects related to the historical peak in building permit issuance in late 2006. This supply, in conjunction with sales of secondary residences and/or property held for investment purposes (including rented) under the pressure of falling incomes and higher taxation, amplified the adjustment in prices.

The turbulent financial environment has also weighed on real estate market conditions. Self-reinforcing pressures from recession and high uncertainty, in conjunction with a broad-based restructuring of the Hellenic Republic's sovereign debt (PSI, private sector initiative in February 2012, Source: Eurogroup Statement, February 21, 2012) and a subsequent debt buyback (December 2012, Source: Eurogroup Statement on Greece, 27 November 2012), which included the government bond holdings of Greek banks, have taken a severe hit on Greek banking system liquidity conditions and portfolio quality. The successful restoration of Greek systemic banks' capital adequacy on the basis of three successive rounds of bank recapitalizations, which have been financed mainly through earmarked funding under the economic support programs, has not resolved the liquidity pressures from the sizeable deposit flight and the very limited access to market financing. Moreover, the protracted recession impaired borrowers' debt servicing capacity, leading to a sharp increase in non-performing loans of Greek banks. In this environment, the deposit base of Greek banks contracted by €146.2 billion cumulatively (between December 2009 and July 2015 and then recorded an increase of € 9.7 billion until September 2017, Source: Bank of Greece, Monetary and Banking Statistics) creating -- in conjunction with the loss of access to market financing -- a sizeable funding gap which exceeded €125 billion in periods of intensification of the Greek crisis (May-June 2012 and June-July 2015, Source: Bank of Greece, Financial Statement, May 2012, June 2012, June 2015 and July 2015). This gap had been covered through an analogous increase in Greek banks' access to Eurosystem financing and especially to the ELA facility (emergency liquidity assistance facility provided by the Bank of Greece, following approval by the ECB's governing council). As a result of improving confidence, additional deleveraging and write-offs and the small increase in bank deposits, the funding gap has narrowed considerably in 2016 and the first nine months of 2017, with the total dependence in Eurosystem funding (including ELA) declining to €37.3billion in October 2017 from €126.6 billion in June 2015 (Source: Bank of Greece, Financial Statement, June 2015 and October 2017).

The above trends, in conjunction with the turbulent macroeconomic environment, led to a sharp reduction in supply and demand of mortgage loans and triggered a protracted period of deleveraging that continues until September 2017 (annual change in the outstanding stock of mortgage loans of -2.9% year over year in September 2017 and -3.5% year over year in December 2016), during which the outstanding stock of mortgage loans declined by €22.0 billion cumulatively, to €59.1 billion in September 2017 from its peak of €81.1 billion in 2010 (Source: Bank of Greece, Monetary and Banking Statistics). The relatively rapid pass-through of the ECB's monetary policy easing on market rates in this segment (as most mortgages are with a floating rate) was insufficient to provide satisfactory support to demand and/or a material relief on household debt servicing capacity until today.

Nonetheless, it should be noted that the temporary peak in activity in 2014, when GDP increased by 0.7% (Source: EL.STAT., Annual National Accounts, year 2016, 2nd estimate, October 2017) and employment expanded by 0.6% (Source: EL.STAT. Database), in conjunction with lower uncertainty, has been translated into a significant slowing of pressure on house prices (-5.5% year over year in Q4:2014 from -11.3% year over year, on average, in 2012-2013), which continued in the first semester of 2015 (-4.6% year over year, on average). The spike in uncertainty, which has been followed by the imposition of capital controls on 28 June 2015, led to a re-acceleration of pressures in the second half of 2015 (-5.6% year over year, Source: Bank of Greece, Bulletin of Conjunctural Indicators, September-October 2017).

Pressures on house prices have started to ease over the course of 2016 with the annual reduction in prices in Q4:2016 slowing to -1.0% year over year – the slowest pace since Q4:2008 – from -5.1%

year over year in Q4:2015 supported by improving economic activity trends (GDP almost stabilized in FY:2016 reaching -0.2% year over year and expanded by 0.6% year over year in the first semester of 2017, Sources: Bank of Greece, Bulletin of Conjunctural Indicators, September-October 2017, EL.STAT., Annual National Accounts, year 2016, 2nd estimate, October 2017 and Quarterly National Accounts, September 2017).

House prices declined by 1.5% year over year in the first half of 2017 and by 0.6% in the third quarter of 2017, showing some responsiveness to the improvement in general economic conditions (e.g. expansion in GDP of 0.6% year over year in the first semester of 2017, Sources: Bank of Greece, Bulletin of Conjunctural Indicators, September-October 2017, Bank of Greece, Indices of Residential Property Prices, third quarter 2017, Press Release, November 2017 and EL.STAT., Quarterly National Accounts, September 2017). Market conditions are expected to improve further in the second semester of 2017, provided that the economic sentiment shows signs of further strengthening in period between July-October 2017(Source: European Commission, Business and Economic Surveys, October 2017) and liquidity conditions are estimated to improve due to the prospective acceleration in public investment activity and payments for clearance of government arrears financed by the economic support program (Source: Ministry of Finance, State Budget Execution Monthly Bulletin, September 2017 and European Commission, Compliance Report, June 2017). In this respect, the EU Commission and the IMF project a relatively strong economic recovery in 2017 (average GDP growth of 1.7% year over year, Source: EU Commission Autumn Forecast, November 2017 and IMF World Economic Outlook, October 2017), which along with improving liquidity conditions and a bottoming out of disposable income, is expected to be supportive of a stabilization of the real estate market in 2017. Near-term risks for the real estate market, mainly, relate to its high taxation, adding to the risk of new supply, and thus price declines, from accelerating foreclosures for tax arrears or for non-serviced private debt under the stricter legal framework. The prospective operation of a web-based auction platform during the fourth quarter of 2017 is expected to speed up foreclosures, possibly exerting additional pressures on prices, but could also mobilize new demand, since it would make it easier for potential buyers (including foreigners) to bid on Greek properties.

The continuing pressure on domestic demand from elevated property taxes and additional austerity measures implemented in 2017-18 in order to meet the medium-term fiscal targets, along with a slower than expected improvement in domestic liquidity conditions, create additional downside risks for the real estate market. Potential delays in completing planned reviews of the Third Program could delay further the improvement in liquidity conditions and could increase uncertainty, taking an additional toll on real and financial assets' valuations and could even put again into question the ability of the Greek state to service its debt. These negative factors could translate into a further adjustment in prices in the near-term by hitting consumer confidence and discouraging or deferring investors' decisions despite the attractive valuations.

Security for Housing Loans

In Greece, security for housing loans is created by establishing a mortgage. A mortgage can be established by a notarial deed (or by a judicial decision, or by law in special cases). The establishment of a mortgage by notarial deed is quite costly and it is therefore not the preferred method of establishing a mortgage among banks and borrowers. Instead, in most cases, banks obtain a pre-notation of a mortgage, which is an injunction over the property entitling its beneficiary to obtain a mortgage as soon as a final judgment for the secured claim has been obtained, but which is valid as of the date of the pre-notation. In relation to enforceability, ranking of the security and preferred right to the proceeds of the auction, there is no difference between a holder of a mortgage and a holder of a pre-notation of a mortgage, since the latter is treated as a secured creditor of the property. Both the holder of a pre-notation of a mortgage and a mortgagee need an enforcement right before being able to commence enforcement procedures. The difference between holding a mortgage and holding a pre-notation of a mortgage is that the pre-notation is a

conditional security interest whose preferential treatment is subject to the unappealable adjudication of the claim it purports to secure, whereas a mortgagee's claim is enforceable pursuant to the mortgage deed itself.

Establishing a pre-notation is the most common way of establishing security for a housing loan in Greece. The pre-notation, as a form of injunction, can be established with or without the consent of the owner(s) of the property on which the pre-notation will be established, but is only granted pursuant to a court decision. The procedures adopted by lenders of housing loans in practice have led to an arrangement whereby pre-notations are granted "by consent", where both the lending bank and the owner of the property over which the pre-notation will be established (i.e. the Borrower, the Guarantor or a third party) appear before the competent court and consent to the establishment of the pre-notation on the specific real estate property. The court issues the decision immediately (in fact, the decision is drafted beforehand by the lending bank and is certified and signed by the judge who hears the claim). Having certified the court decision and a summary thereof, the lawyer of the lending bank takes them to the Cadastre or the Land Registry, where applicable, along with a written request for the issuance (by the Cadastre or the Land Registry) of certificates confirming:

(a) the ownership by the person that consented to the granting of the pre-notation (i.e. the Borrower, the Guarantor or a third party) of the mortgaged property;

(b) the registration and class of the pre-notation;

(c) the absence of (judicially raised) claims of third parties against the current and all previous owner(s) of the mortgaged property; and

(d) any other mortgages, pre-notations or seizures preceding the pre-notation registered by the bank.

At the same time the bank's lawyer conducts a search in the Cadastre or the Land Registry, where applicable, in order to confirm the uncontested ownership of the person that consented to the granting of the pre-notation (i.e. the Borrower, the Guarantor or a third party, as the case may be) and the first priority nature of the mortgage or pre-notation, before the loan can be disbursed. Once the certificates are issued, they are reviewed by the bank's legal department and are included in the Borrower's file. The legal review of both the ownership titles and the pre-notation registration is based on public documents, i.e. on notarial deeds and certificates issued by the competent land registries. The history of the ownership titles for the previous 20 years is examined (which is the period for adverse possession). Such a review together with a title search in the Cadastre or the Land Registry, precedes the approval of the loan. Upon registration of the pre-notation, a second titles search is made to confirm the status quo.

