

## EPIHIRO PLC

(incorporated in England and Wales as a public limited company under registered number 6841918)

**€1,623,000,000 Class A Asset Backed Floating Rate Notes due January 2035**

**€1,669,000,000 Class B Asset Backed Floating Rate Notes due January 2035**

**Issue Price of the Notes: 100 per cent.**

Application has been made to the Irish Stock Exchange (the **Irish Stock Exchange**) for the €1,623,000,000 Class A Asset Backed Floating Rate Notes due January 2035 (the **Class A Notes**) and €1,669,000,000 Class B Asset Backed Floating Rate Notes due January 2035 (the **Class B Notes**, and together with the Class A Notes, the **Notes**), to be issued by Epihiro plc (the **Issuer**) to be admitted to the Official List and trading on its regulated market.

This prospectus (the **Prospectus**) comprises a prospectus with regard to the Issuer and the Notes for the purposes of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (the **Prospectus Directive**). The prospectus has been approved by the Irish Financial Services Regulatory Authority (the **Financial Regulator**), as competent authority under the Prospectus Directive. The Irish Financial Services Regulatory Authority only approves this prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

	Class A Notes	Class B Notes
<b>Initial Principal Amount Outstanding:</b>	€1,623,000,000	€1,669,000,000
<b>Issue Price:</b>	100%	100%
<b>Interest Rate:</b>	Six-month EURIBOR + Margin	Six-month EURIBOR
<b>Margin:</b>	0.30%	

**Interest Payment Dates:** Semi-annually in arrear on the Interest Payment Dates falling in  
20 January and 20 July in each year

**First Interest Payment Date:** 20 January 2010

**Final Maturity Date:** Interest Payment Date falling in January 2035

**Expected Ratings (Moody's):** Aaa Not Rated

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

The Notes of each class will initially be represented by a temporary global note of the same class in bearer form (each a **Temporary Global Note**) without interest coupons, principal coupons or talons, which will be deposited with a common safekeeper (the **Common Safekeeper**) for Euroclear Bank S.A./N.V., (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**), on or about 20 May 2009 (or such later date as may be agreed between the Issuer and the Arrangers) (the **Closing Date**). Each Temporary Global Note will be exchangeable not earlier than 40 days after the Closing Date (the **Exchange Date**), upon certification of non-U.S. beneficial ownership, for interests in a permanent global note representing the Notes of the relevant class (each a **Permanent Global Note** and, together with the Temporary Global Notes, the **Global Notes**), each in bearer form, without interest coupons, principal coupons or talons, which will also be deposited with the Common Safekeeper. Save in certain limited circumstances, Notes in definitive form will not be issued in exchange for the Global Notes.

The Notes are intended to be held in a manner which will allow Eurosystem eligibility. This simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as Common Safekeeper and does not necessarily mean that the Notes 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 satisfaction of the Eurosystem eligibility criteria.

The Notes will be subject to mandatory partial redemption and to mandatory and optional redemption in whole, in both cases before the Final Maturity Date in the specific circumstances, and subject to the conditions, described in the terms and conditions of the Notes (the **Conditions**) set out herein.

If any withholding or deduction for or on account of tax is applicable to payments of interest on, or principal of, the Notes, such payments will be made subject to such withholding or deduction without the Issuer or Paying Agents (as defined below) or any other person being obliged to pay any additional amounts as a consequence.

The Notes will be obligations of the Issuer only and will not be guaranteed by, or be the responsibility of, any other person. It should be noted, in particular, that the Notes will not be obligations or responsibilities of, and will not be guaranteed by, the Trustee, the Servicer, the Arrangers, the Subordinated Loan Provider, Holdco, the Swap Provider, the Paying Agents, the Agent Bank, the Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider, the Holdco Corporate Services Provider, or the Seller (each as defined elsewhere in this Prospectus).

**Particular attention is drawn to the section herein entitled *Risk Factors*.**

Arrangers

ALPHA BANK

DEUTSCHE BANK

MORGAN STANLEY

The date of this Prospectus is 20 May 2009.

The Issuer accepts responsibility for the information contained in this document. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representation concerning the issue of the Notes not contained in this document and, if given or made, any such information or representation must not be relied upon as having been authorised by the Issuer, the Seller, the Trustee, the Servicer, the Subordinated Loan Provider, the Swap Provider, the Paying Agents, the Agent Bank, the Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider, the Holdco Corporate Services Provider, or the Arrangers. Neither the delivery of this document nor any offer, sale, allotment or solicitation made in connection with the offering of the Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer or the information contained herein since the date hereof or that the information contained herein is correct at any time subsequent to the date hereof.

None of the Arrangers, the Trustee, the Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider, the Holdco Corporate Services Provider, the Paying Agents, the Agent Bank or the Swap Provider have separately verified the information contained in this Prospectus. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arrangers, the Trustee, the Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider, the Holdco Corporate Services Provider, the Paying Agents, the Agent Bank or the Swap Provider as to the accuracy or completeness of the information contained in this Prospectus or any other information supplied in connection with the Notes. Each person receiving this Prospectus acknowledges that such person has not relied on the Arrangers, the Trustee, the Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider, the Holdco Corporate Services Provider, the Paying Agents, the Agent Bank or the Swap Provider nor on any person affiliated with any of them in connection with its investigation of the accuracy of such information or its investment decision.

This Prospectus includes forward-looking statements including, but not limited to, statements made under the headings "Risk Factors", "Servicing of the Portfolio" and "Taxation". These forward-looking statements can be identified by the use of forward-looking terminology, such as the words "believes", "expects", "may", "intends", "should" or "anticipates" or the negative or other variations of those terms. These statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results and performance of the Notes, Alpha Bank A.E. or the Greek small and medium sized enterprise (SME) sector to differ materially from any future results or performance expressed or implied in the forward-looking statements. These risks, uncertainties and other factors include, among others general economic and business conditions in the Greece, currency exchange and interest rate fluctuations, government, statutory, regulatory or administrative initiatives affecting Alpha Bank A.E., changes in business strategy, lending practices or customer relationships and other factors that may be referred to in this Prospectus. Some of the most significant of these risks, uncertainties and other factors are discussed in this Prospectus under the heading "Risk Factors", and you are encouraged to carefully consider those factors prior to making an investment decision in relation to the Notes.

These forward-looking statements speak only as of the date of this Prospectus. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances after the date of this Prospectus on which any such statement is based. These statements reflect the Issuer's current views with respect to such matters.

Each person contemplating making an investment in the Notes must make its own investigation and analysis of the Issuer and the terms of the offering including the merits and risks involved, and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and

experience and any other factors which may be relevant to it in connection with such investment. An investment in the Notes is, therefore, only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such investment and who have sufficient resources to be able to bear any losses which may result therefrom for an indefinite period of time.

**The contents of this Prospectus should not be construed as providing legal, business, accounting or tax advice. Each prospective investor should consult its own legal, business, accounting and tax advisers prior to making a decision to invest in the Notes.**

**The Notes (which include Notes in bearer form that are subject to U.S. tax law requirements) have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"). Subject to certain exceptions, the Notes may not be offered, sold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. persons (as defined in Regulation S under the Securities Act).**

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Other than the approval of this Prospectus as a prospectus in accordance with the requirements of the Prospectus Directive and the implementing measures in Ireland, application for the Notes to be admitted to the Official List of the Irish Stock Exchange and to trading on its regulated market no action has been taken under any regulatory or other requirements of any jurisdiction or will be so taken to permit a public offering of the Notes or the distribution of this document in any jurisdiction where action for that purpose is required. The distribution of this document and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this document (or any part of it) comes are required by the Issuer to inform themselves about, and to observe, any such restrictions. For a further description of certain restrictions on offers and sales of Notes and the distribution of this document see *Subscription and Sale* below.

Any documents and websites referred to in this Prospectus do not form part of the prospectus with regard to the Issuer and the Notes.

Neither this document nor any part hereof constitutes an offer of, or an invitation by, or on behalf of the Issuer to subscribe for or purchase any of the Notes and neither this document, nor any part hereof, may be used for or in connection with any offer to, or solicitation by, any person in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. A more detailed description of the restrictions on offers, sales and deliveries of the Notes and the distribution of this Prospectus is set out in *Subscription and Sale* below.

The Arrangers have only acted in an administrative capacity to facilitate the issuance of the Notes by the Issuer and have no responsibility for (a) the adequacy, accuracy, completeness or reasonableness of any representation, warranty, undertaking, agreement, statement or information in this Prospectus or (b) the nature and suitability to any person of all legal, tax and accounting matters and all documentation in connection with the Notes.

The Notes must not be offered or sold to the public, nor be subject to a public offer, in the Hellenic Republic. The Notes must not be offered or sold to more than 150 institutional or private Greek investors who are subject to the securities laws of the Hellenic Republic for the purposes of the transactions contemplated in this Prospectus.

Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this document nor any part hereof nor any other prospectus, form of application, advertisement, other offering materials nor other information may be issued, distributed or published in any country or jurisdiction (including the United

Kingdom), except in circumstances that will result in compliance with all applicable laws, orders, rules and regulations. See *Subscription and Sale* below.

References in this Prospectus to € or **euro** or **EUR** are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty of Rome of 25 March 1957 establishing the European Community (as amended from time to time).

References in this Prospectus to £, **pounds** or **pounds sterling** are to the lawful currency for the time being of the United Kingdom.

References in this Prospectus to **Greece**, the **Republic**, the **Republic of Greece**, the **Greek State** or the **State** are to the Hellenic Republic and all references to the **Government** are to the government of the Hellenic Republic.

**Noteholders (as defined herein) must comply with the laws of the Hellenic Republic relating to banking secrecy with regard to the Loans following a default by the Issuer.**

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## TRANSACTION OVERVIEW

*The information in this section is a summary of the principal features of the issue of the Notes. This summary does not purport to be complete and should be read in conjunction with, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Prospectus. Prospective Noteholders are advised to read carefully, and to rely solely on, the detailed information appearing elsewhere in this Prospectus and the Terms and Conditions of the Notes and Transaction Documents referred to therein in making any decision whether or not to invest in any of the Notes.*

*Capitalised terms used in this section and throughout this Prospectus may be defined in other sections of this Prospectus and may not necessarily be defined where they first appear. An index of defined terms is contained at the end of this Prospectus.*

### The Parties

- The Issuer: Epihiro plc, the registered office of which is at c/o Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH, a public limited company incorporated in England and Wales (registered number 6841918) which has been established for the limited purposes of the issue of the Notes, the purchase of the Loans and their Related Security and the other transactions contemplated by the Transaction Documents. The Issuer's authorised share capital consists of 50,000 ordinary shares of £1 each. The issued share capital consists of 50,000 ordinary shares allotted, with €16,402 paid up, of which 49,999 shares are held by Holdco and one is held by a nominee of Holdco under the terms of a share trust dated 24 March 2009.
- Holdco: Epihiro Holdings Limited (**Holdco**), the registered office of which is at c/o Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH, a private limited company incorporated in England and Wales (registered number 6841976). The entire issued share capital of Holdco is held on trust by Wilmington Trust SP Services (London) Limited (the **Share Trustee**), a professional trust company not affiliated with the Seller, under the terms of a discretionary trust for the benefit of one or more discretionary objects. Neither the Seller nor any company connected with the Seller can direct the Share Trustee and none of such companies has any control, direct or indirect, over Holdings or the Issuer.
- The Servicer: Alpha Bank A.E. of 40 Stadiou Street, Athens, Greece, a credit institution incorporated in the Hellenic Republic (**Alpha**) which will act as servicer for the Issuer and the Trustee to, *inter alia*, service the Portfolio (in such capacity, the **Servicer**) in accordance with the terms of a servicing agreement to be entered into between the Issuer, the Trustee, the Swap Provider and the Servicer on or prior to the Closing Date (the **Servicing Agreement**).
- The Seller: Alpha Bank A.E. (in such capacity, the **Seller**). Alpha is, *inter alia*, in the business of originating and investing in term loans and bond loans.

The Seller will sell and assign its right, title, interest and benefit in, to and under the Loans and their Related Security to the Issuer pursuant to the master transfer agreement to be entered into by the Issuer, the Seller and the Trustee on or about the Closing Date (the **Master Transfer Agreement**). See *Summary of Principal Documents — Master Transfer Agreement* below.

The Trustee:

Citicorp Trustee Company Limited, whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom (the **Trustee**). The Trustee will be appointed pursuant to the Trust Deed to represent the interests of the Noteholders and will hold the security granted or created, as the case may be, under the Deed of Charge and law 3156/2003 of the Hellenic Republic (published in Government Gazette issue no. 157/A/25.06.03) as it may be amended or re-enacted from time to time (**Law 3156**) on behalf of itself, any receiver or other appointee of the Trustee, the Noteholders, the Servicer, the Seller, the Issuer Corporate Services Provider, the Swap Provider, the Subordinated Loan Provider, the Issuer Account Bank, the Cash Manager, the Principal Paying Agent, the Agent Bank and any other paying agent as appointed under the Agency Agreement (together, the **Secured Parties**) and will be entitled to enforce the security granted or created, as the case may be, in its favour under the Deed of Charge and Law 3156.

The Principal Paying Agent and the Agent Bank:

Citibank, N.A., London Branch, acting through its specified office at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom (in such capacities, the **Principal Paying Agent** (and the Principal Paying Agent together with any other paying agent appointed under the Agency Agreement, the **Paying Agents**) and the **Agent Bank** and, together with any other paying agent appointed under the Agency Agreement, the **Agents**) acting in accordance with the terms of an agency agreement to be entered into between the Issuer, the Principal Paying Agent, the Agent Bank and the Trustee on or prior to the Closing Date (the **Agency Agreement**).

The Swap Provider:

Alpha Bank A.E. (in such capacity, the **Swap Provider**) in accordance with the terms of the Swap Agreement.

The Issuer Corporate Services Provider:

Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH, a private limited liability company incorporated in England and Wales (registered number 02548079) (in such capacity, the **Issuer Corporate Services Provider**) in accordance with the terms of a corporate services agreement to be entered into between the Issuer, Holdco, the Issuer Corporate Services Provider and the Trustee on or prior to the Closing Date (the **Issuer Corporate Services Agreement**).

Holdco Corporate Services Provider:

Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH, a private limited liability company incorporated in England and Wales (registered number 02548079) (in such capacity, the **Holdco Corporate Services Provider**) in accordance with the terms of a corporate services agreement to be entered into between Holdco, the Issuer, the Holdco Corporate

Services Provider and the Trustee on or prior to the Closing Date (the **Holdco Corporate Services Agreement**).

The Subordinated Loan Provider: Alpha, acting through its principal branch at 40 Stadiou Street, Athens, Greece in accordance with the terms of two subordinated loan agreements (in such capacity, the **Subordinated Loan Provider**) to be entered into between the Issuer, the Subordinated Loan Provider and the Trustee on or prior to the Closing Date.