Enforcing Security

Following the amendment of Greek Civil Procedure Code by virtue of Law 4335/2015, the following apply in relation to enforcement proceedings commencing from 1st January 2016 onwards and in respect of demands for immediate payment served to the debtor after 1st of January 2016:

Without prejudice to the procedures required under the Code of Conduct, it is NBG's policy to commence enforcement proceedings once an amount exceeding €2,000 remains unpaid under a Loan for more than 270 days, at which point, the loan is terminated. Once a Loan is in default and terminated, a notice is served on the Borrower and on the Guarantors, if any, informing them of this fact and requesting the persons indebted to make a payment of all amounts due within a limited period of time (usually 10 days). Following notification and in the case of continued non-payment, a judge of the competent court of first instance (i.e. the Single-Member Court of First Instance or the Magistrate's Court, as the case may be, the "**Competent Court of First Instance**") is presented with the case upon which the judge may issue an order for payment to be served on the borrower together

with a demand for immediate payment. Service of the order and demand for payment is the first action of enforcement proceedings. Three working days after serving the payment order and demand, the property can be seized and the auction process starts (see below for a description of the auction process). The Borrower, after being served the order for payment, is granted 15 working days (or within 30 working days if the Borrower is of an unknown address or resides abroad) to contest the validity of the order for payment, either on the merits of the case or on the ground of procedural irregularities. This can be done by filing an annulment petition before the Competent Court of First Instance or Magistrate's Court in accordance with articles 632-633 of the Greek Civil Procedure Code (the "**Article 632-633 Annulment Petition**"). The said 15 working days period does not *per se* suspend the enforceability of the payment order, which can be enforced following the lapse of the 3 working days period as of the date of service of the payment order. At the same time, the Borrower can file, as a provisional measure, a suspension petition in accordance with articles 632 of the Greek Civil Procedure Code (the "**Article 632 Suspension Petition**") for the suspension of the enforcement proceedings as a provisional measure. At the time of filing the Article 632 Suspension Petition, in most cases, immediate suspension is granted up until the hearing of the Article 632 Suspension Petition. If the court decides that the arguments in the Article 632-633 Annulment Petition are correct and reasonable, the suspension of enforcement will be granted to the petitioner until the issue of the decision on the Article 632-633 Annulment Petition. If the judge decides that the Article 632-633 Annulment Petition has no grounds and rejects this, the suspended enforcement procedures can continue. Suspension of enforcement against a Borrower of an unknown address or residing abroad is granted by law during the 30 day period to file an Article 632 Annulment Petition. If the Borrower has not filed an Article 632-633 Annulment Petition and subsequent suspension within 15 working days after serving the payment order, then the bank may again serve the order for payment whereby a second period of 15 working days is granted to the Borrower to contest the payment order. Failure to contest the order for payment will result in the bank becoming the beneficiary and holder of a final deed of enforcement and the conversion of the pre-notation into a mortgage.

The Borrower may also file with the relevant Court of First Instance a petition in accordance with article 933 of the Greek Civil Procedure Code (the "**Article Annulment 933 Petition**") the annulment of certain actions of the foreclosure proceedings based on reasons pertaining to the validity of the order for payment, and/or to the relevant claim and/or to procedural irregularities. Both Article 632-633 and Article 933 Annulment Petitions may be filed either concurrently or consecutively, but it should be noted that the Article 933 Annulment Petition may not be based on reasons pertaining to the validity of the order for payment, once the order of payment has become final as mentioned above. The time for the filing of an Article 933 Annulment Petition varies depending on the foreclosure action that is being contested. In particular, the Article 933 Annulment Petition should be filed within 45 days as from the date of attachment of the Borrower's property, except for an Article 933 Annulment Petition contesting the auction which should be filed within 60 days as from registration with the competent land registry or cadastre of the relevant auction deed. The hearing of the Article 933 Annulment Petition is scheduled within 60 days from the date of the filing of such petition and the relevant decision must be issued within 60 days from the hearing before the court.

According to the provisions of Law 4335/2015, the ability of the Borrower to challenge the compulsory enforcement actions, which are carried out by the creditor, is significantly restricted. In particular, by virtue of the provisions of the Code of Civil Procedure, as in force until 31 December 2015, the Borrower was entitled to challenge separately each compulsory enforcement action and as a result the completion of the enforcement procedure was significantly delayed. However, by virtue of Law 4335/2015, the Borrower is entitled to oppose to defects of the compulsory enforcement procedure in just two stages: the first one is set before the auction and is related to any reason of invalidity of the claim and the compulsory enforcement actions carried out before the auction, whereas the second one is set after the auction until the publication of the seizure report and is related to any defects, which arose from the auction until the awarding. In case that the compulsory enforcement procedure is based on a court's judgment or payment order, the litigant parties are only entitled to file an appeal issued against the judgment, which has been issued in relation to the Article 933 Annulment Petition. The possibility to file an appeal in cassation against the decision is abolished.

The filing of an Article 933 Annulment Petition entitles the Borrower to file a suspension petition in accordance with article 937 of the Greek Civil Procedure Code (the "**Article 937 Suspension Petition**") in relation to the enforcement until the decision of the Competent Court of First Instance on the annulment motion is issued. Again, foreclosure proceedings may be suspended until the hearing of the Article 937 Suspension Petition, which, in a normal case where the Borrower seeks the suspension of the auction, takes place five days prior to the auction and the relevant decision is issued by 12.00 pm on the Monday prior to the auction date, provided that the Borrower pays at least one quarter of the claimed capital and the enforcement expenses and also that there is no risk for the creditor's interests, on the grounds that the Borrower will be able to satisfy the enforcing party or that, following the suspension period, a better offer would be achieved at auction.

The actual auction process starts with seizure of the property, which takes places 3 working days after the order for payment is served on the Borrower. The seizure statement that is issued by the bailiff who performs it, contains the auction date which, in respect of demands for immediate payment served to the debtor after 1st January 2016, should take place within seven months from the date of completion of the seizure and in any case no later than eight months from the completion of the seizure (or within a deadline of three months since the continuation statement, in case the auction does not take place on the initial date) and place and the notary public who will act as the auction clerk. At this point all mortgagees (including those holding a pre-notation or mortgage) are informed of the upcoming auction.

Pursuant to Article 954 of the Greek Civil Code, the minimum auction price is determined within the statement of the court bailiff and can be contested by the Borrower or any other lender or anyone having a legal interest by filing an annulment petition against such court bailiff statement at the latest twenty working days before the auction date. The relevant court's decision should be published at the latest by 12.00 p.m. ten days before the auction date. However, it is to be noted that the initial auction price cannot be less than 2/3 of the estimated value of the seized property (in accordance with para. 2 of Article 993, in conjunction with para. 2 of Article 954 of the Greek Civil Procedure Code). The evaluation of the property cannot be less than the property's "commercial value", as calculated in accordance with presidential decree 59/2016 (published in Government Gazette 95/A/27.5.2016). In particular, pursuant to such presidential decree, the property's "commercial value" is determined by the relevant bailiff who is obliged to appoint a certified appraiser for this purpose, namely an individual or legal person that shall be included in the Certified Appraisers Registry held at the General Directorate for Financial Policy of the Ministry of Finance and published on the Ministry of Finance's website. The latter submits to the bailiff an appraisal report in accordance with the European or international recognised appraising standards and in accordance with the Code of Conduct issued by the Bank of Greece on the management of non-performing loans. Appraisal's fees are borne by the creditor who ordered the enforcement proceedings, but ultimately burden the Borrower.

If no bidders appear at the auction, the immoveable property is awarded at the minimum auction price to the person in favour of whom the enforcement proceedings were initiated, upon the latter's request. If no such request is submitted, a repetitive auction takes place within forty (40) days. If such repetitive auction is unsuccessful, the competent court, upon request of persons having legal interest, may order the conduct of another auction within thirty (30) days, at the same or a reduced auction price or allow the sale of the property to the person in favour of whom the enforcement proceedings were initiated or to third persons at a price determined by the court, which may also provide that part of the consideration may be paid in instalments. If such auction or disposal is unsuccessful, the competent court, upon request of persons having legal interest, may rescind the seizure or order the conduct of another auction at the same or a further reduced auction price.

The public auctions occur before a notary public of the district of the seized property. The auctions take place in two stages. At first instance, the bids are submitted in closed envelopes and the amount of the bid must be accompanied by a bank guarantee or banker's draft of an amount equal to 30% of the starting price. At the second stage, the bids are oral.

In the auction, the property is sold to the highest bidder who then has 15 days to make the relevant payment. Once the price of the property is paid, the notary public prepares a special deed listing all the creditors and allocating the proceeds of the auction. Pursuant to Article 972 of the Greek Civil Procedure Code, each creditor must announce its claim to the notary public at least five days prior to the auction and submit all documents proving such claims, otherwise the notary public will not take his claim into account. Once the allocation of proceeds amongst the creditors of the Borrower has been determined pursuant to a deed issued by a notary public, the creditors of the Borrower may dispute the allocation of proceeds and file a petition contesting the deed, pursuant to Article 979 in conjunction with Article 933 of the Code of Civil Procedure. The competent Court of First Instance adjudicates the matter but the relevant creditor is entitled to appeal against the decision to the Court of Appeal. The hearing date of the petition contesting such deed must be obligatory set within 60 days from its filing (or within 120 days in case of the creditor residing abroad). This procedure may delay the collection of proceeds. However, the law provides that a creditor is entitled to the payment of its claim even if its allocation priority is subject to a challenge, provided that such creditor provides a letter of guarantee issued from a bank lawfully established in Greece securing repayment of the money in the event that such challenge is upheld. In addition, there is a period of mandatory suspension for all enforcement procedures, including auctions, between 1 and 31 August of each year and prohibition of auctions of real properties on the Wednesday before and after the date of any national, municipal or European elections.

Once the list of creditors is confirmed and adjudicated, the proceeds are distributed according to the deed setting out the allocation of proceeds (see for further details "*Auction Proceeds*" above).

Most recently the Code of Civil Procedure was amended by virtue of article 59 of Greek law 4472/2017, to provide the possibility, at the sole discretion of the creditor initiating the enforcement proceedings, of an auction to take place through the use of electronic means under the responsibility of a competent notary public acting as auction clerk. Relevant process is detailed in the new Article 959A of the Code of Civil Procedure (added through article 59 of Greek law 4472/2017), as further specified by Decision no. 41756/26.5.2017 of the Minister of Justice, Transparency and Human Rights (published in Government Gazette 1884/B/30.5.2017). An auction through electronic means may take place on a Wednesday, Thursday or Friday, from 10:00 am until 14:00 or from 14:00 until 18:00. Such an auction may not take place between 1-31 August and the week before and after the date of any national, municipal or European elections. The new provisions for the conduct of an auction through the use of electronic means became effective as of 31 July 2017. With respect to enforcement proceedings initiated after 1 January 2016 and were pending as at above effective date, the creditor that initiated such proceedings may instruct the auction to take place through the use of electronic means, provided however that all required notices and publications have been completed the latest 2 months prior to the auction date (para. 2 of article 60 of Greek law 4472/2017).