The Greek Account Bank: Alpha, acting through its principal branch at 40 Stadiou Street, Athens, Greece (in such capacity the **Greek Account Bank**) in accordance with the terms of the collection account agreement (the **Collection Account Agreement**) and the reserve account agreement (the **Reserve Account Agreement**) to be entered into between the Issuer, the Greek Account Bank and the Trustee on or prior to the Closing Date.

The Issuer Account Bank: Citibank, N.A., London Branch, acting through its specified office at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom (in such capacity, the **Issuer Account Bank**) in accordance with the terms of the bank account agreement to be entered into between the Issuer, the Cash Manager, the Issuer Account Bank and the Trustee on or prior to the Closing Date (the **Bank Account Agreement**).

The Cash Manager: Citibank, N.A., London Branch, acting through its specified office at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom (in such capacity, the **Cash Manager**) in accordance with the terms of a cash management agreement to be entered into between the Issuer, the Cash Manager and the Trustee on or prior to the Closing Date (the **Cash Management Agreement**).

The Listing Agent: A&L Listing Limited, acting through its specified office, at 25-28 North Wall Quay, I.F.S.C., Dublin 1, Ireland, has been appointed as listing agent (in such capacity, the **Listing Agent**).

The Rating Agency: Moody's Investors Service Limited (**Moody's**).

#### **Application of Proceeds of the Notes**

Use of Issue Proceeds: The aggregate proceeds from the issue of the Notes will be €3,292,000,000. On the Closing Date, the Issuer will apply such amount towards payment to the Seller of the Initial Purchase Price for the acquisition of the Initial Pool.

Initial Pool: The Initial Pool will consist of bonds complying with the Eligibility Criteria and represented by the relevant Bond Certificates, together with any related security and other ancillary rights, selected from the total portfolio of the Seller, entered into, on a bilateral or on a syndicated basis, with companies with a registered office in Greece (the **Bonds**).

The Bonds are constituted and represented by a single or multiple bond certificates (the **Bond Certificates**), without interest coupons



attached, having the same or different maturities, are held in bearer or registered form and are transferable by delivery or assignment and delivery, respectively, subject to certain conditions.

Each Bond was issued by a company, with registered office in Greece, acting as issuer (the **Borrower**) and underwritten and subscribed by the Seller under the terms and subject to the conditions of a Greek law governed programme agreement entered into by the Seller and the relevant Borrower (the **Greek Programme Agreement**).

Each Bond constitutes (i) in case of an issuance made by the relevant Borrower on a bilateral basis with the Seller, the entire bond issuance of that Borrower (a **Bilateral Bond**), or (ii) in case of an issuance made by the relevant Borrower on a syndicated basis with the Seller and other companies and/or financial institutions, a participation to the bond issuance of that Borrower (a **Syndicated Bond**).

Under each Greek Programme Agreement, *inter alia*, the Seller or in case of certain Syndicated Bonds, a third party, was appointed by the Borrower to act as paying agent in respect of the payments to be made by the Borrower under the relevant Bond (**Greek Paying Agent**) and Greek Bondholders' Representative (**Greek Bondholders' Representative**).

The Portfolio:

The portfolio purchased from the Seller and owned by the Issuer from time to time may also comprise:

- (a) Bonds which are purchased by the Issuer during the Revolving Period;
- (b) term loans (**Term Loans**, and together with the Bonds, the **Loans**) originated by the Seller together with their Related Security which are purchased by the Issuer during the Revolving Period;
- (c) term loans that are transferred to the Issuer to replace Term Loans which have been repurchased by the Seller (the **Replacement Term Loans**);
- (d) bonds that are transferred to the Issuer to replace Bonds which have been repurchased by the Seller (the **Replacement Bonds**, and together with the Replacement Term Loans, the **Replacement Loans**);

The Loans forming the Portfolio will be required to comply with certain eligibility criteria set out in the Master Transfer Agreement (the **Eligibility Criteria**).

If a Loan fails to comply with the Eligibility Criteria or there is a breach of any of the representations and warranties given by the Seller as at the Closing Date, each Transfer Date and each Repurchase Date then the Seller will have an obligation to remedy such breach within 21 days after receiving written notice of such breach from the Issuer. If such breach is not capable of remedy, or, if capable of remedy, is

not remedied within the 21 day period, the Seller has an obligation to repurchase the relevant Loan for cash or procure the delivery of a Replacement Loan in replacement of such Loan subject to the provisions of the Master Transfer Agreement.

Purchase of the Portfolio:

Pursuant to the terms of a master transfer agreement entered into between the Seller and the Issuer on the Closing Date (the **Master Transfer Agreement**), and in accordance with the provisions of Law 3156, on the Closing Date the Seller will agree to sell, assign and transfer without recourse to the Issuer, which shall purchase, under the terms and subject to the conditions set out therein, all its rights attaching to Bonds that meet the Eligibility Criteria including the benefit in the Related Security and all other Ancillary Rights.

Pursuant to the terms of the Master Transfer Agreement, and in accordance with the provisions of Law 3156, during the Revolving Period the Seller may, from time to time, agree to sell, assign and transfer without recourse to the Issuer, which shall purchase, under the terms and subject to the conditions set out therein, all its rights attaching to Loans that meet the Eligibility Criteria including the benefit in the Related Security and all other Ancillary Rights.

In respect of Bonds only the Seller will transfer by delivery each respective Bond Certificate to the Servicer to hold them on behalf of the Issuer pursuant to the terms of the Servicing Agreement.

Each sale, assignment and transfer of Loans will be documented in a Greek law governed transfer agreement to be entered into between the Seller and the Issuer (each a **Greek Transfer and Assignment Agreement** and the date of execution thereof, a **Transfer Date**).

On the execution of a Greek Transfer and Assignment Agreement by the Seller and the Issuer, each Bond listed in such Greek Transfer and Assignment Agreement will become a Purchased Bond and each Term Loan listed in such Greek Transfer and Assignment Agreement will become a Purchased Term Loan. The Purchased Bonds and the Purchased Term Loans together are the **Purchased Loans**.

Pursuant to Law 3156, the Issuer will not be required to give a notice of assignment to each Borrower, nor to any other obligor in respect of the Purchased Loans, or in respect of any Related Security (such obligors, together with the Borrowers, the **Obligors**). In addition, pursuant to Law 3156, the sale and assignment of Purchased Loans will be enforceable against the Obligors and third party creditors of the Seller upon registration of such assignment with the Athens Pledge Registry (the **Assignment Registration**).

The Loans which may be transferred by the Seller to the Issuer pursuant to the terms of the Master Transfer Agreement and a relevant Greek Transfer and Assignment Agreement will comprise any amount due by the Obligors to the Seller under the relevant Loans by way of payment of principal, interest, prepayment fees, charges and other amounts due and payable thereunder.

In acquiring the Loans, the Issuer will also acquire all the related security securing any present and future obligations under the Loans pursuant to the relevant Loan Documentation, (including guarantees, pledges of all types, assignment of receivables by way of security, mortgages of lands, pre-notations, rights under any insurance arrangements by which the Loans are insured and any other ancillary rights) (the **Related Security**). In respect of Bonds, the Related Security will be held by the relevant Greek Bondholders' Representatives for the benefit of the Issuer, unless otherwise specified in such Greek law assignment agreement.

The Issuer will obtain the exclusive benefit of any Related Security given in respect of a Purchased Bond which is a Bilateral Bond, whilst it will be a co-beneficiary *pro quota*, based on its participation to the relevant bond issuance, together with any other bondholders thereof, of any Related Security given in respect of a Purchased Bond which is a Syndicated Bond.

Acquisition of the Initial Pool:

Upon the terms of the Master Transfer Agreement, the Seller will sell, assign and transfer pursuant to a Greek Transfer and Assignment Agreement to be entered into between the Issuer and the Seller on or about the Closing Date (the **Initial Greek Transfer and Assignment Agreement**), a first pool of Bonds selected on the basis of the Eligibility Criteria and represented by the Bonds Certificates listed in the Initial Greek Transfer and Assignment Agreement (the **Initial Pool**).

In consideration for the transfer and assignment of the Initial Pool together with any Related Security attaching thereto on the Closing Date, the Issuer will pay the Initial Purchase Price to the Seller and will agree to pay any Deferred Consideration in accordance with the Priority of Payments or Post-Enforcement Priority of Payments, as applicable.

(See section headed *Purchase of the Portfolio*)

Acquisition of Additional Pools:

After the Closing Date and during the Revolving Period, the Seller may agree to sell, assign and transfer without recourse to the Issuer, which, subject to the terms and conditions set out in the Master Transfer Agreement, shall purchase pursuant to Law 3156 and a Greek Transfer and Assignment Agreement (each an **Additional Greek Transfer and Assignment Agreement**), Additional Pools of Loans listed in the relevant Additional Greek Transfer and Assignment Agreement and complying with the Eligibility Criteria (hereinafter, each an **Additional Pool**, and together with the Initial Pool, the **Portfolio**). In respect of Bonds included in an Additional Pool, the Bond Certificates relating to such Bonds must also be listed in the relevant Additional Greek Transfer and Assignment Agreement.

During the Revolving Period, amounts standing to the credit of the Collection Account Additional Pool Ledger may be applied by the

Issuer for the purchase of an Additional Pool from the Seller. The Issuer must apply any amounts credited to the Collection Account Additional Pool Ledger by the second Calculation Date following the date on which such amounts were first credited to the Collection Account (and for this purpose, any amounts standing to the credit of the Collection Account Additional Pool Ledger will be applied in the order in which such amounts were credited to the Collection Account Additional Pool Ledger).

The Seller may, at its absolute discretion, terminate the Revolving Period at any time on giving not more than 60 and not less than 30 day's written notice (an **Amortisation Commencement Notice**) to the Issuer and the Cash Manager. Termination of the Revolving Period will result in principal being repaid on the Notes on and from the following Interest Payment Date.

The Portfolio may also comprise Replacement Loans that have been transferred to the Issuer to replace Retired Loans or Defaulted Loans which have been repurchased by the Seller. In addition, Retired Loans and Defaulted Loans repurchased by the Seller pursuant to the exercise by the Seller of the Seller Call Option or the Seller Defaulted Loan Call Option shall be removed from the Portfolio.

The initial purchase price payable by the Issuer in respect of the Loans comprised in any Additional Pool (the **Additional Purchase Price**) shall be payable by using the Additional Pool Available Funds in accordance with the Master Transfer Agreement.

**Additional Purchase Price** means in respect of an Additional Pool during the Revolving Period, the purchase price payable by the Issuer to the Seller in respect of such Additional Pool under the Master Transfer Agreement, such amount being equal to:

- (a) the principal amount outstanding of the Loans comprised in such Additional Pool as of the relevant Transfer Date;
- (b) any interest, disbursement, legal expense, fee, charge, service charge, premium or payment which has been properly capitalised in accordance with the relevant Loan Documentation or with the relevant Borrower's consent (including capitalised interest) as of the relevant Transfer Date; and
- (c) any other amount (including, for the avoidance of doubt, accrued interest and arrears of interest) which is due or accrued (whether or not due) and which has not been paid by the relevant Borrower and has not been capitalised in accordance with the relevant Loan Documentation.

**Revolving Period** means the period from (and including) the Closing Date to (but excluding) the date on which the Amortisation Period commences.

**Amortisation Period** means the period commencing on the earlier of

(i) the first Interest Payment Date to fall not less than three years after the Closing Date and (ii) the occurrence of an Amortisation Event, and in each case, ending on the earlier of (a) the Final Maturity Date and (b) the Optional Redemption Date.

**Amortisation Event** means the occurrence of any of the following events during the Revolving Period:

- (a) a Termination Event occurs in relation to the Seller;
- (b) the Seller's banking license is revoked or suspended by the Bank of Greece or the Bank of Greece makes demand that the Seller cease its authorised operations in Greece;
- (c) any of the Seller, the Issuer or the Servicer gives notice in writing to the others that it has been advised or otherwise became aware that as a result of a change in any applicable laws or regulatory practice, the Issuer is prevented from purchasing an Additional Pool;
- (d) an Amortisation Commencement Notice is provided to the Issuer and the Cash Manager;
- (e) the amount standing to the credit of the Reserve Account on any Interest Payment Date and the immediately preceding Interest Payment Date was (in each case) less than the Required Reserve Fund Amount as at such date;
- (f) on any Interest Payment Date, amounts credited to the Collection Account Additional Pool Ledger exceed 20 per cent. of the Principal Amount Outstanding of the Notes;
- (g) any amount credited to the Collection Account Additional Pool Ledger has not been applied by the Issuer towards the purchase of an Additional Pool by the day before the second Calculation Date following the date on which such amount was first credited to the Collection Account and, for this purpose, any amounts standing to the credit of the Collection Account Additional Pool Ledger and applied by the Issuer for the purchase of an Additional Pool shall be treated as applied in the order in which such amounts were credited to the Collection Account Additional Pool Ledger;
- (h) the occurrence of a Servicer Termination Event; or
- (i) the occurrence of a Swap Agreement Termination Event.

(See section headed *Purchase of the Portfolio*)

Issuer Put Option:

Under the terms of the Master Transfer Agreement, the Seller will grant the Issuer an option to sell to the Seller any Purchased Bond to the Seller which is a Syndicated Bond comprised in the Portfolio (the **Issuer Put Option**). The Issuer, or the Trustee on its behalf, will have the right to exercise an Issuer Put Option in respect of a Syndicated

Bond upon the occurrence of an Issuer Put Option Event.

(See section headed *Purchase of the Portfolio*)

**Seller Defaulted Loan Call Option:** Under the terms of the Master Transfer Agreement, the Issuer will grant the Seller an option to purchase any Purchased Loan comprised in the Portfolio which has become a Defaulted Loan (the **Seller Defaulted Loan Call Option**). The Seller will have the right to exercise a Seller Defaulted Loan Call Option in respect of one or more Defaulted Loan(s) at any time prior to the Final Maturity Date.

The Seller may, instead of purchasing a Defaulted Loan from the Issuer, require the Issuer to accept in consideration for the purchase, the transfer of a Replacement Loan such that the aggregate of the Principal Outstanding Balance of such Replacement Loans together with any cash consideration equals the cash consideration that would have been payable by the Seller to the Issuer.

(See section headed *Purchase of the Portfolio*)

## **Description of the Notes**

**The Notes:** The €1,623,000,000 Class A Asset Backed Floating Rate Notes due January 2035 and the €1,669,000,000 Class B Asset Backed Floating Rate Notes due January 2035 to be issued on the Closing Date by the Issuer.

**Status, Form and Denomination:** The Notes will be in bearer form in the denomination of €100,000. The Notes of each class will initially be represented by a Temporary Global Note, without interest coupons or talons, which will be deposited with the Common Safekeeper for Euroclear and Clearstream, Luxembourg on or about the Closing Date. Each Temporary Global Note for each class will be exchangeable for interests in a permanent Global Note, without interest coupons or talons, not earlier than 40 days after the Closing Date upon certification of non-U.S. beneficial ownership. Each Permanent Global Note for each class will be exchangeable for Definitive Notes only in the limited circumstances set out in the Permanent Global Note, as described under "*Terms and Conditions of the Notes*" below.

The Notes are intended to be held in a manner which will allow Eurosystem eligibility. This simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as Common Safekeeper and does not necessarily mean that the Notes 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 satisfaction of the Eurosystem eligibility criteria.

The Notes will constitute secured, direct and unconditional obligations of the Issuer. The Notes will be constituted by a trust deed governed by English law to be dated on or prior to the Closing Date (the **Trust Deed**) and each class of Notes will be secured by the same security. The Notes of each class will rank *pari passu* with the other

Notes of the same class. The Class B Notes will rank subordinate to the Class A Notes in point of security and as to the payment of interest and principal.

It should be noted that, subject to certain exceptions described below, if amounts are due and payable to the Trustee, or any receiver or other appointee thereof, under the Trust Deed or the Deed of Charge, to the Servicer under the Servicing Agreement, to the Cash Manager under the Cash Management Agreement, to the Issuer Account Bank under the Bank Account Agreement, to the Issuer Corporate Services Provider and the Holdco Corporate Services Provider under the Issuer Corporate Services Agreement, to any of the Agents under the Agency Agreement or to the Swap Provider under the Swap Agreement, the Issuer's obligations in respect thereof, together with its obligations in respect of certain other amounts, as to which see *Application of Funds – Priority of Payments* below, will rank ahead of its obligations in respect of the Notes.

In connection with the exercise of the powers, trusts, rights, authorities, duties and discretions vested in it by the Trust Deed and/or any other Transaction Document, the Trustee shall:

- (a) except where expressly provided otherwise in the Trust Deed or any other Transaction Document, have regard to the interests of the Class A Noteholders and the Class B Noteholders equally provided that if in the opinion of the Trustee (for so long as there are any Class A Notes outstanding) there is a conflict between the interests of the Class A Noteholders on the one hand and the interests of Class B Noteholders on the other hand, it shall have regard only to the interests of the Class A Noteholders but so that this proviso shall not apply in the case of such powers, trusts, rights, authorities, duties and discretions:
  - I. in relation to which it is expressly stated that they may be exercised by the Trustee only if in its opinion the interests of the Noteholders of each class would not be materially prejudiced thereby; or
  - II. the exercise of which by the Trustee relates to any Basic Terms Modification, in which event the Trustee may exercise such powers, trusts, rights, authorities, duties and discretions only if it is satisfied that to do so will not be materially prejudicial to the interests of the Noteholders of each class that will be affected thereby;
- (b) where it is required to have regard to the interests of the Noteholders (or either class thereof), have regard to the interests of the Noteholders (or such class) as a class and in particular, but without prejudice to the generality of the foregoing, shall not be obliged to have regard to the consequences thereof for individual Noteholders resulting from their being for any purpose domiciled or resident in, or

otherwise connected with, or subject to, the jurisdiction of any particular territory and the Trustee shall not be entitled to require, nor shall any Noteholders be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders; and

- (c) except where expressly provided otherwise, have regard only to the interests of the Noteholders and shall not be required to have regard to the interests of any Other Secured Party or any other person or to act upon or comply with any direction or request of any Other Secured Party or any other person whilst any amount remains owing to any Noteholder.

The Trust Deed will contain provisions limiting the powers of the holders of the Class B Notes, *inter alia*, to pass any Extraordinary Resolution (as defined in the Trust Deed) which, in the opinion of the Trustee, may affect the interests of the Class A Noteholders.

The Notes will be obligations of the Issuer only. The Notes will not be obligations or responsibilities of, or guaranteed by, any person other than the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, the Trustee, the Servicer, the Arrangers, the Subordinated Loan Provider, the Swap Provider, the Paying Agents, the Agent Bank, the Issuer Account Bank, the Cash Manager, the Issuer Corporate Services Provider, Holdco, the Holdco Corporate Services Provider or the Seller.

On and from the Closing Date the obligations of the Issuer will be secured over the assets and undertaking of the Issuer only.

Interest:

Interest on the Notes is payable by reference to successive Interest Periods. Interest on the Notes will be payable semi-annually in arrear in euro on 20 January and 20 July in each year (subject to adjustment for non-business days), (each an **Interest Payment Date**) commencing on the Interest Payment Date falling on 20 January 2010.

The first Interest Period will commence on (and include) the Closing Date and end on (but exclude) the Interest Payment Date falling in 20 January 2010. Each subsequent Interest Period will commence on (and include) an Interest Payment Date and end on (but exclude) the next succeeding Interest Payment Date.

Interest on the Class A Notes for each Interest Period will accrue on their principal amount outstanding at an annual rate equal to the sum of EURIBOR for six month deposits (save in the case of the payment due on the first Interest Payment Date in respect of which it will be determined by reference to the linear interpolation of seven month and eight month EURIBOR (**Note EURIBOR**)) plus a margin of 0.30 per cent. per annum.

Interest on the Class B Notes for each Interest Period will accrue on their Principal Amount Outstanding at an annual rate equal to the sum of EURIBOR for six month deposits (save in the case of the payment



due on the first Interest Payment Date in respect of which it will be determined by reference to Note EURIBOR).

Non-payment of any amount of interest in respect of the Class A Notes will constitute an Event of Default and such interest is not subject to deferral. In the event there are no Class A Notes then outstanding, non-payment of any amount of interest in respect of the Class B Notes will constitute an Event of Default and such interest is not subject to deferral.

**Withholding Tax:**

Payments of interest and principal on the Notes will be made subject to any applicable withholding or deduction for or on account of any tax (wherever such tax is imposed) and neither the Issuer nor the Paying Agents will be obliged to pay any additional amounts as a consequence.

(See section headed *Taxation*)

**Final Redemption:**

Unless previously redeemed in full, each class of Notes will mature at their then Principal Amount Outstanding on the Interest Payment Date falling in January 2035 (the **Final Maturity Date**), together with accrued interest thereon.

**Mandatory Redemption of the Notes in Part:**

On each Interest Payment Date the Issuer shall apply Available Funds in redeeming the Notes in whole or in part on such Interest Payment Date in accordance with the Priority of Payments.

**Issuer Optional Redemption:**

The Notes will be subject to redemption in full (but not in part), at the option of the Issuer on giving not more than 60 and not less than 30 days' notice to the Noteholders, the Trustee, the Paying Agents and the Swap Provider in an amount equal to their Principal Amount Outstanding plus accrued but unpaid interest relating to that class in each of the following circumstances, on any Interest Payment Date (the **Optional Redemption Date**):

- (a) following a Tax Event; or
- (b) if on such date the aggregate Principal Amount Outstanding of the Notes is 10 per cent. or less of the aggregate Principal Amount Outstanding of the Notes as at the Closing Date; or
- (c) after it has become unlawful (by reason of a change in law in the Hellenic Republic or the United Kingdom or the interpretation or administration thereof since the Closing Date) for the Issuer to perform its obligations under the Notes or under any of the Transaction Documents (a **Regulatory Event**),

provided that, in each case, the Issuer will only redeem the Notes on such Interest Payment Date if it is in a position to discharge all its liabilities in respect of the Notes and any amounts to be paid *pari passu* with or in priority to the Notes according to the Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

**Tax Event** means any of the following:

- (i) any amount in respect of tax is required to be deducted or withheld from amounts of interest or principal payable to the Issuer on the Purchased Loans, by reason of a change in law, or a change in the interpretation or administration thereof, which change becomes effective after the Closing Date and/or the Seller is required to pay an additional amount in respect of Tax to the Issuer as a result of a change in law or a change in the interpretation or administration thereof in accordance with the terms of the Master Transfer Agreement; or
- (ii) on the occasion of the next Interest Payment Date, the Issuer (or any Paying Agent on its behalf) would be required to make any withholding or deduction from any payment of principal or interest in respect of any of the Notes for or on account of any present or future tax, duty or charge of whatsoever nature incurred or levied by or on behalf of the United Kingdom, the Hellenic Republic or any authority thereof or therein; or
- (iii) the Issuer becomes subject to taxation or incurs a taxation liability in Greece by reason of a change in law, or a change in the interpretation or administration thereof, where such change becomes effective after the Closing Date,

and in the case of (ii), the Issuer having been unable (having used reasonable endeavours) to avoid the event described above by arranging the substitution of a company as principal debtor under the Notes, which is incorporated and/or tax resident in another jurisdiction approved in writing by the Trustee, on terms acceptable to the Trustee and consistent with the then current criteria of the Rating Agency.

**Seller Call Option:**

Pursuant to the Master Transfer Agreement the Issuer has granted the Seller an option to purchase the Portfolio, under the terms and subject to the conditions set out therein, on any Interest Payment Date falling after the Closing Date (the **Seller Call Option**).

Following receipt from the Seller of notice that it intends to exercise the option granted to it by the Issuer pursuant to the Master Transfer Agreement to purchase the Portfolio in full on the next Interest Payment Date, the Notes will be subject to redemption in full (but not in part), on giving not more than 60 and not less than 30 days' notice to the Noteholders, the Trustee, the Paying Agents and the Swap Provider in an amount equal to their Principal Amount Outstanding plus accrued but unpaid interest relating to that class of Notes on such Interest Payment Date provided that the Issuer will only redeem the Notes on such Interest Payment Date if it is in a position to discharge all its liabilities in respect of the Notes and any amounts to be paid *pari passu* with or in priority to the Notes according to the Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

Principal amortisation:	<p>Noteholders will not be entitled to receive payments of principal on their respective Classes of Notes prior to the end of the Revolving Period.</p> <p>During the Amortisation Period but prior to the enforcement of the Security, Noteholders will be entitled to receive payments of principal on their respective classes of Notes on each Interest Payment Date during the Amortisation Period to the extent that the Issuer has funds available for the purpose (and any other items ranking <i>pari passu</i> therewith) after making payment, on such Interest Payment Date, of any liabilities due for payment and ranking in priority to payments of principal on such class of Notes as provided in the Conditions, the Trust Deed, the Cash Management Agreement and in the Deed of Charge and in the manner and in the amounts specified in <i>Application of Funds</i> below.</p>
Rating:	It is expected that the Class A Notes, when issued, will be assigned an Aaa rating by Moody's. No rating will be assigned to the Class B Notes.
Listing:	Application has been made to have the Notes approved for listing on the Irish Stock Exchange.
Purchases:	The Issuer is not permitted to purchase the Notes.
Governing Law of the Notes:	English.
Security for the Notes:	<p>The Notes will have the benefit of security that is granted, or created, as the case may be:</p> <ul style="list-style-type: none"> <li>(a) by a pledge operating by law over the Issuer's interest in the Purchased Loans, Related Security and the Ancillary Rights, in the Collection Account pursuant to Paragraph 18, Article 10 of Law 3156;</li> <li>(b) by a pledge under Greek law over the Reserve Account pursuant to a Greek law account pledge agreement (the <b>Greek Pledge Agreement</b>);</li> <li>(c) pursuant to a deed of charge between, among others, the Issuer and the Trustee for the benefit of the Trustee, the Noteholders and the Other Secured Creditors (the <b>Deed of Charge</b>) which will create the following English law security interests: <ul style="list-style-type: none"> <li>(i) a first priority charge over the bank account(s) of the Issuer including the Issuer Transaction Account;</li> <li>(ii) first priority security assignments over the Issuer's right, title and interest in the following English law governed documents: <ul style="list-style-type: none"> <li>(A) the Agency Agreement;</li> </ul> </li> </ul> </li> </ul>

- (B) the Master Transfer Agreement;
  - (C) the Cash Management Agreement;
  - (D) the Swap Agreement;
  - (E) the Subscription Agreement;
  - (F) the Servicing Agreement;
  - (G) the Subordinated Loan Agreements;
  - (H) the Issuer Corporate Services Agreement;
  - (I) the Holdco Corporate Services Agreement;
  - (J) the Bank Account Agreement; and
- (d) a floating charge over any rights or assets of the Issuer not secured by the above.

The pledges, charges and assignments referred to in paragraphs (a), (b), (c), and (d) are together the **Security**.

### **Other Agreements**

#### Servicing Agreement:

Under the Servicing Agreement, Alpha acting as Servicer will agree to service the Loans on behalf of the Issuer and the Trustee (in relation to their respective interests therein). Such services will include, *inter alia*, collecting payments under and enforcing the terms of the Purchased Loans and the provision of certain ancillary services including the storing and safe-keeping of the Bond Certificates and all documents relating to the Purchased Loans and the Related Security and maintaining all such licences, approvals, authorisations and consents as may be necessary in connection with the performance of the servicing of the Purchased Loans.

#### Bond Certificates Account:

Under the Servicing Agreement, the Servicer will open and maintain in the name of the Issuer a custody account where all Bond Certificates representing the Purchased Bonds will be deposited (the **Bond Certificates Account**).

The Bond Certificates Account will, pursuant to Greek Law 3588/2007 (the **Greek Bankruptcy Law**), be segregated from all other accounts held in the name of other customers by the Servicer.

The Servicing Agreement incorporates certain conditions required by the criteria of the Rating Agency for servicing agreements entered into with securitisation issuers, as set out in the Servicing Agreement.

(See section headed *Servicing of the Portfolio*)

#### Swap Agreement:

On or prior to the Closing Date the Issuer and the Swap Provider will enter into a euro interest rate swap transaction as evidenced by a

confirmation to the Master Agreement (the **Swap Transaction**). The Swap Transaction supplements and forms part of a 1992 ISDA Master Agreement (Multi-Currency Cross Border) dated on or prior to the Closing Date and as amended and supplemented from time to time, between, *inter alios*, the Issuer, the Swap Provider and the Trustee (the **Master Agreement**, and together with the Swap Transaction, the **Swap Agreement**).

The Swap Agreement incorporates certain conditions required by the criteria of the Rating Agency for swap agreements entered into with securitisation issuers, as set out in the Swap Agreement.

(See section headed *Summary of Principal Documents – Swap Agreement*)

Subordinated Loan Agreements:

The Subordinated Loan Provider will make two subordinated loans to the Issuer (each a Subordinated Loan and together the Subordinated Loans):

- 1) the subordinated expenses loan (the **Subordinated Expenses Loan**) pursuant to a subordinated expenses loan agreement (the **Subordinated Expenses Loan Agreement**); and
- 2) the subordinated reserve loan (the **Subordinated Reserve Loan**) pursuant to a subordinated reserve loan agreement (the **Subordinated Reserve Loan Agreement**).

The amounts made available to the Issuer pursuant to the terms of the Subordinated Loan Agreements are referred to herein as the Subordinated Loans.

Subordinated Expenses Loan Agreement:

The Subordinated Loan Provider will, pursuant to the Subordinated Expenses Loan Agreement, make the Subordinated Expenses Loan to the Issuer.

The Subordinated Expenses Loan will be for an amount of €100,000 and will be used by the Issuer to pay in full the initial expenses of the Issuer in connection with the purchase of the Initial Pool and the issue, listing and admission to trading of the Notes (including, but not limited to, the fees payable to the Arranger and the fees and commissions payable to the Trustee, the Rating Agency, the Issuer and the Corporate Services Provider) (together, the **Start-Up Expenses**).