DESCRIPTION OF PRINCIPAL DOCUMENTS

Servicing and Cash Management Deed

The Servicing and Cash Management Deed (as amended and restated), made between the Issuer, the Trustee and the Servicer contains provisions relating to, *inter alia*:

(i) the Issuer's obligations when dealing with any cash flows arising from the Cover Pool and the Transaction Documents;

(ii) the servicing, calculation, notification and reporting services to be performed by the Servicer, together with cash management services and account handling services in relation to moneys from time to time standing to the credit of the Transaction Account and the Collection Account;

(iii) the terms and conditions upon which the Servicer will be obliged to sell in whole or in part the Selected Loan;

(iv) the Issuer's right to prevent the sale by the Servicer of all of part of the Selected Loan to third parties by removing all of part of the Selected Loan made subject to sale from the Cover Pool and transferring within ten Athens Business Days from the receipt of the offer letter, to the Transaction Account, an amount equal to the price set forth in such offer letter, subject to the provision of a solvency certificate;

(v) the covenants of the Servicer;

(vi) the representations and warranties of the Issuer regarding itself and the Cover Pool Assets;

(vii) the responsibilities of the Servicer following the service of a Notice of Default on the Issuer or upon failure of the Issuer to perform its obligations under the Transaction Documents; and

(viii) the circumstances in which the Issuer or the Trustee will be obliged to appoint a new servicer to perform the Servicing and Cash Management Activities.

Servicing

Pursuant to the Servicing and Cash Management Deed, the Servicer has agreed to service the Loans and their Related Security comprised in the Cover Pool and provide cash management services.

The Servicer will be required to administer the Loans and their Related Security in accordance with the Issuer's administration, arrears and enforcement policies and procedures forming part of the Issuer's policy from time to time as they apply to those Loans.

The Servicer will have the power to exercise the rights, powers and discretions and to perform the duties of the Issuer in relation to the Loans and their Related Security that it is servicing pursuant to the terms of the Servicing and Cash Management Deed, and to do anything which it reasonably considers necessary, convenient or incidental to the administration of the Loans and their Related Security.

Right of delegation by the Servicer

The Servicer may from time to time subcontract or delegate the performance of its powers and duties under the Servicing and Cash Management Deed, provided that it will nevertheless remain

responsible for the performance of those duties to the Issuer and the Trustee and, in particular, will remain liable at all times for servicing the Loans and their Related Security and for the acts or omissions of any delegate or sub-contractor. Any such subcontracting or delegation may be varied or terminated at any time by the Servicer.

Appointment of Replacement Servicer

Upon the occurrence of any of the following events (each a "**Servicer Termination Event**"):

(i) default is made by the Servicer in the payment on the due date of any payment due and payable by it under the Servicing and Cash Management Deed and such default continues unremedied for a period of 3 Athens Business Days after the earlier of the Servicer becoming aware of such default and receipt by the Servicer of written notice from the Trustee requiring the same to be remedied;

(ii) default is made by the Servicer in the performance or observance of any of its other covenants and obligations under the Servicing and Cash Management Deed, which is materially prejudicial to the interests of the Covered Bondholders and such default continues unremedied for a period of 20 Business Days after the Servicer becoming aware of such default, PROVIDED THAT where the relevant default occurs as a result of a default by any person to whom the Servicer has subcontracted or delegated part of its obligations hereunder, such default shall not constitute a Servicer Termination Event if, within such period of 20 Business Days of awareness of such default by the Servicer, the Servicer terminates the relevant sub-contracting or delegation arrangements and takes such steps as the Trustee may approve to remedy such default;

(iii) the occurrence of an Insolvency Event in relation to the Servicer; or

(iv) the occurrence of an Issuer Event (where the Issuer and the Servicer are the same entity),

then the Trustee shall, following consultation with the Bank of Greece and while such Servicer Termination Event continues, use its best endeavours to (a) appoint an independent investment or commercial bank of international repute (the "**Investment Bank**") to select an entity to act as substitute servicer and (b) by notice in writing to the Servicer terminate its appointment as Servicer under the Servicing and Cash Management Deed with effect from a date (not earlier than the date of the notice) specified in the notice, provided that no action will need to be taken by the Trustee if (i) the Bank of Greece is in the process of appointing (A) a substitute servicer pursuant to Article 152 or (B) an administrator or liquidator to the Issuer pursuant to the Greek Banking Legislation or (ii) the Trustee is informed by the Bank of Greece that it intends to take any such actions listed in this paragraph or to adopt other steps that are more appropriate in the circumstances to protect the interests of the Covered Bondholders.

"**Insolvency Event**" means in respect of the Issuer and the Servicer:

(a) an order is made or an effective resolution passed for the winding up of the relevant entity; or

(b) the relevant entity stops or threatens to stop payment to its creditors generally or the relevant entity ceases or threatens to cease to carry on its business or substantially the whole of its business; or

(c) an encumbrancer takes possession or a receiver, administrator, administrative receiver or other similar officer is appointed to the whole or any material part of the undertaking, property and assets of the relevant entity or a distress, diligence or execution is levied or enforced upon against the whole or any material part of the chattels or property of the

relevant entity and, in the case of any of the foregoing events, is not discharged within 30 days; or

(d) the relevant entity is unable to pay its debts as they fall due,

other than where the Issuer or the Servicer is NBG and any of the events set out in paragraphs (a) to (c) occurs in connection with a substitution in accordance with Condition 17;

The Trustee will not be obliged to act as servicer in any circumstances.

The Cover Pool

The Issuer shall be entitled, subject to filing a Registration Statement signed by the Issuer and the Trustee so providing, to:

(a) allocate to the Cover Pool Additional Cover Pool Assets for the purposes of issuing further Series of Covered Bonds and/or complying with the Statutory Tests and/or maintaining the initial rating(s) assigned to the Covered Bond provided that, in respect of any New Asset Type: (A) each of the Rating Agencies has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected by, or withdrawn as a result of such addition of the New Asset Type to the Cover Pool and the risk weighting of the Covered Bond will not be negatively affected;

(b) prior to the occurrence of an Issuer Event and provided that no breach of any Statutory Test has occurred and is continuing or would occur as a result of such removal or substitution (i) remove Cover Pool Assets from the Cover Pool or (ii) substitute Cover Pool Assets with Additional Cover Pool Assets, provided that for any substitution of Additional Cover Pool Assets which are New Asset Type each of the Rating Agencies has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected by, or withdrawn as a result of such removal or substitution.

Any further assets added to the Cover Pool at the option of the Issuer in accordance with the above or by way of mandatory changes below shall form part of the Cover Pool.

Sale of Selected Loans and their Related Security following an Issuer Event

Following the occurrence of an Issuer Event, the Servicer shall be obliged to sell Loan and their Related Security in the Cover Pool having the Required Outstanding Principal Balance (the "**Selected Loans**") in accordance with the Servicing and Cash Management Deed, subject to the rights of preemption in favour of the Issuer to remove the Selected Loans from the Cover Pool.

Prior to the Servicer making any offer to sell Selected Loans and their Related Security to third parties, the Servicer shall serve on the Issuer a loan offer notice in the form set out in the Servicing and Cash Management Deed (a "**Selected Loan Offer Notice**") giving the Issuer the right to prevent the sale by the Servicer of all of part of the Selected Loans to third parties, by removing all of part of the Selected Loans made subject to sale from the Cover Pool and transferring an amount equal to the then Outstanding Principal Balance of the relevant portion of the Selected Loans and the relevant portion of all arrears of interest and accrued interest relating theretoto the Transaction Account.

If the Issuer validly accepts the Servicer's offer to remove all of part of the Selected Loans and their Related Security from the Cover Pool by signing the duplicate Selected Loan Offer Notice in a manner indicating acceptance and delivering it to the Trustee and the Servicer within 10 Athens Business Days from and including the date of the Selected Loan Offer Notice, the Servicer shall

within three Athens Business Days of receipt of such acceptance, serve a selected loan removal notice on the Issuer in the form set out in the Servicing and Cash Management Deed (a "**Selected Loan Removal Notice**").

The Servicer shall offer for sale the Selected Loans and their Related Security in respect of which the Issuer rejects or fails within the requisite time limit to accept the Servicer's offer to remove the Loans and their Related Security form the Cover Pool in the manner and on the terms set out in the Servicing and Cash Management Deed.

Upon receipt of the Selected Loan Removal Notice duly signed on behalf of the Servicer, the Issuer shall promptly (i) sign and return a duplicate copy of the Selected Loan Removal Notice to the Servicer, (ii) deliver to the Servicer and the Trustee a solvency certificate stating that the Issuer is, at such time, solvent and shall remove from the Cover Pool the relevant portion of Selected Loans (as specified in the signed Selected Loan Removal Notice (and any other Loan secured or intended to be secured by that Related Security or any part of it) referred to in the relevant Selected Loan Removal Notice and where that portion is less than all of the Selected Loans the Loans and the Related Security in the portion that is removed shall be chosen from the Selected Loans on a random basis. Completion of the removal of the Selected Loans by the Issuer will take place on the Calculation Date next occurring after receipt by the Issuer of the Selected Loan Removal Notice or such other date as the Servicer may direct in the Selected Loan Removal Notice (provided that such date is not later than the earlier to occur of the date which is (a) 10 Athens Business Days after receipt by the Servicer of the returned Selected Loan Removal Notice and (b) the Final Maturity Date of the Earliest Maturing Covered Bonds) when the Issuer shall pay to the Transaction Account an amount in cash equal to the price specified in the relevant Selected Loan Removal Notice.