(See section headed *Summary of Principal Documents – Subordinated Expenses Loan Agreement*)

Subordinated Reserve Loan Agreement:

The Subordinated Loan Provider will, pursuant to the Subordinated Reserve Loan Agreement, make the Subordinated Reserve Loan to the Issuer.

The Subordinated Reserve Loan will be for an amount of €65,840,000, and will be fully drawn by the Issuer on the Closing Date in order to fund the Required Reserve Fund Amount.

(See section headed *Summary of Principal Documents – Subordinated Reserve Loan Agreement*)

Collection Account:

The Servicer will open and maintain a bank account denominated in euro at its 40 Stadiou Street branch in Athens in the name of the Issuer to be designated as the collection account under Law 3156 (the **Collection Account**). The Collection Account will be operated, in accordance with Article 10 of Law 3156, pursuant to a collection account agreement to be entered into between the Issuer, the Trustee and Alpha in its capacity as collection account bank (the **Greek Account Bank**) (the **Collection Account Agreement**).

The Servicer will be required, pursuant to the Servicing Agreement, to credit all amounts (including, without limitation, interest, principal, fees (including any related break costs), charges and penalties, in each case, which relates to the Purchased Loans, including amounts representing interest accrued on the Purchased Loans prior to the relevant Transfer Date which form part of the Portfolio purchased by the Issuer) received in accordance with the Servicing Agreement (the **Collections**) to the Collection Account promptly upon receipt or collection. The Collections will be credited to the Collection Account, less deductions made by the Servicer in accordance with the Servicing Agreement, in respect of certain legal expenses associated with the ongoing servicing of the Purchased Loans, on the date of receipt of these amounts by the Servicer.

Unless a Downgrading Event has occurred in respect of the Greek Account Bank, the Servicer will transfer all amounts standing to the credit of the Collection Account (which for avoidance of doubt will exclude any Levy deducted by the Servicer and paid to the Bank of Greece), together with any Collection Account Income (other than, during the Revolving Period, the amounts standing to the credit of the Collection Account Additional Pool Ledger), to the Issuer Transaction Account one Transfer Business Day prior to each Interest Payment Date. Upon the occurrence of a Downgrading Event, the Servicer will immediately transfer all amounts standing to the credit of the Collection Account (which for avoidance of doubt will exclude any Levy deducted by the Servicer and paid to the Bank of Greece) to the Issuer Transaction Account upon receipt or collection thereof. Unless a Downgrading Event has previously occurred, the amounts standing to the credit of the Collection Account Additional Pool Ledger will be transferred to the Issuer Transaction Account on the Transfer Business Day prior to the Interest Payment Date falling immediately after the expiry of the Revolving Period.

The Collection Account will, pursuant to Law 3156, be segregated from all other accounts held in the name of other customers of Alpha. Only amounts which relate to the Portfolio will be paid into the Collection Account.

If a substitute servicer which is not a credit institution for the purposes of law 3601/2007 of the Hellenic Republic is appointed, such substitute servicer will be required to appoint an Eligible Bank, that is

satisfactory to the Trustee, in a jurisdiction in which such bank needs to be located for the purposes of Paragraphs 14 and 15, Article 10 of Law 3156 to open and operate the Collection Account in the name of the Issuer pursuant to the terms of a collection account agreement, to be on substantially the same terms as the Collection Account Agreement, to be entered into at the relevant time between the Issuer, the Trustee and such bank.

**Eligible Bank** means a bank the short term rating of which is not less than P-1 by Moody's and the long term ratings of which is not less than A3 by Moody's or such lower rating that complies with Moody's counterparty rating criteria from time to time.

Pursuant to the Collection Account Agreement, amounts standing to the credit of the Collection Account will accrue interest on an annual basis at a rate equal to the European Central Bank main refinancing operations rate (**ECB Rate**) minus 0.50 per cent, or in the event that such rate of interest is less than zero, a rate equal to the Euro Over Night Index Average (**EONIA**) less an agreed margin.

The Servicer will on each Servicer Report Distribution Date supply to the Cash Manager a report setting out the amount of the Collection Account Income transferred to the Issuer Transaction Account during the Collection Period ending immediately before such Servicer Report Distribution Date.

Issuer Bank Accounts:

The Issuer Transaction Account will be established with the Issuer Account Bank in accordance with the terms of the Bank Account Agreement. The Reserve Account will be established with the Greek Account Bank in accordance with the terms of the Reserve Account Agreement.

The Issuer Transaction Account and the Reserve Account are together referred as the **Issuer Bank Accounts**.

Under the Bank Account Agreement and the Reserve Account Agreement, if either of the Issuer Account Bank or the Greek Account Bank ceases to be an Eligible Bank, then as soon as reasonably practicable thereafter, and in any case within 60 calendar days of such entity ceasing to be an Eligible Bank, the Issuer will procure the transfer of the relevant Issuer Bank Accounts to an Eligible Bank.

Amounts of interest or other income received in respect of the amounts standing to the credit of the Issuer Bank Accounts, other than the Issuer Transaction Account, will be transferred to the Issuer Transaction Account on the last day of the last month of each quarter and will form part of the IBA Income.

Each of the Issuer Account Bank and Greek Account Bank will, prior to each Determination Date supply to the Cash Manager a report setting out the amount of the IBA Income for the Collection Period ending immediately prior to such Determination Date.

Issuer Transaction Account:

The Issuer will, on or about the Closing Date, open and maintain a

designated euro bank account (the **Issuer Transaction Account**) with the Issuer Account Bank in London, under the Bank Account Agreement, into which all amounts received by the Issuer (including all amounts received in respect of the Purchased Loans (other than as provided above) and funds transferred from the Collection Account) will be paid and from which the Issuer will make all payments required to be made by it (including payments under the Notes).

Reserve Account:

The Issuer will, on or about the Closing Date, open and maintain a designated bank account (the **Reserve Account**) with the Greek Account Bank under the Reserve Account Agreement.

The Reserve Account will be funded on the Closing Date in the amount of €65,840,000 (the **Required Reserve Fund Amount**) from the proceeds of the Subordinated Reserve Loan.

The Required Reserve Fund Amount will decrease to zero if there are no Class A Notes outstanding.

Pursuant to the Reserve Account Agreement, amounts standing to the credit of the Reserve Account will accrue interest on an annual basis at a rate equal to the ECB Rate minus 0.50 per cent or in the event that such rate of interest is less than zero, a rate equal to EONIA less an agreed margin.

All interest payable in respect of the Reserve Account will be transferred by the Greek Account Bank to the Issuer Transaction Account one Transfer Business Day prior to each Calculation Date.

Cash Flows:

For a description of the operation of the Issuer Bank Accounts see section headed *Cash Flow*.

Sources of Funds:

The Issuer's receipts (the **Receipts**) in respect of a Collection Period, will comprise the aggregate of:

- (a) Income Receipts;
- (b) Principal Receipts;
- (c) the proceeds of the repurchase of any Retired Loan by the Seller from the Issuer other than any proceeds of a repurchase that are set-off against amounts due from the Issuer to the Seller to purchase Replacement Loans from the Seller;
- (d) the proceeds of the repurchase of any Defaulted Loan by the Seller from the Issuer pursuant to the Seller Defaulted Loan Call Option other than any proceeds of a repurchase that are set-off against amounts due from the Issuer to the Seller to purchase Replacement Loans from the Seller;
- (e) the proceeds of any other sale of any Loan;
- (f) any indemnity amounts, contractual damages or other payments made to the Issuer by any party to any of the



Transaction Documents due to or in respect of any breach of or non-performance by that party of its obligations under the Transaction Documents (but not, for these purposes, including any Swap Replacement Premium Amount or Swap Collateral);

- (g) any indemnity amounts paid by the Seller on any Purchased Loan pursuant to the Master Transfer Agreement; and
  - (h) all other amounts properly payable to the Issuer (if any),
- without double-counting.

**Available Funds** means, as at a Calculation Date, an amount equal to the aggregate of:

- (a) the Receipts standing to the credit of the Issuer Transaction Account at the opening of business on the Determination Date immediately prior to such Calculation Date and any other Receipts to be transferred to the Issuer Transaction Account prior to the Interest Payment Date that falls immediately after such Calculation Date (but excluding, for the avoidance of doubt amounts representing Levy deducted by the Servicer and paid to the Bank of Greece);
- (b) any Swap Income due to be paid to the Issuer under the Swap Agreement on or prior to the immediately succeeding Interest Payment Date;
- (c) any amounts standing to the credit of the Collection Account Additional Pool Ledger immediately following the end of the Revolving Period; and
- (d) any other amounts (if any) standing to the credit of the Issuer Bank Accounts (except amounts credited thereto by mistake), other than:
  - (i) any amounts credited to the Issuer Retained Profit Ledger, such amounts standing to the credit of the Issuer Retained Profit Ledger to be applied, first, to meet and/or to make appropriate provision for any corporation tax liability of the Issuer in the U.K., and thereafter retained by the Issuer as its profit unless distributed by way of dividend to Holdings;
  - (ii) any Swap Replacement Premium Amount;
  - (iii) any Excess Swap Collateral; and
  - (iv) any Swap Tax Credit Amounts,

without double-counting.

## **Application of Funds**

*Priority of Payments:*

Prior to the service of an Acceleration Notice, on each Interest Payment Date the Issuer and/or Cash Manager will apply the aggregate of the Available Funds, as determined on the immediately preceding Calculation Date, to make the following payments or provisions as set out below in the following manner and order of priority (the **Priority of Payments**) in each case only if and to the extent that payments or provisions of a higher priority have been made in full (together with, in each case, any amount in respect of VAT payable thereon as provided in the relevant agreement):

- (i) *firstly*, in or towards payment of, *pari passu* and *pro rata* according to the respective amounts thereof, the costs, expenses, fees, remuneration and any indemnity payments (including any tax which may be payable thereon but excluding any tax which relates to the profit or income of the Trustee or any other party) (if any) payable to the Trustee and any persons appointed by the Trustee under the Trust Deed, the Deed of Charge and/or any other Transaction Document to which it is a party;
- (ii) *secondly*, in or towards payment of, *pari passu* and *pro rata* according to the respective amounts thereof, (A) all amounts due to the Issuer Account Bank under the Bank Account Agreement and the Greek Account Bank under the Greek Account Bank Agreements, (B) all amounts due to the Cash Manager under the Cash Management Agreement, and (C) all amounts due to the Agents under the Agency Agreement;
- (iii) *thirdly*, in or towards payment of, *pari passu* and *pro rata* according to the respective amounts thereof, (A) all amounts due to the Issuer Corporate Services Provider and the Holdco Corporate Services Provider under the Issuer Corporate Services Agreement, and (B) all amounts due to the Servicer under the Servicing Agreement;
- (iv) *fourthly*, in or towards payment of, *pari passu* and *pro rata* according to the respective amounts thereof, (A) amounts, (including audit fees and fees due to the Rating Agency), which are payable by the Issuer to third parties and incurred without breach by the Issuer of the Trust Deed or the Deed of Charge and not provided for payment elsewhere and to provide for any such amounts expected to become due and payable by the Issuer on or after that Interest Payment Date (but before the subsequent Interest Payment Date), (B) to provide for the Issuer's corporation tax liability in the U.K. (save to the extent of that corporation tax on the Issuer's profit which can be met out of amounts standing to the credit of the Issuer Retained Profit Ledger), and (C) any other possible liability for taxation (including, without limitation, any VAT for which the Issuer is liable to account to any relevant tax authority) up to the subsequent Interest Payment Date;
- (v) *fifthly*, in or towards payment of amounts due and payable to

the Swap Provider under the Swap Agreement (other than Swap Subordinated Amounts);

- (vi) *sixthly*, in payment to the Issuer of an amount equal to 0.01 per cent. of the aggregate of the Income Receipts for the Collection Period which ended immediately prior to such Calculation Date (the **Issuer Retained Profit**), which shall be recorded in a separate ledger (the **Issuer Retained Profit Ledger**) and retained in the Issuer Transaction Account, and thereafter dealt with in accordance with the Transaction Documents;
- (vii) *seventhly*, in or towards payment of interest due on the Class A Notes;
- (viii) *eighthly*, in the case of an Interest Payment Date falling in the Revolving Period, to credit an amount equal to the Additional Pool Reserve Amount to a separate ledger on the Collection Account (the **Collection Account Additional Pool Ledger**) to be used for the purchase of Additional Pools;
- (ix) *ninthly*, in or towards redemption of the Class A Notes in an amount equal to the Class A Note Redemption Amount;
- (x) *tenthly*, for so long as there are Class A Notes outstanding, in crediting the Reserve Account until the amount of the Reserve Account equals the Required Reserve Fund Amount;
- (xi) *eleventhly*, in or towards payment of interest due on the Class B Notes;
- (xii) *twelfthly*, in or towards redemption of the Class B Notes in an amount equal to the Class B Note Redemption Amount;
- (xiii) *thirteenthly*, in or towards payment of any Swap Subordinated Amounts;
- (xiv) *fourteenthly*, in or towards payment, *pari passu* and *pro rata*, according to the respective amounts thereof, of interest due on the Subordinated Loans or, if the Issuer has not been provided with an exemption authority from HMRC to make payments of interest to the Subordinated Loan Provider free of withholding or deduction for or on account of tax on or prior to such Interest Payment Date, to reserve for such amounts of interest in accordance with the Subordinated Loans, with such reserve to be released to the Subordinated Loan Provider on the next Interest Payment Date following receipt by the Issuer of the exemption authority;
- (xv) *fifteenthly*, in or towards payment in full of principal outstanding under the Subordinated Expenses Loan;
- (xvi) *sixteenthly*, in or towards payment in full of principal outstanding under the Subordinated Reserve Loan;

- (xvii) *seventeenthly*, in or towards payment of Deferred Consideration to the Seller; and
- (xviii) *eighteenthly*, the surplus, if any, to the Issuer or to other persons entitled thereto.

Any (i) Excess Swap Collateral, (ii) Swap Tax Credit Amounts and (iii) Swap Replacement Premium Amount, (together referred to as the **Swap Priority Amounts**) will be paid directly to the Swap Provider and will not be applied in accordance with the Priority of Payments.

**Class A Note Redemption Amount** means on any Calculation Date, an amount equal to:

- (a) in respect of an Interest Payment Date falling in the Revolving Period, zero; and
- (b) in respect of an Interest Payment Date falling in the Amortisation Period, the lesser of:
  - (i) the Principal Amortisation Amount; and
  - (ii) the then Principal Amount Outstanding of the Class A Notes.

**Class B Note Redemption Amount** means on any Calculation Date, an amount equal to:

- (a) in respect of an Interest Payment Date falling in the Revolving Period, zero; and
- (b) in respect of an Interest Payment Date falling in the Amortisation Period, the lesser of:
  - (i) the Principal Amortisation Amount less any amounts repayable on the Class A Notes on the next following Interest Payment Date; and
  - (ii) the then Principal Amount Outstanding of the Class B Notes.

**Excess Swap Collateral** means an amount equal to the value of the collateral (or the applicable part of any collateral) provided by the Swap Provider to the Issuer in respect of the Swap Provider's obligations to transfer collateral to the Issuer under the Swap Agreement as a result of the ratings downgrade provisions in the Swap Agreement, which is in excess of the Swap Provider's liability to the Issuer under the Swap Agreement as at the date of termination of the transaction under the Swap Agreement, or which the Swap Provider is otherwise entitled to have returned to it under the terms of the Swap Agreement.

**Performance Event** means any of (i) a failure, refusal or inability by the Seller to perform or comply with, for whatever reason, any of its indemnity obligations under the Master Transfer Agreement, in each case for a period in excess of five Business Days or (ii) the occurrence of certain insolvency events in respect of Alpha Bank.

**Swap Income** means, on any Determination Date and in respect of an Interest Period, any net amount to be received by the Issuer from the Swap Provider under the Swap Agreement (which net amount excludes (a) any collateral provided by the Swap Provider under the Swap Agreement other than collateral amounts applied in satisfaction of termination payments due to the Issuer following the designation of an early termination date under the Swap Agreement by way of netting and (b) any premium paid by a replacement Swap Provider when entering into a replacement swap with the Issuer but only to the extent of the amount of such premium applied to make a termination payment to the previous Swap Provider) during the Interest Period ending immediately following such Determination Date.

**Swap Subordinated Amounts** means any amount due from the Issuer to the Swap Provider, where such amount due is a positive and not a negative number, as a result of a termination of the swap transaction under the Swap Agreement, where the Swap Provider is the sole Affected Party (as defined in the Swap Agreement) following an Additional Termination Event (as defined in the Swap Agreement) or the Defaulting Party (as defined in the Swap Agreement) following an Event of Default (as defined in the Swap Agreement).

**Swap Tax Credit Amount** means the amount to be paid by the Issuer to the Swap Provider pursuant to Part 5(j)(iii) of the Schedule to the Swap Agreement in relation to a payment made by the Swap Provider pursuant to Section 2(d)(i)(4) or Section 2(d)(ii) of the Swap Agreement.

*Principal Amortisation Amount:*

On each Calculation Date, the Cash Manager will calculate the Principal Amortisation Amount in respect of the immediately following Interest Payment Date.

**Principal Amortisation Amount** means, in respect of an Interest Payment Date, the lower of:

- (a) the Available Funds relating to such Interest Payment Date, minus:
  - (i) for so long as any Class A Notes are outstanding, all amounts falling due and payable under items (i) to (viii) (inclusive) of the Priority of Payments on such Interest Payment Date; or
  - (ii) to the extent that the Class A Notes have been redeemed in full or would be redeemed in full on such Interest Payment Date, all amounts falling due and payable under items (i) to (xi) (inclusive) of the

Priority of Payments on such Interest Payment Date;

and

- (b) the greater of (i) zero and (ii) the Expected Amortisation Amount,

**provided that** if this calculation gives a negative number, the Principal Amortisation Amount shall be zero.

**Expected Amortisation Amount** means, in relation to each Calculation Date during the Amortisation Period, the aggregate Principal Amount Outstanding of all Notes less the Principal Outstanding Balance of the Performing Loans, in each case as at such Calculation Date.

**Principal Outstanding Balance** means, at any time in relation to a Loan, the principal amount outstanding of such Loan at such time (i) including any expense, charge, fee, premium or payment capitalised and added to the principal amount outstanding in respect of such Loan in accordance with the relevant Loan Documentation but (ii) excluding accrued interest (other than any accrued interest that has been capitalised and added to the principal balance of the Loan).

*Income Receipts:*

On each Calculation Date, the Cash Manager will calculate the Income Receipts in respect of the immediately succeeding Interest Payment Date.

**Income Receipts** means the aggregate of:

- (a) Loan Income Receipts in respect of a Collection Period;
- (b) IBA Income in respect of a Collection Period; and
- (c) Collection Account Income in respect of a Collection Period,

in each case for the Interest Period corresponding to such Collection Period and ending on the immediately succeeding Interest Payment Date, without double-counting.

**Loan Income Receipts** means in respect of a Collection Period, the aggregate of payments of interest (which, for the avoidance of doubt, includes amounts representing the Levy) and other fees received from the Obligors under the Purchased Loans, including all amounts of collections and recoveries in respect of Defaulted Loans until the relevant Collection Period End Date.

*Post-Enforcement Priority of Payments:*

Upon and following the service of an Acceleration Notice, the Trustee or a receiver appointed by it will apply all monies and receipts in respect of the Security, other than any Swap Priority Amounts, in paying or providing for the following amounts (together with, in each case, any amount in respect of VAT payable thereon as provided in the relevant agreement) in the following manner and order of priority (the **Post-Enforcement Priority of Payments**) (in each case only if

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

- (i) *firstly*, in or towards satisfaction of, *pari passu* and *pro rata* according to the respective amounts thereof, the costs, expenses, fees, remuneration and indemnity payments (including any tax which may be payable thereon but excluding any tax which relates to the profit or income of the Trustee or any other party)) (if any) payable to the Trustee and any receiver or other person appointed by the Trustee and any costs, charges, liabilities and expenses incurred by the Trustee or such receiver or other person, in each case under the Trust Deed, the Deed of Charge and/or any other Transaction Document to which it is a party;
- (ii) *secondly*, in or towards satisfaction of, *pari passu* and *pro rata* according to the respective amounts thereof, (a) all amounts due to the Issuer Corporate Services Provider and Holdco Corporate Services Provider under the Issuer Corporate Services Agreement, (b) all amounts due to the Servicer under the Servicing Agreement, (c) all amounts due to the Issuer Account Bank under the Bank Account Agreement and the Greek Account Bank under the Greek Account Bank Agreements, (d) all amounts due to the Cash Manager under the Cash Management Agreement, (e) all amounts due to the Agents under the Agency Agreement, and (f) all amounts due to the Rating Agency;
- (iii) *thirdly*, in or towards satisfaction of all amounts due or overdue to the Swap Provider under the Swap Agreement other than Swap Subordinated Amounts;
- (iv) *fourthly*, in or towards satisfaction of all interest and principal due or overdue on the Class A Notes;
- (v) *fifthly*, in or towards satisfaction of all interest and principal due or overdue on the Class B Notes;
- (vi) *sixthly*, in or towards satisfaction of all Swap Subordinated Amounts;
- (vii) *seventhly*, in or towards payment, *pari passu* and *pro rata*, according to the respective amounts thereof, of interest due or overdue on the Subordinated Loans;
- (viii) *eighthly*, in or towards payment, *pari passu* and *pro rata*, according to the respective amounts thereof, of all principal and other amounts due or overdue on each of the Subordinated Loans;
- (ix) *ninthly*, in or towards payment to the Issuer of an amount equal to the Issuer Retained Profit, which shall be retained in the Issuer Retained Profit Ledger and thereafter dealt with in accordance with the Transaction Documents;

- (x) *tenthly*, in or towards satisfaction of all amounts of Deferred Consideration to the Seller; and
- (xi) *eleventhly*, the surplus, if any, to the Issuer or other persons entitled thereto.

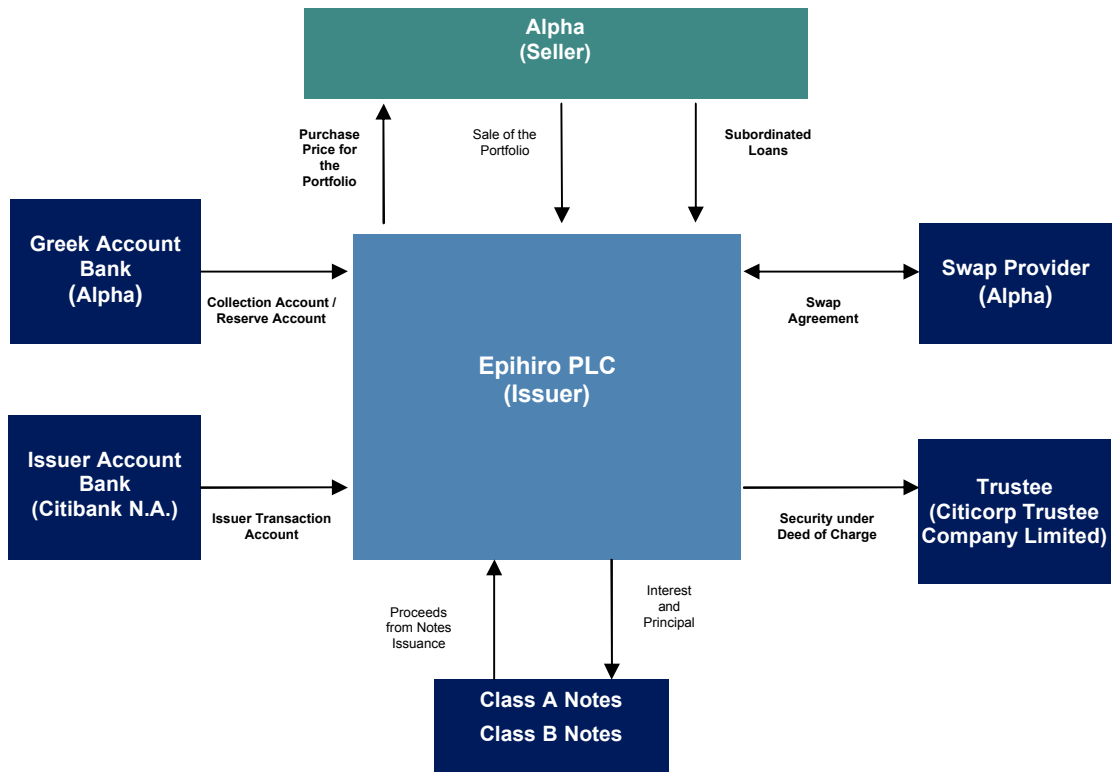
**Levy** means the levy payable under law 128/75 of the Hellenic Republic.

**VAT** means the tax charged pursuant to section 1 of the Value Added Tax Act 1994 or the equivalent tax charged outside the UK.



## TRANSACTION DIAGRAM

*The following is a diagram showing the structure of the transaction as at the Closing Date. It is intended to illustrate to prospective noteholders the principal parties in the transaction structure as at the Closing Date.*



## **RISK FACTORS**

*The following is a summary of certain aspects of the issue of the Notes and related transactions about which prospective Noteholders should be aware. This summary is not intended to be exhaustive and prospective Noteholders should also read the detailed information set out elsewhere in this Prospectus. If you are in any doubt about the contents of this Prospectus you should consult an appropriate professional adviser.*

### **Liabilities under the Notes**

The Notes will be obligations of the Issuer only. The Notes will not be obligations or responsibilities of, or guaranteed by, any other entity, including (but not limited to) the Trustee, the Seller, the Servicer, the Arrangers, the Subordinated Loan Provider, the Swap Provider, the Paying Agents, the Agent Bank, the Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider or the Holdco Corporate Services Provider or by any entity affiliated to any of the foregoing. No one other than the Issuer will accept any liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes.

### **Recourse only to the assets of the Issuer**

The ability of the Issuer to meet its obligations under the Notes will be directly or indirectly dependent primarily upon the receipt by it of principal and interest from the Obligors under the Purchased Loans, the receipt of funds (if available to be drawn) under the Subordinated Loan Agreements, and the receipt of funds from the Swap Provider. Other than the foregoing and any interest earned by the Issuer in respect of the Issuer Bank Accounts, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes and/or any other payment obligation ranking in priority to, or *pari passu* with, the Notes.

Upon enforcement of the security for the Notes, the Trustee or any receiver and the Noteholders will have recourse only to the Purchased Loans, the Issuer's interest in the relevant Related Security and to any other assets of the Issuer then in existence as described in this document. If there are insufficient amounts available from the Charged Property to pay in full the Issuer's Secured Liabilities, then the Secured Creditors shall have no further claim against the Issuer in respect of any amounts owing to them which remain unpaid and such unpaid amounts shall be deemed to be discharged in full and any relevant payment rights shall be deemed to cease.

### **Restriction on exercise of certain rights**

The Deed of Charge will contain provisions to the effect that only the Trustee may enforce the Security and prohibiting the Other Secured Creditors from taking any action (including petitioning for winding-up, liquidation or administration) against the Issuer for recovery of any amounts owed to them, unless (a) an Acceleration Notice has been served or the Trustee fails (when bound to do so) to serve an Acceleration Notice and (b) the Trustee fails (when bound to do so) to enforce the Security, and even in the circumstances described in (a) and (b), each Secured Party (other than the Trustee) will be prohibited from petitioning for the winding-up, liquidation or administration of the Issuer other than as may be permitted in the Conditions to the Notes and/or the Deed of Charge.

### **Subordination of the Class B Notes**

The Class B Notes will be affected by considerations which do not affect the Class A Notes. In particular, the Class A Notes and some other items as set out in the Priority of Payments will rank in point of security prior to the Class B Notes. Accordingly, following an enforcement of the Security, any losses after application of the Issuer's assets (including any proceeds of sale of the Portfolio and the balances on the Transaction Account) in accordance with the Post-Enforcement Priority of Payments will be attributable first to the Class B Notes and then to the Class A Notes. Prior to such enforcement, the Class B Notes will support the timely

payment of interest on the Class A Notes because of the higher ranking of payments of interest under the Class A Notes than payments of interest due under the Class B Notes.

### **Conflict between Classes of Noteholders**

The Trust Deed will contain provisions requiring the Trustee to have regard to the interests of each class of the Noteholders equally, as regards all powers, trusts, rights, authorities, duties and discretions of the Trustee (except where expressly provided otherwise), provided that if in the opinion of the Trustee (for so long as there are any Class A Notes outstanding) there is a conflict between the interests of the Class A Noteholders, on the one hand and the interests of the Class B Noteholders on the other hand, it shall have regard only to the interests of the Class A Noteholders but so that this proviso shall not apply in the case of powers, trusts, rights, authorities, duties and discretions:

- (a) in relation to which it is expressly stated that they may be exercised by the Trustee only if in its opinion the interests of the Noteholders of each Class would not be materially prejudiced thereby; or
- (b) the exercise of which by the Trustee relates to any Basic Terms Modification, in which event the Trustee may exercise such powers, trusts, authorities, duties and discretions only if it is satisfied that to do so will not be materially prejudicial to the interests of the Noteholders of each class that will be affected thereby.

### **Certain Material Interests**

The Arrangers and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, Alpha Bank and its affiliates in the ordinary course of business. Citibank, N.A., London Branch will act as Principal Paying Agent, Issuer Account Bank and Agent Bank and Cash Manager. Other parties to the transaction may also perform multiple roles.