On the date of completion of the removal of all or part of the Selected Loans and their Related Security in accordance with the above, the Issuer shall ensure that the corresponding portion of the Selected Loans and their Related Security are removed from the Registration Statement.

Upon such completion of the removal of all or part of the Selected Loans and their Related Security in accordance with above or the sale of all or part of Selected Loans and their Related Security to a third party or third parties, the Issuer shall cease to be under any further obligation to hold any Customer Files or other documents relating to the relevant removed or sold Selected Loans and their Related Security to the order of the Trustee and, if the Trustee holds such Customer Files or other documents, it will send them to the Issuer at the cost of the Issuer.

"**Earliest Maturing Covered Bonds**" means, at any time, the Series of the Covered Bonds (other than any Series which is fully collateralised by amounts standing to the credit of the Transaction Account) that has or have the earliest Final Maturity Date as specified in the applicable Final Terms (ignoring any acceleration of amounts due under the Covered Bonds prior to service of a Notice of Default) not less than a clear majority of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding, or at any adjourned meeting one or more persons being or representing Covered Bondholders of such Series whatever the nominal amount of the Covered Bonds of such Series so held or represented, except that at any meeting the business of which includes the modification of any Series Reserved Matter.

Method of Sale of Selected Loans

If the Servicer is required to sell Selected Loans and their Related Security to third-parties following an Issuer Event, the Servicer will be required to ensure that before offering Selected Loans for sale:

(a) the Selected Loans have been selected from the Cover Pool on a random basis; and

(b) the Selected Loans have an aggregate Outstanding Principal Balance in an amount (the "**Required Outstanding Principal Balance Amount**") which is as close as possible to the amount calculated as follows:

$$N \times \frac{\text{Outstanding Principal Balance of all Loans in the Cover Pool}}{\text{the Euro Equivalent of the Required Redemption Amount in respect of each Series of Covered Bonds then outstanding}}$$

where N is an amount equal to the Euro Equivalent of the Required Redemption Amount of the Earliest Maturing Covered Bonds less amounts standing to the credit of the Transaction Account (other than amounts standing to the credit of the General Reserve Ledger) and the principal amount of any Marketable Assets or Authorised Investments (other than Authorised Investments acquired from the amounts standing to the credit of the General Reserve Ledger) (excluding all amounts to be applied on the next following Cover Pool Payment Date to repay higher ranking amounts in the Pre Event of Default Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which mature prior to or on the same date as the relevant Series of Covered Bonds).

For the purposes hereof:

"**Required Redemption Amount**" means, in respect of any relevant Series of Covered Bonds, the amount calculated as follows:

the Principal Amount Outstanding of the relevant Series of Covered Bonds	**x**	(1+ Negative Carry Factor x (days to maturity of the relevant Series of Covered Bonds/365)

Where "**Negative Carry Factor**" means a percentage (which will never be less than 0.50 per cent.) calculated by reference to the weighted average margin of the Covered Bonds.

"**Euro Equivalent**" means, relation to a Series of Covered Bonds (including any calculations of the Required Redemption Amount of such Series of Covered Bonds) which is denominated in (a) a currency other than Euro, the Euro equivalent of such amount ascertained using the relevant Covered Bond Swap Rate (if applicable) relating to such Series of Covered Bonds and (b) Euro, the applicable amount in Euro.

(c) The Servicer will offer the Selected Loans for sale to third parties for the best price reasonably available but in any event for an amount not less than the Adjusted Required Redemption Amount.

The "**Adjusted Required Redemption Amount**" means the Euro Equivalent of the Required Redemption Amount, plus or minus:

(i) any swap termination amounts payable to or by the Issuer under a Covered Bond Swap Agreement in respect of the relevant Series of Covered Bonds less (where applicable) the principal balance of any Marketable Assets and Authorised Investments (excluding all amounts to be applied on the next following Cover Pool Payment Date to pay or repay

higher ranking amounts in the Pre Event of Default Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which mature prior to or on the same date as the relevant Series of Covered Bonds); and plus or minus;

(ii) any swap termination amounts payable to or by the Issuer under an Interest Rate Swap Agreement in respect of the relevant Series of Covered Bonds.

(d) Following the occurrence of an Issuer Event, if the Selected Loans have not been sold (in whole or in part) in an amount equal to the Adjusted Required Redemption Amount by the date which is six months prior to, as applicable, if the Earliest Maturing Covered Bonds are not subject to an Extended Final Maturity Date in accordance with the relevant Final Terms, the Final Maturity Date of the Earliest Maturing Covered Bonds or, if the Earliest Maturing Covered Bonds are subject to an Extended Final Maturity Date in accordance with the relevant Final Terms, the Extended Final Maturity Date in respect of the Earliest Maturing Covered Bonds, then the Servicer will offer the Selected Loans for sale for the best price reasonably available notwithstanding that such amount may be less than the Adjusted Required Redemption Amount.

(e) Following the occurrence of an Issuer Event, in addition to offering Selected Loans for sale to third-parties in respect of the Earliest Maturing Covered Bonds, the Servicer (subject to the rights of pre-emption enjoyed by the Issuer) is permitted to offer for sale a portfolio of Selected Loans, in accordance with the provisions summarised above, in respect of other Series of Covered Bonds.

(f) The Servicer will through a tender process appoint a portfolio manager of recognised standing on a basis intended to incentivise the portfolio manager to achieve the best price for the sale of the Selected Loans (if such terms are commercially available in the market) and to advise it in relation to the sale of the Selected Loans to third-party purchasers (except where the Issuer exercises its right of pre-emption).

(g) In respect of any sale of Selected Loans and their Related Security following the occurrence of an Issuer Event, the Servicer will instruct the portfolio manager to use all reasonable endeavours to procure that Selected Loans are sold as quickly as reasonably practicable (in accordance with the recommendations of the portfolio manager) taking into account the market conditions at that time and, where relevant, the scheduled repayment dates of the Covered Bonds and the terms of the Servicing and Cash Management Deed.

(h) The Trustee, will grant a power of attorney to the Servicer to release the Selected Loans and their Related Security from the Registration Statement but the Servicer, acting in the name and on behalf of the Trustee, shall not do so unless and until the completion of the removal of the Selected Loans and their Related Security in accordance with the Servicing and Cash Management Deed.

(i) Following the occurrence of an Issuer Event, if third parties accept the offer or offers from the Servicer so that some or all of the Selected Loans shall be sold prior to the Final Maturity Date of the Earliest Maturing Covered Bonds or, if the Earliest Maturing Covered Bonds are subject to an Extended Final Maturity Date in accordance with the relevant Final Terms, the Extended Final Maturity Date in respect of the Earliest Maturing Covered Bonds, then the Servicer will, subject to the foregoing paragraph, enter into a sale and purchase agreement with the relevant third-party purchasers which will require, *inter alia*, a cash payment from the relevant third party purchasers. Any such sale will not include any representations and warranties from the Servicer or the Issuer in respect of the Loans and their Related Security unless expressly agreed by the Servicer.

Amendment to definitions

Under the Servicing and Cash Management Deed, the parties have agreed that the definitions of Cover Pool, Cover Pool Asset, Statutory Test and Amortisation Test may be amended by the Issuer from time to time without the consent of the Trustee as a consequence of the inclusion in the Cover Pool of a New Asset Type provided that each of the Rating Agencies has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected by, or withdrawn as a result of such amendment.

General Reserve Ledger

The Servicer will establish a ledger on the Transaction Account to be called the "**General Reserve Ledger**".

On each Calculation Date the Issuer shall pay an amount into the General Reserve Ledger sufficient to cause the General Reserve Ledger to have a balance equal to the General Reserve Required Amount into the relevant Transaction Account on such date (with a corresponding credit to the relevant General Reserve Ledger).

On each Cover Pool Payment Date, an amount equal to the General Reserve Withdrawal Amount will be debited from the General Reserve Ledger and applied as Covered Bonds Available Funds.

"**General Reserve Required Amount**" means:

(a) on each Calculation Date when the Issuer has Covered Bonds outstanding, an amount equal to the sum of (i) the amount of interest due on all Series of Covered Bonds then outstanding over the next twelve months (calculated on a rolling basis), and (ii) the amounts due over the next twelve months under paragraphs (i) to (iv) (both inclusive) of the Pre Event of Default Priority of Payments (without double counting); and

(b) at all times from and including the date on which the Issuer has no outstanding liabilities in respect of the Covered Bonds, shall be equal to zero.

"**General Reserve Withdrawal Amount**" means:

(a) on each Cover Pool Payment Date, a drawing from the General Reserve Ledger to be applied as Covered Bonds Available Funds, if and to the extent that Covered Bonds Available Funds (disregarding for such purposes any amount comprising Covered Bond Available Funds in accordance with paragraph (d) of the definition of Covered Bond Available Funds) would not be sufficient to pay items (i) to (iv) of the Pre-Event of Default Priority of Payments; and

(b) on each Cover Pool Payment Date, a drawing from the General Reserve Ledger to be applied as Covered Bonds Available Funds if and to the extent that amounts standing to the credit of the General Reserve Ledger (taking into account any withdrawals from the General Reserve Ledger on such Cover Pool Payment Date under (a) above) would exceed the General Reserve Required Amount.The Servicer shall, prior to the occurrence of an Event of Default, invest all amounts standing to the credit of the General Reserve Ledger in Authorised Investments.

Law and Jurisdiction

The Servicing and Cash Management Deed is governed by English law (provided that any terms of the Servicing and Cash Management Deed which are particular to the laws of the Hellenic Republic shall be construed in accordance with Greek law).

Asset Monitor Agreement

The Asset Monitor has agreed, subject to due receipt of the information to be provided by the Servicer to the Asset Monitor, to conduct tests in respect of the arithmetical accuracy of the calculations performed by the Servicer on the First Issue Date and no later than the 31st day of March in each year with a view to confirmation of the arithmetical accuracy or otherwise of such calculations. If and for so long as the long-term ratings of the Issuer or the Servicer are below Baa2 by Moody's, BBB by Fitch or (BBB)(low) by DBRS or following the occurrence of an Issuer Event, the Asset Monitor shall, subject to receipt of the relevant information from the Servicer within the agreed timeframe, be required to conduct such tests in each Applicable Calculation Date (and in any case not later than 10 Athens Business Days following receipt of the relevant information from the Servicer).