The Trust Deed provides that the Trustee shall not by reason of its fiduciary position be in any way precluded from (i) entering into or being interested in any contract or financial or other transaction or arrangement with the Issuer or any party to the Transaction Documents or whose obligations are comprised in the Charged Property, or (ii) accepting or holding the trusteeship of any other trust deed constituting or securing any other securities or any other office of profit. The Trust Deed also provides that the Trustee shall be entitled to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such contract, transaction or arrangement or, as the case may be, any such trusteeship or office of profit without regard to the interests of the Noteholders, or any Other Secured Party and notwithstanding that the same may be contrary or prejudicial to the interests of the Noteholders, or any Other Secured Party and that the Trustee shall not be responsible for any Liability occasioned to the Noteholders thereby and shall be entitled to retain and shall not be in any way liable to account for any profit made or other amount or benefit received thereby or in connection therewith.

Accordingly, conflicts of interest may exist or may arise as a result of parties to this transaction:

- (a) having previously engaged or in the future engaging in transactions with other parties to the transaction;
- (b) having multiple roles in this transaction; and/or
- (c) carrying out other transactions for third parties.

## **Interests of Alpha Bank**

Alpha Bank will act as Seller, Servicer, Greek Account Bank, Swap Provider and Subordinated Loan Provider.

Furthermore it may also perform the role of Greek Bondholders' Representative and Greek Paying Agent in respect of certain Purchased Loans which will be comprised in the Portfolio. When acting in such latter capacity in respect of payments to be made under a Purchased Bond, it is required to act in the interest of the Borrower which has appointed it under the terms of the relevant Greek Programme Agreement. Such role may in certain circumstances give rise to conflict of interests with the Issuer as bondholder.

In this respect, under the Servicing Agreement, Alpha Bank has undertaken to (i) carry out all its services and activities under any Transaction Document to which it is a party in a professional manner and in the best interest of the Issuer and the Trustee, and (ii) promptly indemnify the Issuer in case of any breach thereof. For further details, see section headed *Servicing of the Portfolio* below.

## **Alpha Bank as Noteholder**

On the Closing Date, Alpha Bank will purchase 100 per cent. of the Notes to be issued by the Issuer. For so long as these Notes are held by Alpha Bank, it will be entitled to all of the rights to which the holders of such Notes are entitled (including, to the extent permitted by the Transaction Documents and without limitation, voting rights). By reason of its roles as, *inter alia*, Seller and Servicer, Alpha Bank's interests, with respect to the holding of such Notes, may be different from those which a Noteholder who was someone other than Alpha Bank might have. It will be in Alpha Bank's interests to minimise any adverse impact or potential adverse impact on Alpha Bank in its other capacities when exercising its rights as holder of the Notes and it may do so, even if Noteholders who were persons other than Alpha Bank might regard such exercise of rights as being adverse to Noteholder's interests.

## **Yield and Prepayment Considerations**

The yield to maturity of the Notes of each class will depend on, among other things, the amount and timing of payment of principal on the Purchased Loans (including full and partial prepayments under a Purchased Loan, sale proceeds arising on enforcement of a Purchased Loan, exercise of the Seller Call Option by the Seller, exercise of any Issuer Put Option by the Issuer and repurchases of Purchased Loans by the Seller due to breaches of representations and warranties under the Master Transfer Agreement (although this may be mitigated by the purchase of Replacement Loans by the Issuer)) and the price paid by the Noteholders for the Notes. Such yield may be adversely affected by a higher or lower than anticipated rate of prepayments on the Purchased Loans.

Principal prepayments in full may occur as a result of or in connection with the voluntary refinancing by a Borrower or as a result of enforcement proceedings under the relevant Purchased Loan, as well as the receipt of proceeds from the Related Security. In addition, repurchases of Purchased Loans by the Seller will have the same effect as a prepayment in full of such Purchased Loans although this may be mitigated by the purchase of Replacement Loans in these circumstances.

The rate of prepayment of the Purchased Loans cannot be predicted and is influenced by a wide variety of economic, social and other factors, including prevailing market interest rates and, the availability of alternative financing, local and regional economic conditions. No assurance can be given as to the level of prepayment that the Portfolio will experience.

## **Searches and Investigations**

The Issuer has not made or caused to be made on its behalf all of the enquiries, searches or investigations which a prudent purchaser of assets such as the Portfolio would make (and will not do so) and the Trustee,

the Arrangers, the Swap Provider, the Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider, the Holdco Corporate Services Provider and the Agents have made no such enquiries, searches or investigations. Each of the Issuer, the Trustee and such other parties will rely on the representations and warranties made by the Seller to be contained in the Master Transfer Agreement. The remedy for a breach of such representations and/or warranties if such breach cannot be otherwise rectified within 21 days in accordance with the Master Transfer Agreement will be the repurchase by the Seller of the Purchased Loans which are the subject of a breach of representation and/or warranty, or payment of an indemnity amount equivalent to such repurchase price.

The Seller will be obliged to repurchase only those Purchased Loans (if any) in respect of which a representation and/or warranty given by the Seller pursuant to the Master Transfer Agreement was breached.

### **Performance of the Portfolio**

The ability of the Issuer to meet its obligations to pay principal and interest on the Notes (and its operating and administrative expenses) will, ultimately, be subject to the risk of default by the Obligors (such that, after completion of enforcement procedures in respect of the relevant Purchased Loan and Related Security (if any) securing the Loan, the Issuer may not receive the full principal and interest due on each Purchased Loan). In the event of such a default, if the cash flows derived from the Purchased Loans, the Swap Agreement, the Reserve Account, and any other assets of the Issuer are insufficient to meet any shortfall, then Noteholders may not receive all sums expected to be received by them.

Deficiencies in receipts from Obligors may result in reductions to the amounts payable and receivable by the Issuer under the Swap Agreement which in turn will result in reductions in Available Funds to be applied to meet the payments in the Priority of Payments.

If there are insufficient funds available as a result of such deficiencies, then the Issuer may not be able, after making the payments to be made in priority thereto, to pay, in full or at all, amounts of interest and principal due to holders of, firstly, the Class B Notes and secondly, the Class A Notes. In this situation, there may not be sufficient funds to redeem each class of Notes on or prior to the Final Maturity Date.

### **Reliance on Performance by Servicer**

The Issuer has engaged the Servicer to administer the Portfolio pursuant to the Servicing Agreement. While the Servicer is under contract to perform certain services under the Servicing Agreement there can be no assurance that it will be willing or able to perform in the future. In the event the appointment of the Servicer is terminated by reason of the occurrence of a Servicer Termination Event, there can be no assurance that the transition of servicing will occur without adverse effect on investors or that an equivalent level of performance on collections and administration of the Loans can be maintained by any replacement of the Servicer.

If the appointment of the Servicer is terminated, the Issuer shall endeavour to appoint a substitute servicer. No assurances can be made as to the availability of, and the time necessary to engage, such a substitute servicer. Pursuant to the Servicing Agreement, the termination of the appointment of the Servicer shall only be effective if the Issuer has appointed a substitute servicer.

### **Flexible Option Variations**

Customers who are in good standing and satisfy certain underwriting criteria may be offered an option to make flexible payments according to their individual circumstances. Customers may defer up to one instalment in a calendar year, with a maximum of one deferral over the life of the loan. However, the Seller has no contractual obligation to grant the flexible payment option to the borrower. The number of Flexible Option Variations will affect the timing of principal and interest amounts received by the Issuer and may adversely affect the Issuer's ability to make payments of principal and interest on the Notes. The Seller may

also grant an extension of the remaining period under a Loan provided that such extension does not cause the Loan to cease to comply with the Eligibility Criteria. The Seller has no contractual obligation to grant a loan extension to a Borrower, however if such extension is granted it will affect the timing of the ultimate repayment of the Loan.

### **Collateral held by the Greek Bondholders' Representatives**

In respect of Purchased Bonds, the security interests granted by the Obligors over certain assets securing the repayment of the Purchased Bonds are not held directly by the Issuer, or the Trustee on its behalf, but by the relevant Greek Bondholders' Representatives to the benefit of the Issuer and, in respect of the Syndicated Bonds, the holders of the relevant Bonds. The Greek Bondholders' Representatives have undertaken to hold and manage in the interest of the relevant bondholders the security interests in accordance with the terms of the Bond Documents. In case of insolvency of any Greek Bondholders' Representative, the securities and other assets constituting the security interests will not become part of the insolvency estate of the Greek Bondholders' Representative and will be segregated to the benefit of the Issuer and the other bondholders under Article 4(7) of Law 3156.

### **Payments by the Greek Paying Agents**

Payments under the Purchased Bonds will be made by the Borrowers through specified accounts held with the Greek Paying Agents which, in the case of a limited number of Syndicated Bonds, are credit institutions other than Alpha Bank.

Greek Paying Agents will apply the funds received from the Borrowers to make payments to the Bondholders within the time frame provided by the respective Bond Documents, normally 1-2 days after receipt of funds by the Borrowers. For as long as such funds remain with a Greek Paying Agent other than Alpha Bank, they will not be considered as segregated to the benefit of the Issuer and the other bondholders under Article 4(7) or Article 10(15) of Law 3156 and will form part of its bankruptcy estate, should the Greek Paying Agent be subject to bankruptcy proceedings. In this case, the Servicer, on behalf of the Issuer, and the other bondholders will have the right to replace it with another credit institution.

Pursuant to the respective Bond Documents in the event that, following the deposit by a Borrower in the specified account held with the relevant Greek Paying Agent of an amount towards repayment of its obligations under the Purchased Bonds, such amount is attached in the hands of the Greek Paying Agent by any third party or the Borrower goes bankrupt prior to the distribution of such amount to the respective bondholders, the Borrower will be considered as not having repaid its relevant obligation for which such deposit was made and will remain liable for such obligation as against the bondholders.

### **Losses Associated with Value of Collateral**

The Loans to be sold and assigned to the Issuer will include Loans secured by security interests taken over assets of Obligors. The benefit of such security interests will also be transferred to the Issuer under the terms of the Master Transfer Agreement.

Such collateral may include real estate assets subject to mortgages and judicial pre-notation of mortgages under Article 1274 of the Greek Civil Code (**Pre-Notations**). The value of this collateral may be affected by, *inter alia*, a decline in the value of the real property to which the Pre-Notations relate.

Some Loans are and will be secured by a pledge over company shares. In this case, the value of this collateral may be affected by, *inter alia*, a decline in the value of the company whose shares are pledged by the relevant Obligor.

Any other collateral comprising assets of any Obligor (where such collateral is not in the form of cash, bonds, stocks, securities or their equivalents), the rights to the benefits and proceeds of which have been

assigned to the Issuer, may only be of limited value to the Issuer as the cost that would be incurred by it in taking steps to enforce the security over such collateral may exceed the proceeds that would be expected to be gained from such enforcement. In such cases, the Issuer will (as for an unsecured Loan) be required to rely on the ability of the Obligor to pay the amount due.

In some circumstances, the collateral securing Purchased Loans transferred to the Issuer may be subject to prior ranking security interests taken over the same property in favour of a third party creditor. In such circumstances, the Issuer's claim to the proceeds on enforcement of the collateral would rank behind those of such third party creditor.

The main types of collateral securing Loans in the Portfolio are listed in *Description of the Portfolio* below.

### **Competition in the Greek SME Financing Market**

The Issuer is, among other things, subject to the risk of the contractual interest rates on the Loans being less than that required by the Issuer to meet its commitments under the Notes, which may result in the Issuer having insufficient funds available to meet the Issuer's commitment under the Notes and other Issuer obligations. There are a number of financiers in the Greek SME financing market and competition may result in lower interest rates on offer in such market. In the event of lower interest rates, Obligors under the Purchased Loans may seek to repay such Purchased Loans early, with the result that the Portfolio may not continue to generate sufficient cashflows in order for the Issuer to meet its commitments under the Notes.

### **Legal Protection for Guarantors**

The obligations of a Borrower under a Purchased Loan may be guaranteed by, or secured by a security interest granted by, a person other than the relevant Borrower. Each third party guarantor may raise a defence (to the extent not waived by such guarantor) to any claim made against it by the relevant creditor (including the Issuer in respect of the relevant Purchased Loans) and considered as no longer liable under its guarantee if the debt cannot be satisfied by the principal debtor due to the gross negligence or fraud of the creditor (article 862 of the Greek Civil Code).

### **Guarantee provided by the Hellenic Republic**

The Portfolio will include Purchased Loans where the obligations of a Borrower under such Purchased Loans are guaranteed by the Hellenic Republic by virtue of ministerial decisions of the Minister of Economy and Finance. Pursuant to Greek law and such ministerial decisions, the Hellenic Republic (as guarantor) will make payments under the relevant guarantee following a verification procedure which may last up to two months. Accordingly, the Issuer may not receive payments from the guarantor in respect of such Purchased Loans at the same time it was due by the Borrower. Additionally, pursuant to Greek law, where the Hellenic Republic (as guarantor) is required to make a payment in respect of default interest owed by a Borrower, the Hellenic Republic is entitled to deduct from such payment an amount equal to 50 per cent. of the difference between the interest rate under the applicable Purchased Loan and the default interest rate.

### **Purchase of Additional Pools – Substitution Option**

Subject to the Seller being able to hold sufficient Loans which meet the Eligibility Criteria and satisfaction of the conditions for the sale of Additional Pools (including no Termination Event having occurred), it is the intention of the Seller to offer to sell Additional Pools to the Issuer in addition to the Initial Pool purchased by the Issuer as of the Closing Date on the same terms and conditions during the remainder of the Revolving Period (See section headed *Summary of Principal Documents – Master Transfer Agreement*). Subject to the terms and conditions set out in the Master Transfer Agreement, the Issuer shall purchase any Additional Pool offered for sale, if so made. However, there is no guarantee as to the frequency of the use of the substitution option, the amount of moneys which will be available to the Issuer to exercise the substitution option or the

amount of Loans which may be available to be purchased pursuant thereto during the remainder of the Revolving Period.

### **Geographical Concentration of the Loans**

Although the Obligors are located throughout Greece, the Obligors may be concentrated in certain locations, such as densely populated areas. Any deterioration in the economic condition of the areas in which the Obligors are located, or any deterioration in the economic condition of other areas that causes an adverse effect on the ability of the Obligors to repay the Loans could increase the risk of losses on the Loans. A concentration of Obligors in such areas may therefore result in a greater risk of loss than would be the case if such concentration had not been present. Such losses, if they occur, could have an adverse effect on the yield to maturity of the Notes as well as on the repayment of principal and interest due on the Notes.

### **Industry Concentration of Loans**

The Portfolio may have a disproportionate concentration of Obligors conducting business in certain industry categories concentrated in certain industries. Any deterioration in the economic condition of certain industries may have adverse affect on the ability of the Obligors to repay Loans, which could increase the risk of losses on the Loans. A concentration of Obligors in such industries may therefore result in a greater risk of loss than would be the case if such concentration had not been present. Such losses, if they occur, could have an adverse effect on the yield to maturity of the Notes.