Following a determination by the Asset Monitor of any errors in the arithmetical accuracy of the calculations performed by the Servicer such that the Statutory Tests or Amortisation Test, as applicable, have been failed on the relevant Applicable Calculation Date (where the Servicer had recorded it as being satisfied), or the reported Nominal Value of the Cover Pool or the reported Net Present Value of the Cover Pool or the reported amount of interest expected to be received in respect of the Loans comprised in the Cover Pool was mis-stated by the Servicer by an amount exceeding two per cent. of the Nominal Value of the Cover Pool or the reported Net Present Value of the Cover Pool or the reported amount of interest expected to be received in respect of the Loans comprised in the Cover Pool, as applicable (as at the date of the relevant Statutory Test or Amortisation Test, as applicable), the Asset Monitor will be required to conduct such tests following each Applicable Calculation Date for a period of six months thereafter.

The Asset Monitor is entitled to assume that all information provided to it by the Servicer for the purpose of conducting such tests is true and correct and not misleading, and is not required to conduct an audit or similar examination in respect of or otherwise take steps to verify the accuracy or completeness of any such information. The Asset Monitor will deliver a report (the "**Asset Monitor Report**") to the Servicer, the Issuer and, if so requested, to the Trustee.

The Issuer or the Servicer will ensure that a copy of the Asset Monitor Report is sent to the Bank of Greece for the purposes of the Greek Covered Bond Legislation at the very minimum on an annual basis.

The Issuer or the Servicer, as applicable, will pay to the Asset Monitor an annual fee for the tests to be performed by the Asset Monitor.

The Issuer (or after the occurrence of an Issuer Event, the Servicer) may, at any time, but subject to the prior written consent of the Trustee, terminate the appointment of the Asset Monitor by giving at least 30 days' prior written notice to the Asset Monitor, provided that such termination may not be effected unless and until a replacement asset monitor has been found by the Issuer (or after the occurrence of an Issuer Event, the Servicer) (such approval to be given by the Trustee if the replacement is an accountancy firm of international standing) which agrees to perform the duties of the Asset Monitor set out in the Asset Monitor Agreement (or substantially similar duties).

The Asset Monitor may, at any time, resign by giving at least 30 days' prior written notice to the Issuer and the Trustee (copied to the Rating Agencies), and may resign by giving immediate written notice in the event of a professional conflict of interest caused by the action of any recipient of its reports.

Upon the Asset Monitor giving 30 days' prior written notice of resignation, the Issuer (or following the occurrence of an Issuer Event, the Servicer) shall immediately use all reasonable endeavours to appoint a substitute asset monitor provided that such appointment to be approved by the Trustee (such approval to be given by the Trustee if the substitute is an accountancy firm of international standing) which agrees to perform the duties of the Asset Monitor set out in the Asset Monitor Agreement. If a substitute is not appointed by the date which is 30 days prior to the date when tests

are to be carried out in accordance with the terms of the Asset Monitor Agreement, then the Issuer (or following the occurrence of an Issuer Event, the Servicer) shall use all reasonable endeavours to appoint an accountancy firm of national standing to carry out the relevant tests on a one-off basis, provided that such appointment is approved by the Trustee.

The Trustee will not be obliged to act as Asset Monitor in anycircumstances.

Law and Jurisdiction

The Asset Monitor Agreement is governed by English law.

Trust Deed

The Trust Deed, made between the Issuer and the Trustee on the Programme Closing Date (as subsequently amended and supplemented) appoints the Trustee to act as the bondholders representative in accordance with paragraph 2 of Article 152. The Trust Deed contains provisions relating to, *inter alia*:

(a) the constitution of the Covered Bonds and the terms and conditions of the Covered Bonds (as more fully set out under Terms and Conditions of the Covered Bonds above);

(b) the covenants of the Issuer;

(c) the enforcement procedures relating to the Covered Bonds; and

(d) the appointment powers and responsibilities of the Trustee and the circumstances in which the Trustee may resign or be removed.

Law and Jurisdiction

The Trust Deed is governed by English law.

Agency Agreement

Under the terms of an Agency Agreement to be entered into on the Programme Closing Date (as subsequently amended and restated) between the Issuer, the Trustee, the Principal Paying Agent (together with any paying agent appointed from time to time under the Agency Agreement, the "**Paying Agents**") (the "**Agency Agreement**"), the Paying Agents have agreed to provide the Issuer with certain agency services and have agreed, *inter alia*, to make available for inspection such documents as may be required from time to time by the rules of the Luxembourg Stock Exchange and to arrange for the publication of any notice to be given to the Covered Bondholders.

For the purposes of Condition 4.2(b)(ii) of the Terms and Conditions, the Agency Agreement provides that if the Relevant Screen Page is not available or if, no offered quotation appears or if fewer than three offered quotations appear, in each case as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR (the "**Specified Time**"), the Principal Paying Agent shall request each of the Reference Banks to provide the Principal Paying Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent with offered quotations, the Rate of

Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent.

For the purposes of Condition 4.2(b)(ii) the Agency Agreement also provides that if on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying Agent with an offered quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Principal Paying Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the reference rate is LIBOR) or the Euro-zone inter-bank market (if the reference rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Principal Paying Agent it is quoting to leading banks in the London inter-bank market (if the reference rate is LIBOR) or the Euro-zone inter-bank market (if the reference rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the Agency Agreement of this Clause, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

Law and Jurisdiction

The Agency Agreement is governed by English law.

For the purposes of this section "**Agency Agreement**" any capitalised terms have the meanings given to them in the Terms and Conditions of the Covered Bonds above.

Deed of Charge

Pursuant to the terms of the Deed of Charge entered into on the Programme Closing Date by the Issuer, the Trustee and the other Secured Creditors, the Secured Obligations of the Issuer and all other obligations of the Issuer under or pursuant to the Transaction Documents to which it is a party are secured, *inter alia*, by the following security over the following property, assets and rights (the Deed of Charge Security):

(a) an assignment by way of first fixed security over all of the Issuer's interests, rights and entitlements under and in respect of any Charged Document;

(b) a first fixed charge (which may take effect as a floating charge) over the rights and benefits of the Bank Accounts and the Collection Account (the Issuer Accounts) and all amounts standing to the credit of the Issuer Accounts; and

(c) a first fixed charge (which may take effect as a floating charge) over the rights and benefits of the Issuer in respect of all Authorised Investments and Marketable Assets (to the extent governed by English law) purchased from time to time from amounts standing to the credit of any Issuer Account.

In addition, to secure its obligations under the Covered Bonds the Issuer has, pursuant to paragraph 10 of Article 152, created a pledge over the Cover Pool (which consists principally of the Issuer's interest in the Loan Assets and certain Marketable Assets). The Deed of Charge will also provide that (other than in certain limited circumstances) only the Trustee may enforce the security created under either the Deed of Charge or paragraph 10 of Article 152. The proceeds of any such enforcement of the Deed of Charge and paragraph 10 of Article 152 will be required to be applied in accordance with the order of priority set out in the Post Event of Default Priority of Payments.

The Trustee shall at all times be a credit institution (or a subsidiary company of a credit institution) that is entitled to provide services in the European Economic Area in accordance with paragraph 2 of Article 152 (an "**EEA Credit Institution**"). If at any time the Trustee ceases to be an EEA Credit Institution it will notify the Issuer immediately and take all steps necessary to find a replacement Trustee that is an EEA Credit Institution.

Release of Security

In accordance with the terms of the Deed of Charge all amounts which the Servicer (on behalf of the Issuer and the Trustee or its appointee) is permitted to withdraw from the Transaction Account pursuant to the terms of the Deed of Charge will be released from the Deed of Charge Security. In addition, upon the Issuer or the Servicer making a disposal of an Authorised Investment or Marketable Assets (to the extent governed by English law) charged under the Deed of Charge and provided that the proceeds of such disposal are paid into the Transaction Account in accordance with the terms of the Servicing and Cash Management Deed, that Authorised Investment or Marketable Assets (to the extent governed by English law) will be released from the Deed of Charge Security.

At such time that all of the obligations owing by the Issuer to the Secured Creditors have been discharged in full, the Trustee will, at the cost of the Issuer, take whatever action is necessary to release the Charged Property from the Deed of Charge Security to, or to the order of, the Issuer.

Enforcement

If a Notice of Default is served on the Issuer, the Trustee shall be entitled to appoint a Receiver, and/or enforce the Deed of Charge Security constituted by the Deed of Charge, and/or take such steps as it shall deem necessary, subject in each case to being indemnified and/or secured to its satisfaction. All proceeds received by the Trustee from the enforcement of the Deed of Charge Security will be applied in accordance with the Post Event of Default Priority of Payments.

Law and Jurisdiction

The Deed of Charge is governed by English law.

Interest Rate Swap Agreement

Some of the Loan Assets in the Cover Pool will pay from time to time a variable rate of interest for a period of time that may either be linked to the standard variable rate of the Issuer (the "**Issuer Standard Variable Rate**") or linked to an interest rate other than the Issuer Standard Variable Rate, such as EURIBOR or a rate that tracks the ECB base rate. Other Loan Assets will pay a fixed

rate of interest for a period of time. However, the Euro payments to be made by the Issuer under each of the Covered Bond Swaps may vary. To provide a hedge against the possible variance between:

(a) the rates of interest payable on the Loan Assets in the Cover Pool; and

(b) payments by the Issuer under the Covered Bond Swaps,

the Issuer, the provider of the Interest Rate Swaps (each such provider, an Interest Rate Swap Provider) and the Trustee will enter into one or more an interest rate swap transactions in respect of each Series of Covered Bonds under the Interest Rate Swap Agreement (each such transaction an Interest Rate Swap).