### **Reliance on the Seller's Representations and Warranties**

If any of the Loans fails to comply with any of the Loan Warranties, which could have a material adverse effect on the relevant Loan or the Loan Income Receipts, the Seller shall hold the Issuer harmless against any losses which the Issuer may suffer as a result of such failure. The Seller may discharge this liability either by, at its option, making an indemnity payment equal to or repurchasing such Loan from the Issuer for an amount equal to the Principal Outstanding Balance of such Loan plus all other amounts due in respect of such Loan or, in certain circumstances, substituting or procuring the substitution of a Replacement Loan, provided that this shall not limit any other remedies available to the Issuer if the Seller fails to discharge such liability. The Issuer's rights arising out of breach or inaccuracy of the representations and warranties are however unsecured and, consequently, a risk of loss exists if a Loan Warranty is breached and the Seller is unable to repurchase the relevant Loan.

### **Changing characteristics of the Portfolio during the Revolving Period**

During the Revolving Period, the amounts that would otherwise be used to meet certain of the Issuer's obligations under the Transaction Documents may be used to purchase Additional Loans. The characteristics of the Portfolio (e.g. geographic concentration and industry concentration of the Purchased Loans) may change after the Closing Date, and could be substantially different at the end of the Revolving Period from the characteristics of the Initial Portfolio. These differences could result in faster or slower repayments or greater losses on the Notes.

### **The Revolving Period may end if the Seller is unable to originate Additional Pools**

During the Revolving Period, it is expected that no principal will be paid to the Noteholders. Instead, during the Revolving Period, amounts credited to the Collection Account Additional Pool Ledger may be used to purchase Additional Pools. However, if an Amortisation Event occurs the Revolving Period will terminate resulting in principal being repaid on the Notes on and from the following Interest Payment Date. One of the triggers for an Amortisation Event is where amounts credited to the Collection Account Additional Pool Ledger during the Revolving Period exceed 20 per cent. of the Principal Amount Outstanding of the Notes.



The Seller does not, as of the date of this Prospectus, expect any shortage in availability of Additional Pools. However, the Seller is not obliged to sell any Additional Pool during the Revolving Period. If the Seller is unable or unwilling to sell any Additional Pools, then the Revolving Period will terminate earlier than expected, in which case the Noteholders will receive payments of principal on the Notes earlier than expected.

### **Interest Rates under the Loans**

The terms and conditions pertaining to the Loans provide for the interest rate to be determined in respect of each Loan on a fixed basis or on a pure variable basis by reference to EURIBOR of an interest period each time agreed in the relevant Loan Documentation for euro deposits plus a margin plus, in respect of the Term Loans, the Levy.

Borrowers in respect of Bonds do not currently pay the Levy, as banks in Greece take the view that an exemption from the Levy applies to those Bonds issued pursuant to Law 3156. However the question of whether Bonds issued pursuant to Law 3156 are exempt from the Levy has not been tested by the Greek courts and is not free from doubt, particularly in the case of Bilateral Bonds. Accordingly, if the Borrowers were in the future required to pay Levy on the Bonds, then they may be obliged to pay the Levy in respect of those periods prior to the transfer of the Purchased Bonds to the Issuer. As a consequence of having to pay historic Levy payments Borrowers may default on other amounts they owe under the Bonds. The Issuer and/or the Servicer would be liable to the Greek Tax Authorities for such amount and such amounts would need to be deducted from Available Funds. This could result in insufficient funds being available to pay amounts due to Noteholders.

The interest rate basis of Purchased Loans with a variable basis may be changed in the future to a different variable basis by the Borrower or, in respect of Purchased Bonds, the Greek Bondholders' Representative or a meeting of the relevant bondholders, as the case may be, under the terms and subject to the conditions set out in the relevant Loan Documentation.

In order to mitigate the risk arising from any mismatch between the amount of interest received under the Purchased Loans and the amounts of interest payable under the Notes, the Issuer will enter into a swap transaction with the Swap Provider on or about the Closing. Provided the Swap Provider continues to perform its obligations in respect of the Swap Agreement, the Issuer is expected to be able to meet its interest and principal obligations in respect of the Notes. For further details about the swap transaction, see section headed *Summary of the Principal Documents – Swap Agreement*.

### **Exercise of rights in respect of Syndicated Bonds - Issuer Put Option**

The Portfolio will include Purchased Bonds which are Syndicated Bonds. Whilst the Issuer will be the sole bondholder and beneficiary of any Related Security and/or Ancillary Rights benefiting or securing a Purchased Bond which is a Bilateral Bond, it will be co-beneficiary *pro quota*, based on its participation to the relevant bond issuance, together with any other bondholders thereof, of any Related Security and/or Ancillary Rights benefiting or securing a Purchased Bond which is a Syndicated Bond.

In the light of this, unlike a Purchased Bond which is a Bilateral Bond and in respect of which the Issuer, or the Servicer on its behalf, will be the sole person entitled to determine the course of action to take to safeguard its rights and interests thereunder (including, but not limited to, giving its consent to amend certain terms of the Purchased Bond and the relevant Bond Documents, exercising any termination or enforcement rights, waiver, granting of any grace period, etc.), in case of a Purchased Bond which is a Syndicated Bond, the Issuer might not be able to do so due to the fact that certain decisions need to be shared with the other bondholders and might require the approval of a certain quorum or majority of the bondholders as set out in the relevant Bond Documents. As a consequence of this, there may be situations where, the required quorum of the bondholders makes a decision different from that in favour of which the Issuer has cast a vote.

In order to mitigate the risk that, in respect of Purchased Bonds which are Syndicated Bonds, the Issuer may in those circumstances be affected by resolutions passed (or, as the case may be, not passed) by the required majority of the bondholders which it does not agree with and/or whose effects may be prejudicial to the interest of the Issuer and/or the Noteholders and/or cause the relevant Purchased Bonds to cease to comply with the Eligibility Criteria, under the Master Transfer Agreement the Seller has granted to the Issuer an option to sell back to the Seller upon the occurrence of an Issuer Put Option Event, under the terms set out therein, any Purchased Bond comprised in the Portfolio which is a Syndicated Bond. For further details, see section headed *Purchase of the Portfolio*.

### **Potential for Market Disruption to affect the setting of Interest Rates for the Notes**

The Rate of Interest in respect of the Notes for each Interest Period will be the aggregate of the margin and an underlying rate (EURIBOR) in each case determined in accordance with Condition 4(c) (*Rates of Interest*). Condition 4(c)(ii), (iii) and (iv) contains provisions for the calculation of such underlying rate based on rates given by various market information sources, and also contains alternative methods of calculating the underlying rate should those market information sources be unavailable. The market information sources might become unavailable for various reasons, including suspensions or limitations on trading, events which affect or impair the ability of market participants in general, or early closure of market institutions. These could be caused by physical threats to the publishers of the market information sources, market institutions or market participants in general, or unusual trading, or matters such as currency changes.

### **Borrower Inability to Repay in Event of Interest Rate Fluctuation**

Obligors of the floating rate Purchased Loans may become unable to repay the Purchased Loans in the event of wide fluctuations in interest rates and may default. As a result of such defaults the Issuer may not receive payments it would otherwise be entitled to from such Obligors.

If there are insufficient funds available as a result of such defaults, then the Issuer may not be able, after making the payments to be made in priority thereto, to pay, in full or at all, amounts of interest and principal due to holders of the Notes. In this situation, there may not be sufficient funds to redeem the Notes on or prior to the Final Maturity Date.

Interest rates cannot be predicted and are influenced by a wide variety of economic, social and other factors.

### **Termination Payments under the Swap Agreement**

If the Swap Transaction is terminated, the Issuer may be obliged to make a termination payment to the Swap Provider. The amount of the termination payment will be based on the market value of the terminated Swap Transaction.

Except where the Swap Transaction has terminated as a result of the Swap Provider being in default or the Swap Provider failing to comply with the requirements following a Swap Provider Ratings Downgrade and no Swap Replacement Premium Amount is received by the Issuer, any termination payment due from the Issuer following termination of the Swap Transaction (including any extra costs incurred if the Issuer cannot immediately enter into a replacement swap agreement), will rank in priority to the Notes.

Therefore, if the Issuer is obliged to make a termination payment to the Swap Provider or pay any other additional amounts as a result of the termination of the Swap Transaction, this could reduce the Issuer's ability to service payments on the Notes.

In the event that the Swap Provider were to fail to perform its obligations under the Swap Agreement the ability of the Issuer to meet its obligations in respect of the Notes may be adversely affected. If the Swap Transaction is terminated by the Issuer, there can be no guarantee that the Issuer will be able to enter into a replacement transaction on the same terms as the Swap Transaction or at all.

### **Issuer Optional Redemption**

Although the Issuer is entitled (as to which see Condition 6 (*Redemption*)) to redeem the Notes at its option in certain circumstances, it is not obliged to do so except in case of exercise of the Seller Call Option by the Seller. The ability of the Issuer to redeem the Notes in any of the circumstances in which it is entitled to do so will be dependent primarily upon its ability to sell or refinance the Portfolio for an amount sufficient to enable the Issuer to make payments of all sums due to the Noteholders upon any such redemption. Accordingly, if the Issuer is unable to raise sufficient redemption funds, whether by sale or refinancing of the Portfolio or otherwise, the Issuer will not be able to exercise its right of optional early redemption of the Notes.

### **Issuer Mandatory Redemption**

The Issuer will be required (as to which see Condition 6 (*Redemption*)) to redeem the Notes on the next Interest Payment Date following receipt from the Seller of notice that it intends to exercise the Seller Call Option pursuant to the Master Transfer Agreement.

### **Lack of liquidity in the secondary market may adversely affect the market value of the Notes**

The secondary debt securities markets are currently experiencing severe disruptions resulting from reduced investor demand for debt securities and asset-backed securities and increased investor yield requirements for those debt securities. As a result, the secondary market for asset backed securities is experiencing extremely limited liquidity. These conditions may continue or worsen in the future.

Limited liquidity in the secondary market for asset-backed securities has had a severe adverse effect on the market value of asset-backed securities and may continue to have a severe adverse effect on the market value of asset-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. Consequently, Noteholders may not be able to sell their notes readily. The market values of the notes are likely to fluctuate. Any of these fluctuations may be significant and could result in significant losses to Noteholders.

In addition, the forced sale into the market of asset-backed securities held by banks, structured investment vehicles, hedge funds, issuers of collateralised debt obligations and other similar entities that are currently experiencing funding difficulties could adversely affect a Noteholder's ability to sell, and/or the price a Noteholder receives for, its Notes in the secondary market.

### **Subordination of Payments to Noteholders**

Investors should be aware that payments to Noteholders will be subject to the orders of priority as set out in *Transaction Summary - Application of Funds* above.

### **Ratings of the Notes**

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the Rating Agency at any time. Credit ratings represent the rating agency's opinion regarding the credit quality of an asset but are not a guarantee of such quality. There is no assurance that a rating accorded to the Class A Notes will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the Rating Agency if, in its judgment, circumstances in the future so warrant. In the event that a rating initially assigned to the Class A Notes is subsequently lowered for any reason, no person or entity is required to provide any additional support or credit enhancement with respect to any such Class A Notes and the market value of such Class A Notes is likely to be adversely affected.

The ratings assigned to the Class A Notes address the expected loss posed to investors by the Final Maturity Date.

### **Risk-weighting of the Notes**

Following the issue of proposals from the Basel Committee on Banking Supervision for reform of the 1988 Capital Accord, a framework has been developed which places enhanced emphasis on market discipline and sensitivity to risk. A comprehensive version of the text of the framework was published in June 2006 under the title "International Convergence of Capital Management and Capital Standards: a Revised Framework (Comprehensive Version)" (**Basel II Framework**). The Basel II Framework is being implemented in stages. In Europe, the Basel II standard approach and the Foundation IRB approach were required to be implemented from 1 January 2007, and the more advanced Basel II IRB approach and advanced measurement approach for operational risks were required to be implemented from 1 January 2008. However, the Basel II Framework is not self-implementing and, accordingly, implementation in participating countries is in some cases still in development or has not yet been put into effect.

The Basel Committee announced in April 2008 its intention to take steps to strengthen certain aspects of the Basel II Framework. Following on from this, in January 2009, the Basel Committee published a consultation paper setting out proposals for significant changes and there have been calls from various regulators for further changes. The European Commission has also proposed changes to the Capital Requirements Directive and, in October 2008, amendments to the Directive were put forward to the European Parliament and the Council of Ministers for consideration. The amendments include a number of items which may be relevant to certain ABS investors including investment restrictions in respect of certain ABS and investment due diligence requirements (and proposed significant corresponding penalties involving higher capital charges in the case of non-compliance with the latter).

As and when implemented, the Basel II Framework and/or any of the proposed changes referred to above, could affect risk-weighting of the Notes for investors who are subject to capital adequacy requirements based on a relevant framework. Consequently, investors should consult their own advisers as to the consequences to and effect on them of the application of the Basel II Framework and any relevant implementing measures. No predictions can be made as to the precise effects of potential changes on any investor or otherwise as a result of the implementation of the Basel II Framework or any changes to it or to the Capital Requirements Directive.

### **Set-off**

#### *Deposits*

In the absence of a Set-Off Waiver (as defined below), under Greek law, an Obligor may set off the aggregate amount of the relevant Borrower's (and Guarantor's, if applicable) funds placed on deposit with the Seller as at the date on which a Purchased Loan is transferred by the Seller to the Issuer (i.e. on the Closing Date in respect of the Initial Pool, and on any relevant Transfer Date in respect of any Additional Pool) against the Issuer's claim against such Obligor under the relevant Purchased Loan, if the Seller fails to satisfy the Obligor's claim in respect of the funds placed on deposit.

The total amount deposited as at the relevant Transfer Date shall serve, at any time, as the upper limit of the set-off amount. If such deposited amount is increased by further deposits after such date, the amount that can be set off against the Issuer shall continue to be the amount deposited as at the relevant Transfer Date. If an Obligor makes partial withdrawals after the relevant Transfer Date, the set-off amount shall be reduced by the amount so withdrawn and any further deposits will not be taken into account for the determination of the amount that can be set off against the Issuer, whereas subsequent full withdrawal of the amount deposited as at the relevant Transfer Date shall preclude any right of the Obligor to set off any claim arising from such deposit against the Issuer.

If, after the relevant Transfer Date, an Obligor proceeds firstly with further deposits and then with withdrawals, the amount deposited as at the relevant Transfer Date shall again serve as the upper limit of the amount that can be set off, however if such further withdrawals are of amounts higher than the further deposits, the set off amount shall be correspondingly reduced by the positive difference between the withdrawals and the deposits.

#### *Set-Off Waiver*

Pursuant to the Loan Documentation, each Borrower has expressly waived its right to set-off any claims that it may have against the Seller, or in respect of Bonds, a Greek Bondholder's Representative, Greek Paying Agent or a bondholder, against its obligations arising from the Loans (the **Set-Off Waiver**). Under Greek law the invocation of set-off is at the discretion of a Borrower. Pursuant to Article 450 of the Greek Civil Code a Borrower can validly waive such right prior to the claim of its counterparty becoming due and payable. A Borrower's waiver of its set-off rights will also apply following the transfer of the Loans to the Issuer on each relevant Transfer Date. As the Borrowers have waived their right to set off amounts due to them from the Seller or, in respect of Bonds, the Bondholder against amounts owed under the Loans, the Borrowers will not be entitled to exercise any set off right in respect of deposits or otherwise.