Under the terms of each Interest Rate Swap, in the event that the relevant rating of the Interest Rate Swap Provider or any guarantor of the Interest Rate Swap Provider's obligations is downgraded by a Rating Agency below the rating specified in the Interest Rate Swap Agreement (in accordance with the requirements of the Rating Agencies), the Interest Rate Swap Provider will, in accordance with the Interest Rate Swap Agreement, be required to take certain remedial measures which may include providing collateral for its obligations under the Interest Rate Swaps, arranging for its obligations under the Interest Rate Swaps to be transferred to an entity with ratings required by the relevant Rating Agency, procuring another entity with the ratings required by the relevant Rating Agency to become co-obligor or guarantor in respect of its obligations under the Interest Rate Swaps (such guarantee to be provided in accordance with the then-current guarantee criteria of each of the Rating Agencies), or taking such other action as it may agree with the relevant Rating Agency. A failure to take such steps within the periods set out in the Interest Rate Swap Agreement will, subject to certain conditions, allow the Issuer to terminate the Interest Rate Swap Agreement.

The Interest Rate Swap Agreement may also be terminated in certain other circumstances, together with any other events of default and termination events set out in the Interest Rate Swap Agreement (each referred to as an Interest Rate Swap Early Termination Event), which may include:

- at the option of any party to the Interest Rate Swap Agreement, if there is a failure by the other party to make timely payments of any amounts due under the Interest Rate Swap Agreement; and

- upon the occurrence of the insolvency of the Interest Rate Swap Provider or any guarantor of the Interest Rate Swap Provider's obligations, or the merger of the Interest Rate Swap Provider without an assumption of its obligations under the Interest Rate Swap Agreement.

Upon the termination of an Interest Rate Swap pursuant to an Interest Rate Swap Early Termination Event, the Issuer or the Interest Rate Swap Provider may be liable to make a termination payment to the other in accordance with the provisions of the Interest Rate Swap Agreement. The amount of this termination payment will be calculated and made in Euro. Any termination payment made by the Interest Rate Swap Provider to the Issuer in respect of an Interest Rate Swap will first be used (prior to the occurrence of an Issuer Event) to pay a replacement Interest Rate Swap Provider to enter into a replacement Interest Rate Swap with the Issuer, unless a replacement Interest Rate Swap has already been entered into on behalf of the Issuer. Any premium received by the Issuer from a replacement Interest Rate Swap Provider in respect of a replacement Interest Rate Swap will first be used to make any termination payment due and payable by the Issuer with respect to the previous Interest Rate Swap, unless such termination payment has already been made on behalf of the Issuer. Any tax credits received by the Issuer in respect of an Interest Rate Swap will first be used to reimburse the relevant Interest Rate Swap Provider for any gross-up in respect of any withholding or deduction for or on account

of any present or future taxes, duties, assessments or governmental charges of whatever nature (and wherever imposed) made under the relevant Interest Rate Swap.

If a withholding or deduction for or on account of taxes is imposed on payments made by the Interest Rate Swap Provider to the Issuer under the Interest Rate Swaps, the Interest Rate Swap Provider shall always be obliged to gross up those payments so that the amount received by the Issuer is equal to the amount which would have been received in the absence of such withholding or deduction. If a withholding or deduction for or on account of taxes is imposed on payments made by the Issuer to the Interest Rate Swap Provider under the Interest Rate Swaps, the Issuer shall not be obliged to gross up those payments.

The Interest Rate Swap Provider may transfer all its interest and obligations in and under the relevant Interest Rate Swap Agreement to a transferee with minimum ratings in line with the criteria of each of the Rating Agencies, without any prior written consent of the Trustee, subject to certain conditions.

Any tax credits or Swap Collateral Excluded Amounts will be paid to the Interest Rate Swap Provider directly and not via the Priorities of Payments.

The Interest Rate Swap Provider may transfer all its interest and obligations in and under the relevant Interest Rate Swap Agreement to a transferee with minimum ratings in line with the criteria of by each of the Rating Agencies, without any prior written consent of the Trustee, subject to certain conditions. If the Issuer is required to sell Selected Loans in the Cover Pool following the occurrence of an Issuer Event then, to the extent that such Selected Loans include Fixed Rate Loans, the Issuer may either:

(a) require that the Interest Rate Swaps in connection with such Selected Loans partially terminate to the extent that such Selected Loans include Fixed Rate Loans and any breakage costs payable by or to the Issuer in connection with such termination will, following the occurrence of an Issuer Event, be taken into account in calculating the Cover Pool Payment Date for the sale of the Selected Loans; or

(b) request that the Interest Rate Swaps in connection with such Selected Loans be partially novated to the purchaser of such Fixed Rate Loans to the extent that such Selected Loans include Fixed Rate Loans, such that each purchaser of Selected Loans will thereby become party to a separate interest rate swap transaction with the Interest Rate Swap Provider.

Law and Jurisdiction

The Interest Rate Swap Agreement (and each Interest Rate Swap thereunder) will be governed by English law.

Covered Bond Swap Agreements

The Issuer may enter into one or more covered bond swap transactions with one or more Covered Bond Swap Providers and the Trustee in respect of each Series of Covered Bonds (each such transaction a Covered Bond Swap). Each Covered Bond Swap may be either a Forward Starting Covered Bond Swap or a Non-Forward Starting Covered Bond Swap and each will constitute the sole Transaction under a single Covered Bond Swap Agreement (such Covered Bond Swap Agreements, together, the Covered Bond Swap Agreements).

Each Forward Starting Covered Bond Swap will provide a hedge (after the occurrence of an Issuer Event) against certain interest rate, currency and/or other risks in respect of amounts received by the Issuer under the Loans and the Interest Rate Swaps (if any) and amounts payable by the Issuer under the Covered Bonds (Forward Starting Covered Bond Swap).

Each Non-Forward Starting Covered Bond Swap will provide a hedge against certain interest rate, currency and/or other risks in respect of amounts received by the Issuer under the Loans and the Interest Rate Swaps (if any) and amounts payable by the Issuer under the Covered Bonds (Non-Forward Starting Covered Bond Swap).

Where required to hedge such risks, there will be one (or more) Covered Bond Swap Agreement(s) and Covered Bond Swap(s) in relation to each Series or Tranche, as applicable, of Covered Bonds.

Under the Forward Starting Covered Bond Swaps, the Covered Bond Swap Provider will pay to the Issuer on each Interest Payment Date, after the occurrence of an Issuer Event, an amount equal to the relevant portion of the amounts that are payable by the Issuer in respect of interest and principal payable under the relevant Series or Tranche of Covered Bonds. In return, the Issuer (or the Servicer on its behalf) will periodically pay to the Covered Bond Swap Provider an amount in Euro calculated by reference to Euro EURIBOR plus a spread and, where relevant, the Euro Equivalent of the relevant portion of any principal due to be repaid in respect of the relevant Series or Tranche of Covered Bonds.

Under the Non-Forward Starting Covered Bond Swaps on the relevant Issue Date, the Issuer (or the Servicer on its behalf) will, if the Covered Bonds are denominated in a currency other than Euro, pay to the Covered Bond Swap Provider an amount equal to the relevant portion of the amount received by the Issuer in respect of the aggregate nominal amount of such Series or Tranche, as applicable, of Covered Bonds and in return the Covered Bond Swap Provider will pay to the Issuer the Euro Equivalent of the first-mentioned amount. Thereafter, and where the Covered Bonds are denominated in Euro, the Covered Bond Swap Provider will pay to the Issuer on each Interest Payment Date an amount equal to the relevant portion of the amounts that are payable by the Issuer in respect of interest and principal payable under the relevant Series or Tranche of Covered Bonds. In return, the Issuer (or the Servicer on its behalf) will periodically pay to the Covered Bond Swap Provider an amount in Euros calculated by reference to EURIBOR plus a spread and, where relevant, the Euro Equivalent of the relevant portion of any principal due to be repaid in respect of the relevant Series or Tranche of Covered Bonds.

Under the terms of each Forward Starting Covered Bond Swap and each Non-Forward Starting Covered Bond Swap, in the event that the relevant rating of the Covered Bond Swap Provider or any guarantor of the Covered Bond Swap Provider's obligations is downgraded by a Rating Agency below the rating specified in the relevant Covered Bond Swap Agreement (in accordance with the requirements of the Rating Agencies), the Covered Bond Swap Provider will, in accordance with the relevant Covered Bond Swap Agreement, be required to take certain remedial measures which may include providing collateral for its obligations under the Covered Bond Swap, arranging for its obligations under the Covered Bond Swap to be transferred to an entity with the ratings required by the relevant Rating Agency, procuring another entity with the ratings required by the relevant Rating Agency to become co-obligor or guarantor in respect of its obligations under the Covered Bond Swap Agreement (such guarantee to be provided in accordance with the then-current guarantee criteria of each of the Rating Agencies), or taking such other action as it may agree with the relevant Rating Agency. In addition, if the net exposure of the Issuer against the Covered Bond Swap Provider under the relevant Covered Bond Swap exceeds the threshold specified in the relevant Covered Bond Swap Agreement, the Covered Bond Swap Provider may be required to provide collateral for its obligations. A failure to take such steps within the time periods set out in the Covered Bond Swap Agreement will, subject to certain conditions, allow the Issuer to terminate the Covered Bond Swap.

A Covered Bond Swap Agreement may also be terminated in certain other circumstances, together with any other events of default and termination events set out in the relevant Covered Bond Swap Agreement (each referred to as a "**Covered Bond Swap Early Termination Event**"), which may include:

(a) at the option of any party to the Covered Bond Swap Agreement, if there is a failure by the other party to make timely payments of any amounts due under such Covered Bond Swap Agreement; and

(b) upon the occurrence of an insolvency of the Covered Bond Swap Provider or any guarantor of the Covered Bond Swap Provider's obligations, or the merger of the Covered Bond Swap Provider without an assumption of its obligations under the relevant Covered Bond Swap Agreement.

Upon the termination of a Covered Bond Swap, the Issuer or the Covered Bond Swap Provider may be liable to make a termination payment to the other in accordance with the provisions of the relevant Covered Bond Swap Agreement. The amount of this termination payment will be calculated and made in Euro. Any termination payment made by the Covered Bond Swap Provider to the Issuer in respect of a Covered Bond Swap will first be used (prior to the occurrence of an Issuer Event) to pay a replacement Covered Bond Swap Provider to enter into a replacement Covered Bond Swap with the Issuer, unless a replacement Covered Bond Swap has already been entered into on behalf of the Issuer. Any premium received by the Issuer from a replacement Covered Bond Swap Provider in respect of a replacement Covered Bond Swap will first be used to make any termination payment due and payable by the Issuer with respect to the previous Covered Bond Swap, unless such termination payment has already been made on behalf of the Issuer. Any tax credits received by the Issuer in respect of a Covered Bond Swap will first be used to reimburse the relevant Covered Bond Swap Provider for any gross-up in respect of any withholding or deduction for or on account of any present or future taxes. Duties, assessments or governmental charges of whatever nature (and wherever imposed) made under the relevant Covered Bond Swap.

Any tax credits or Swap Collateral Excluded Amounts will be paid to the Covered Bond Swap Provider directly and not via the Priorities of Payments.

If withholding or deduction for or on account of taxes is imposed on payments made by the Covered Bond Swap Provider to the Issuer under a Covered Bond Swap, the Covered Bond Swap Provider shall always be obliged to gross up those payments so that the amount received by the Issuer is equal to the amount which would have been received in the absence of such withholding or deduction. If withholding or deduction for or on account of taxes is imposed on payments made by the Issuer to the Covered Bond Swap Provider under a Covered Bond Swap, the Issuer shall not be obliged to gross up those payments.

The Covered Bond Swap Provider may transfer all its interest and obligations in and under the relevant Covered Bond Swap Agreement to a transferee with minimum ratings in line with the criteria of each of the Rating Agencies, without any prior written consent of the Trustee, subject to certain conditions.

In the event that the Covered Bonds are redeemed and/or cancelled in accordance with the Terms and Conditions, the Covered Bond Swap(s) in connection with such Covered Bonds will terminate or partially terminate, as the case may be. Any breakage costs payable by or to the Issuer in connection with such termination will be taken into account in calculating:

(a) the Cover Pool Payment Date for the sale of Selected Loans; and

(b) the purchase price to be paid for any Covered Bonds purchased by the Issuer in accordance with Condition 6.6 (*Purchases*).

Law and Jurisdiction

The Covered Bond Swap Agreement (and each Covered Bond Swap thereunder) will be governed by English law.

Bank Account Agreement

Pursuant to the terms of the Bank Account Agreement entered into on the Programme Closing Date (as amended and restated) between the Account Bank, the Issuer, the Servicer and the Trustee, the Servicer will maintain with the Account Bank the Bank Accounts, which will be operated in accordance with the Servicing and Cash Management Deed and the Deed of Charge.

If the short term, unsecured, unsubordinated and unguaranteed debt obligations of the Account Bank cease to satisfy the requirements of an Eligible Institution (or such other ratings that may be agreed between the parties to the Bank Account Agreement and the relevant Rating Agency from time to time) and the Account Bank does not, within 30 calendar days of such occurrence, obtain an unconditional and unlimited guarantee (in a form acceptable to each of the Rating Agencies) of its obligations under the Bank Account Agreement from a financial institution satisfying the requirements of an Eligible Institution and such guarantee is to be provided in accordance with the relevant Rating Agencies' guarantee criteria provided that the Rating Agencies then rating the Covered Bonds confirm that the the Covered Bonds would not be adversely affected thereby, then:

- the Bank Account Agreement will be terminated in respect of the Account Bank; and
- the Bank Accounts will be closed and all amounts standing to the credit thereof shall be transferred to accounts held with a bank which is an Eligible Institution.

The costs arising from any remedial action take by the Account Bank, following the circumstances specified above shall be borne by the Account Bank.

The Bank Account Agreement is governed by English law.

Custody Agreement

The Issuer may enter into any Custody Agreement after the Programme Closing Date with, inter alios, the Custodian (as any of the same may be amended, restated, supplemented, replaced or novated from time to time).

Issuer-ICSDs Agreement

The Issuer has entered into an Issuer-ICSDs Agreement with Euroclear Bank S.A./N.V. and Clearstream Banking SA (the ICSDs) in respect of any Covered Bonds issued in NGCB form. The Issuer-ICSDs Agreement provides that the ICSDs will, in respect of any such NGCBs, maintain their respective portion of the issue outstanding amount through their records.

The Issuer-ICSDs Agreement is governed by English law.

TAXATION

Greece

The following summary of the principal Greek taxation consequences of the purchase, ownership and disposal of Covered Bonds by Greek or foreign tax resident holders, is of a general nature and is based on the provisions of tax laws currently in force in Greece. The summary below does not constitute a complete analysis and therefore, potential investors should consult their own tax advisers as to the tax consequences of such purchase, ownership and disposal. This summary is based on current Greek tax legislation and administrative practice of the Greek tax authorities.

Income – Withholding Tax

The Greek income taxation framework is regulated by Greek law 4172/2013, as amended from time to time.

Interest payments to the Covered Bondholders who are individuals or legal entities residing or having a permanent establishment in Greece for Greek tax law purposes (the "**Greek Tax Residents**"), made by the Issuer or a paying agent residing or having a permanent establishment in Greece for Greek tax law purposes, will be subject to Greek withholding tax at a flat rate of 15%. The relevant paying agent is liable to make the relevant withholding. This withholding exhausts the tax liability of Greek Tax Residents who are individuals (par.3 of article 64 of Greek law 4172/2013), while it may not for other types of Covered Bondholders.

Pursuant to par. 9 of article 69 of Greek law 3746/2009 interest payments made on Covered Bonds: (i) have the same tax treatment as interest payments made on bonds issued by the Hellenic Republic; and (ii) are, in any case, exempted from Greek income tax when made to foreign tax residents. Accordingly, it could be argued that interest payments to Covered Bondholders who are individuals and legal entities who neither reside nor have a permanent establishment in Greece for Greek tax law purposes (the "**Foreign Tax Residents**") are exempt from any withholding, on the grounds of par. 9 article 69 of Greek law 3746/2009, in conjunction with par. 9 of article 64 of Greek law 4172/2013. In such case, exemption from withholding would be subject to submission of relevant documentation (i.e. certificate of the competent authorities certifying the Foreign Tax Resident's registered office or articles of association).

However, it is doubtful whether the above provision of par. 9 of article 69 of Greek law 3746/2009 remains in force following enactment of the aforementioned Greek income tax code. In particular, though the provision of par. 9 of article 69 of Greek law 3746/2009 is, indeed, specific to Covered Bonds, it should be noted that relevant Interpretative Circular No. 1042/2015 issued with respect to income tax over (amongst other) interest payments (including withholding tax) makes no reference to either par. 9 of article 69 of Greek law 3746/2009 or Covered Bonds, while it is explicitly clarified therein that the exemption from withholding tax provided for in par. 9 of article 64 of Greek law 4172/2013 does not apply to interest income arising from corporate bonds (paragraph 11).

Therefore, it may be the case that the interest income realised by Covered Bondholders who are Foreign Tax Residents will be considered by the tax authorities as falling under the scope of Greek law 4172/2013, thus being subject to withholding tax. If this were the case, the following would apply:

Interest payments to the Covered Bondholders who are Foreign Tax Residents, made by the Issuer or a paying agent residing or having a permanent establishment in Greece for Greek tax law

purposes, will be subject to Greek withholding tax at a flat rate of 15%. The relevant paying agent is liable to make the relevant withholding. This withholding exhausts relevant income tax liability (par.3 of article 64 of Greek law 4172/2013) of both individuals and legal entities Foreign Tax Residents, subject to submission of relevant documentation as mentioned above.

This withholding tax is, however, subject to the provisions of any applicable tax treaty for the avoidance of double taxation of income and the prevention of tax evasion entered into between the Hellenic Republic and the relevant foreign jurisdiction.

Capital gains realised from the transfer of Covered Bonds

Pursuant to the provisions of article 14 of Greek law 3156/2003 that are applicable to Covered Bonds by virtue of Article 152, capital gains realised by Covered Bondholders from the transfer of Covered Bonds are not subject to taxation in Greece. This has been explicitly confirmed through recent Interpretative Circular No. 1032/2015 (item (iii) of paragraph 2).

Value Added Tax

No value added tax is payable upon disposal of the Covered Bonds (pursuant to Article 22(1)(ka) of Greek law 2859/2000).

Death Duties and Taxation on Gifts

The Covered Bonds are subject to Greek inheritance tax if the deceased holder of Covered Bonds had been a resident of Greece or a Greek national.

However, if the Covered Bonds were located abroad and the deceased Greek national holder of Covered Bonds had been residing abroad for at least 10 successive years prior to his/her death, the Covered Bonds shall be exempt from inheritance tax.

The rates of inheritance tax vary from 1.0% to 40.0%, depending on the relationship between the heir and the deceased.

A gift of Covered Bonds is subject to Greek tax if the holder of the Covered Bonds (donor) is a Greek national or if the recipient thereof is a Greek national or resident.

The rates of gift tax vary from 1.0% to 40% depending on the relationship between the donor and the beneficiary.

Stamp Duty

Pursuant to Article 14 of Greek law 3156/2003 the issuance or transfer of Covered Bonds is exempt from Greek stamp duty.

EU Financial Transaction Tax

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the **Commission's proposal**) for a financial transaction tax (**FTT**) to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia, although Estonia has since stated that it will not participate (the **participating member states**)). If the Commission's proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which would include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

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 certain dealings in Covered Bonds 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 financial transaction is issued in a participating member state.

It should also be noted that the FTT could be payable in relation to relevant financial transactions by investors in respect of the Covered Bonds (including secondary market transactions) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's proposal. Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are expected to be exempt. There is however some uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.

However, the FTT proposal remains subject to negotiation between 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 Covered Bonds are advised to seek their own professional advice in relation to the FTT.

Luxembourg Taxation

The following paragraph is of a general nature and is included herein solely for information purposes. It 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. Prospective investors in the Covered Bonds 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.

Withholding Tax

(a) Non-resident holders of Covered Bonds

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 (the "**Laws**") mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Covered Bonds, nor on accrued but unpaid interest in respect of the Covered Bonds, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Covered Bonds held by non-resident holders of Covered Bonds.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the Territories), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it has been levied at a rate of 15.0% during the first three-year period starting 1 July 2005, and it will be levied

at a rate of 20.0% for the subsequent three-year period and at a rate of 35.0% thereafter. Responsibility for the withholding of the tax will be assumed by the paying agents. Payments of interest under the Covered Bonds coming within the scope of the Laws would at present be subject to withholding tax of 20.0%.

(b) Resident holders of Covered Bonds

Under Luxembourg general tax laws currently in force and subject to the law of 23rd December 2005, as amended, (the Law) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Covered Bonds, nor on accrued but unpaid interest in respect of Covered Bonds, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Covered Bonds held by Luxembourg resident holders of Covered Bonds.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20.0%. 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 paying agents. Payments of interest under the Covered Bonds coming within the scope of the Law would be subject to withholding tax of 20.0%.

U.S. Taxation

U.S. Foreign Account Tax Compliance Act Withholding

Pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including 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 Covered Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Covered Bonds, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Covered Bonds, such withholding would not apply prior to 1 January 2019 and Covered Bonds issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register, so long as they are characterized as indebtedness for U.S. federal income tax purposes, generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Covered Bonds (as described under "Terms and Conditions of the Covered Bonds—Further Issues") that are not distinguishable from previously issued Covered Bonds are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Covered Bonds, including the Covered Bonds 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 Covered Bonds. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Covered Bonds, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

Covered Bonds may be issued from time to time by the Issuer to any one or more of the Dealers. The arrangements under which Covered Bonds may from time to time be agreed to be issued by the Issuer to, and subscribed by, Dealers are set out in a Programme Agreement dated 26 November 2008 (as amended and restated, the "**Programme Agreement**") and made between the Issuer and the Dealers. Any such agreement will, *inter alia,* make provision for the form and terms and conditions of the relevant Covered Bonds, the price at which such Covered Bonds will be subscribed by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription. The Programme 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 Covered Bonds. The Programme Agreement will be supplemented on or around the date of each issuance by Subscription Agreement, which will set out, *inter alia*, the relevant underwriting commitments. The date of the relevant Subscription Agreement will be set out in item 33(i) of the Final Terms.

United States

The Covered Bonds have not been and will not be registered under 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 certain transactions exempt from, or in transactions not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Covered Bonds in bearer form 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 U.S. persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986 and regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

In connection with any Covered Bonds which are offered outside the United States in reliance on Regulation S ("**Regulation S Covered Bonds**"), 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 such Covered Bonds (i) as part of its distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Series of Covered Bonds of which such Covered Bonds are a part, as determined and certified by the relevant Dealer(s), in the case of a non-syndicated issue, or the lead manager, in the case of a syndicated issue and except in either case in accordance with Regulation S of te Securities Act. 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 Covered Bonds of such Tranche during the distribution compliance period (other than pursuant to Rule 144A) a confirmation or other notice setting forth the restrictions on offers and sales of such Covered Bonds 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.

Until 40 days after the commencement of the offering of any Series of Covered Bonds, an offer or sale of such Covered Bonds 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 applicable exemption from registration under the Securities Act.

Prohibition of Sales to EEA Retail Investors

From 1 January 2018, unless the Final Terms in respect of any Covered Bonds specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Base 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, the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(b) a customer within the meaning of Directive 2002/92/EC on insurance mediation, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Prior to 1 January 2018, and from that date if the Final Terms in respect of any Covered Bonds specifies "Prohibition of Sales to EEA Retail 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 Covered Bonds which are the subject of the offering contemplated by this Base 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 Covered Bonds 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 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 Covered Bonds referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement to a base prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an offer of Covered Bonds to the public in relation to any Covered Bonds 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 Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC (as amended including by Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant 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) 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 Financial Services and Markets Act 2000) received by it in connection with the issue or sale of any Covered Bonds in circumstances in which Section 21(1) of the Financial Services and Markets Act 2000 does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to any Covered Bonds in, from or otherwise involving the United Kingdom.

The Hellenic Republic

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 Public Offer Selling Restrictions under the Prospectus Directive, described above in this section; (ii) all applicable provisions of Greek law 3401/2005 implementing into Greek law the Prospectus Directive, as amended by Greek law 4099/2012, implementing into Greek law Directive 2010/73/EU amending the Prospectus Directive.

Japan

The Covered Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No.25 of 1948, as amended; the FIEA) and each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it has not, directly or indirectly, offered or sold and will not offer or sell any Covered Bonds 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 Control Law (Law 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, any 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 Grand Duchy of Luxembourg

In addition to the cases described in the European Economic Area selling restrictions in which the Dealers can make an offer of Covered Bonds to the public in an EEA Member State (including the Grand Duchy of Luxembourg), the Dealers can also make an offer of Covered Bonds to the public in the Grand Duchy of Luxembourg:

(a) at any time, to national and regional governments, central banks, international and supranational institutions (such as the International Monetary Fund, the European Central Bank, the European Investment Bank) and other similar international organisations;

(b) at any time, to legal entities which are authorised or regulated to operate in the financial markets (including, credit institutions, investment firms, other authorised or regulated financial institutions, undertakings for collective investment and their management companies, pension and investment funds and their management companies, insurance undertakings and commodity dealers) as well as entities not so authorised or regulated whose corporate purpose is solely to invest in securities; and

(c) at any time, to certain natural persons or small and medium-sized enterprises (as defined in the Luxembourg act dated 10 July, 2005 on prospectuses for securities implementing the Directive 2003/71/EC (as amended by Directive 2010/73/EU, the "**Prospectus Directive**") into Luxembourg law) recorded in the register of natural persons or small and medium-sized enterprises considered as qualified investors as held by the Commission de surveillance du secteur financier as competent authority in Luxembourg in accordance with the Prospectus Directive.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will comply with (in the best of its knowledge and belief) all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Covered Bonds or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Covered Bonds under the laws and regulations or directive in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Trustee nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer, the Trustee and the Dealers represents that Covered Bonds may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

GENERAL INFORMATION

Listing and admission to trading

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for the Covered Bonds 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 the Markets in Financial Instruments Directive (Directive 2004/39/EC).

However, Covered Bonds may be issued pursuant to the Programme which will not be listed on the Luxembourg Stock Exchange or any other stock exchange or which will be listed on such stock exchange as the Issuer and the relevant Dealer(s) may agree.

Authorisations

The establishment, implementation and operation of the Programme and the issue of Covered Bonds have been duly confirmed and authorised by a resolution of the Board of Directors of the Issuer dated 25 February 2016.

Post-issuance information

The Issuer provides quarterly Investor Reports detailing, among other things, compliance with the Statutory Tests. This information will be available at the offices of Citibank, N.A., London Branch, on Bloomberg and on the website www.nbg.gr.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the twelve months preceding the date of approval of this Base Prospectus which may have, or have had in the recent past, significant effects on the Issuer's or the Group's financial position or profitability. For further details, please see Section "*Business Overview*", paragraph "*Litigation*".

No significant or material change

There has been no material adverse change, or any development reasonably likely to involve material adverse change, in the prospects of the Issuer since 31 December 2016. Since 30 June 2017 there has been no significant change in the financial or trading position of the Issuer or the Group.

Documents available for inspection

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer and from the specified offices of the Paying Agents or the Luxembourg Listing Agent:

(a) the constitutional documents (with an English translation thereof) of the Issuer;

(b) the consolidated audited financial statements of the Issuer in respect of the financial years ended 31 December 2015 and 31 December 2016 (with an English translation thereof), in each case together with the audit reports prepared in connection therewith;

(c) the unaudited interim condensed consolidated financial statements of the Issuer as at and for the six-month period ended 30 June 2017 (with an English translation thereof);

(d) the most recently published audited annual financial statements of the Issuer and the most recently published unaudited interim financial statements (if any) of the Issuer (with an English translation thereof), together with any audit or review reports prepared in connection therewith;

(e) the Programme Agreement, the Trust Deed, the Agency Agreement, and the forms of the Global Covered Bonds, the Covered Bonds in definitive form, the Coupons and the Talons;

(f) a copy of this Base Prospectus; and

(g) any future offering circulars, prospectuses, information memoranda and supplements including Final Terms (save that a Final Terms relating to a Covered Bond 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 will only be available for inspection by a holder of such Covered Bond and such holder must produce evidence satisfactory to the Issuer and the Principal Paying Agent as to its holding of Covered Bonds and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference.

In addition, copies of this Base Prospectus, any supplement to the Base Prospectus, any documents incorporated by reference and each Final Terms relating to Covered Bonds which are admitted to trading on the official list of the Luxembourg Stock Exchange will also be available for inspection free of charge from the internet site of the Luxembourg Stock Exchange, at www.bourse.lu.

Clearing Systems

The Covered Bonds 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 ISIN for each Series of Covered Bonds allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Covered Bonds are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Conditions for determining price

The price and amount of Covered Bonds to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Independent Auditors

The Consolidated Financial Statements of National Bank of Greece S.A. prepared in accordance with International Financial Reporting Standards as adopted by the EU as of and for the years ended 31 December 2015 and 31 December 2016 incorporated by reference in this Base

Prospectus have been audited by Deloitte Certified Public Accountants S.A.. Deloitte Certified Public Accountants S.A., with registered office at 3a Fragkoklissias & Granikou str., Maroussi 151 25, Athens, Greece, is a member of the Institute of Certified Auditors and Accountants of Greece.

The Six Months 2017 Financial Statements prepared in accordance with International Financial Reporting Standards as adopted by the EU as at and for the six-month period ended 30 June 2017 incorporated by reference in this Base Prospectus has been reviewed by PricewaterhouseCoopers SA, with registered office at 268 Kifissias Avenue, 15232 Halandri, is a member of the Institute of Certified Auditors and Accountants of Greece.

Any websites included in the Base Prospectus are for information purposes only and do not form part of the Prospectus.

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