Obligations of a Borrower under a Purchased Loan may be guaranteed by, or secured by a security interest granted by, a person other than the relevant Borrower. A guarantor may validly waive its defences available under the Greek Civil Code, including the set-off right of the Borrower. Accordingly, by waiving its right to invoke the set-off right of a Borrower, a guarantor may not set-off a Borrower's claims against the Seller against its own obligations under the guarantee.

Pursuant to Greek law, to the extent that the Set-Off Waiver has been given by a Borrower prior to the provision of the guarantee by the Guarantor, then the Guarantor will not have the right to raise any such set-off defence. If on the contrary, the Set-Off Waiver is made after the provision of the guarantee by the Guarantor, then the Guarantor shall continue to have such defence. Under one Greek Programme Agreement in respect of a Bond included in the Initial Pool, the Ministerial Decision providing such guarantee by the Hellenic Republic was published prior to the execution of the Greek Programme Agreement. Accordingly, the Hellenic Republic as Guarantor, may still be entitled to raise a set-off defence against the Issuer if Alpha Bank fails to perform its obligations it owes to the Borrower or the Guarantor. However, the amount placed on deposit with the Originator in respect of such Greek Programme Agreement is, as at the date of this Prospectus, a nominal amount not exceeding €1,000.

#### *The Hellenic Deposits and Investment Guarantee Fund*

Pursuant to law 3746/2009 of the Hellenic Republic, which has replaced law 2832/2000 of the Hellenic Republic, the Hellenic Deposits and Investment Guarantee Fund (the **Fund**) has been established for the purpose of providing compensation for persons who have deposited funds in bank accounts with credit institutions in Greece. All credit institutions established in the Hellenic Republic are obliged to participate in the compensation scheme available by virtue of the Fund.

Compensation is available from the Fund if a credit institution fails to pay an amount due to a depositor in respect of a deposit held with it as a result of its insolvency and its financial position being confirmed by the Bank of Greece or a court in Greece. Compensation is limited to a maximum of €100,000 per depositor until 31 December 2011, a period which may be extended through a decision of the Minister of Economy and Finance. Accordingly, an Obligor can claim compensation from the Fund if the Seller fails to pay such Obligor amounts due in respect of that Obligor's deposit held with the Seller. The right for compensation exists in parallel with any set-off right, meaning that the Obligor may opt either for the compensation from the Fund or to exercise a right of set-off for the satisfaction of its claim, and, to the extent that the claim remains outstanding after the exercise of any of these options, the Obligor may pursue the other option for the satisfaction of this claim.

The Issuer would not be liable to make a payment in respect of any compensation amounts received by an Obligor from the Fund or to make any payments to an Obligor to the extent that their loss of any funds placed on deposit with the Seller exceeded the amount of their Purchased Loan.

### **Suspension of Enforcement Proceedings**

There are various provisions of Greek law which could result in enforcement proceedings against an Obligor being delayed or suspended. Enforcement proceedings are usually commenced against an Obligor in respect of a Loan once it becomes overdue. An order of payment is obtained from the Judge of the competent Court of First Instance following service of the notice of termination of the Loan on the Obligor and non-payment by the Obligor. Enforcement is commenced by service of the order for payment and a demand to pay on the Obligor, with the ultimate target being the collection of the proceeds of the auction of the relevant asset securing the Loan.

However, an Obligor 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.

An Obligor 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 relevant Court of First Instance within 15 business days after service of the order for payment contesting the substantive or procedural validity of the order of payment. If the Obligor fails to contest the order for payment, the order may be served again on the Obligor and a further 10 business days are available to the Obligor to file an Article 632-633 Annulment Petition.

The order for payment will be final either if both terms of 15 and 10 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 Obligor 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, which takes place approximately one to two months after the Article 632 Suspension Petition has been filed.

Following the issue of a decision in relation to the hearing of the Article 632 Suspension Petition (which itself can take up to approximately two months to be issued), enforcement may be suspended until the Court of First Instance has issued an official decision in respect of the Article 632-633 Annulment Petition. This can take up to approximately 20 months after the decision in respect of the Article 632 Suspension Petition. In some cases suspension of enforcement may be granted until the Court of Appeal reaches a final decision which means an additional delay in enforcement of approximately 12 months.

The procedure can take up to approximately four and a half years from the issue of a decision in relation to the Article 632 Suspension Petition if the Obligor requests adjournments of the hearings for the Article 632-633 Annulment Petition before the Court of First Instance and Court of Appeal, up until the decision of the latter.

The Obligor may also file with the relevant Court of First Instance a petition for the annulment of certain actions of the foreclosure proceedings based on reasons pertaining to both the validity of the order of payment and 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 632-633 and Article 933 Annulment Petitions may not be based on reasons pertaining to the validity of the order for payment, 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 being contested.

The filing of an Article 933 Annulment Petition entitles the Obligor to file a petition for the suspension of the enforcement until the decision of the Court of First Instance on the annulment motion is issued pursuant to Article 938 of the Greek Civil Procedure Code (an **Article 938 Suspension Petition**). Again, foreclosure proceedings may be suspended until the hearing of the Article 938 Suspension Petition, which, in a normal case where the Obligor seeks the suspension of the auction, takes place five days prior to the auction and the relevant decision is issued two days prior to the auction. It should nevertheless be noted that such suspension is more difficult to obtain as compared to a suspension under Article 632 Suspension Petition, as the Court has to assess not only the likelihood of success of Article 933 Annulment Petition, but also that there is a danger of irrevocable damage to the Obligor, should the foreclosure continues.

The Obligor 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. Furthermore, suspension of the auction for up to six months may be sought by the Obligor, on the grounds that there is a good chance of the Obligor being able to satisfy the enforcing party or that, following the suspension period, a better offer would be received at auction.

Once the allocation of proceeds amongst the creditors of the Obligor has been determined pursuant to a deed issued by a notary public, the creditors of the Obligor may dispute the allocation and file a petition contesting the deed. 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. This procedure may delay the collection of proceeds for up to two and a half years. This can further delay the time at which the Issuer finally receives the proceeds of the enforcement of the relevant property. However, the law provides that a bank and, under Law 3156, the Issuer is entitled to the payment of its claim even if its allocation priority is subject to a challenge, provided that the bank provides a guarantee 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 between 1 and 31 August of each year, except for auctions, which cannot be conducted between 1 August and 15 September of each year.

### **Auction Proceeds**

The proceeds of an auction following enforcement against the assets securing a Loan must be allocated in accordance with Articles 975 and 976 of the Greek Civil Procedure Code. These Articles require the notary public which acted as the auction clerk to deduct the expenses (including legal, bailiff's and notarial fees) incurred in connection with the enforcement from the proceeds and then to satisfy, in priority to other claims, claims against the relevant Obligor pursuant to employment relationships and contracts for legal and educational services arising in the previous two years. Up to one-third of the remaining proceeds are allocated to the following creditors of the Obligor, to the extent applicable, in the following order:

- (i) claims for hospitalisation and funeral costs of any Obligor and his family arising in the previous 12 months;
- (ii) costs for the nourishment of the Obligor and his family arising in the previous six months;
- (iii) claims by farmers or farming partnerships arising from sale of agricultural goods arising in the previous 24 months;
- (iv) claims of the Greek state and municipal authorities that are due and payable prior to the auction;
- (v) claims of social security funds arising prior to the day of the auction; and
- (vi) claims by the Athens Stock Exchange Members Guarantee Fund (if the borrower is or was an investment services company within the meaning of law 3606/2007 of the Hellenic Republic) arising in the previous 24 months (this should not be relevant for any Obligor).

The remaining proceeds are allocated to secured creditors in order of class and date of creation of security and, once these claims have been satisfied, any remaining amounts are allocated pro-rata to unsecured creditors. Accordingly, the Issuer, as owner of a first (or in some cases, second) ranking Mortgage or Pre-Notation could be limited to receiving approximately two-thirds 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 Obligor to the Issuer under the Loan, which may in turn affect the Issuer's ability to meet its obligations in respect of the Notes.

### **Provisions of Greek Law 3156**

Law 3156 came into force in June 2003. The transactions contemplated in this Prospectus are based, in part, on the provisions of Law 3156. So far as the Issuer is aware, as at the date of this Prospectus there has been a considerable number of similar issues of securities based upon Law 3156 but there has been no judicial authority as to the interpretation of any of the provisions of Law 3156. For further information on Law 3156, see *Summary of the Greek Securitisation Provisions of Law 3156*. There are a number of aspects of Greek law which are referred to in this Prospectus with which potential Noteholders are likely to be unfamiliar. Particular attention should be paid to the sections of this Prospectus containing such references.

### **Greek insolvency proceedings**

The effect of Regulation 1346/2000 of the EU Council on Bankruptcy Proceedings (the **EU Insolvency Regulation**) is not yet tested since the legislation and its implementation across the various European Union member states is relatively recent. It cannot therefore be excluded that insolvency proceedings might be commenced against the Issuer in Greece, under the EU Insolvency Regulation notwithstanding that the Issuer is incorporated in England and does not have an establishment in Greece. If such an event was to occur, a receiver would be appointed over the Issuer in Greece and the Servicer might cease to be capable of servicing the Loans on behalf of the Issuer in Greece. However, this would not affect the ability of the Trustee to enforce its rights and claims as the holder of a statutory pledge under Paragraph 18 of Article 10 of Law 3156, since, in accordance with Greek law, the Trustee, as the pledgee under Paragraph 18 of Article 10 of Law 3156, would be entitled to receive any claims out of the Loans and Related Security in accordance with Article 1254 of Greek Civil Code.

### **English law security and insolvency considerations**

The Issuer will enter into the Deed of Charge pursuant to which it will grant the Security in respect of certain of its obligations, including its obligations under the Notes (as to which, see *Summary of Principal Documents – Deed of Charge* below). In certain circumstances, including the occurrence of certain insolvency events in respect of the Issuer, the ability to realise the Security may be delayed and/or the value of the Security impaired. While the transaction structure is designed to minimise the likelihood of the Issuer becoming insolvent, there can be no assurance that the Issuer will not become insolvent and/or the subject of insolvency proceedings and/or that the Noteholders would not be adversely affected by the application of insolvency laws (including English insolvency laws).

In addition, it should be noted that, to the extent that the assets of the Issuer are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge), in certain circumstances under the provisions of section 176A of the Insolvency Act 1986, certain floating charge realisations which would otherwise be available to satisfy the claims of secured creditors under the Deed of Charge may be used to satisfy any claims of unsecured creditors. While certain of the covenants given by the Issuer in the Transaction Documents are intended to ensure it has no significant creditors other than the secured creditors under the Deed of Charge, it will be a matter of fact as to whether the Issuer has any other such creditors at any time. There can be no assurance that the Noteholders will not be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Security.



## **Change of Law**

The transactions described in this Prospectus (including the issue of the Notes) and the ratings which are to be assigned to the Notes are based on English law and the law of the Hellenic Republic and administrative practice in effect as at the date hereof, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change to English law or the law of the Hellenic Republic (or the laws of any other jurisdiction) (including any change in regulation which may occur without a change in primary legislation), administrative practice in the United Kingdom or in the Hellenic Republic or tax treatment after the date of this document or can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes.

## **Greek Taxation of the Issuer**

The structuring of the servicing arrangements between the Issuer and the Servicer is such so as not to result in the Issuer having a permanent establishment in Greece for the purposes of Greek taxation law.

If the Issuer were deemed to have a permanent establishment in Greece, the Issuer would be taxed on its income in Greece as well as in the UK (relief may be available in each jurisdiction for any tax paid in the other), and may need to establish a branch or fulfil certain administrative requirements in Greece. If this were to occur, the Issuer would be liable for income tax (currently calculated at the discretion of the Greek tax authorities since the Issuer does not maintain tax records in Greece). If the Issuer were to maintain such records, the profits would likely include the amount of any balances in the Reserve Account (less an amount equal to the Subordinated Reserve Loan) held by it at the end of each of each fiscal year. The Issuer may also be liable to fines. However, this situation has not arisen before and the exact tax liabilities of the Issuer may in fact be higher than as set out above.

## **UK Taxation Position of the Issuer**

Pursuant to the Finance Act 2005, regulations have been made to establish a permanent regime for the taxation of "securitisation companies" such as the Issuer (the **Securitisation Tax Regime**). Companies to which the Securitisation Tax Regime applies will be taxed broadly by reference to their "retained profit" rather than by reference to general corporation tax principles. The Issuer should fall within the securitisation tax regime but if it does not (or subsequently does not), then profits or losses could arise in the Issuer which could have tax effects not contemplated in the cashflows for the transaction described in this prospectus and as such adversely affect the tax investment of the Issuer and consequently payment on the Notes.

## **EU Savings Directive on the Taxation of Savings Income**

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or other similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Austria, Belgium and Luxembourg are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 15 September 2008, the European Commission issued a report to the Council of the European Union on the operations of the Directive, which included the Commission's advice on the need for changes to the Directive. On 13 November 2008, the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. If any of those proposed

changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above.

### **UK Banking Act 2009**

The Banking Act 2009 (the **Banking Act**), which came into effect on 21 February 2009, includes (amongst other things) provision for a special resolution regime pursuant to which specified UK authorities have extended tools to deal with the failure (or likely failure) of a UK bank or building society (such as the Issuer Account Bank). In particular, in respect of UK banks, such tools include share and property transfer powers (including powers for partial property transfers), certain ancillary powers (including powers to modify certain contractual arrangements in certain circumstances) and two new special insolvency procedures which may be commenced by UK authorities (i.e. bank insolvency and bank administration). It is possible that the extended tools described above could be used prior to the point at which an application for insolvency proceedings with respect to a relevant entity could be made.

In general, the Banking Act requires the UK authorities to have regard to specified objectives in exercising the powers provided for by the Act. One of the objectives (which is required to be balanced as appropriate with the other specified objectives) refers to the protection and enhancement of the stability of the financial systems of the United Kingdom. The Act includes provisions related to compensation in respect of transfer instruments and orders made under it. In general, there is considerable uncertainty about the scope of the powers afforded to UK authorities under the Banking Act and how the UK authorities may choose to exercise them.

If an instrument or order were to be made under the Banking Act in respect of any party to the Transaction Documents who was at that time incorporated in the United Kingdom and a UK authorised deposit taking institution, such instrument or order may (amongst other things) affect the ability of such entities to satisfy their obligations under the Transaction Documents and/or result in modifications to such documents. In particular, modifications may be made pursuant to powers permitting certain trust arrangements to be removed or modified and/or via powers which permit provision to be included in an instrument or order such that the relevant instrument or order (and certain related events) is required to be disregarded in determining whether certain widely defined "default events" have occurred (which events would include certain trigger events included in the Transaction Documents in respect of the relevant entity, including termination events). As a result, the making of an instrument or order in respect of such party may affect the ability of the Issuer to meet its obligations in respect of the Notes. While there is provision for compensation under the Act, there can be no assurance that Noteholders would recover compensation promptly and equal to any loss actually incurred.

*The Issuer believes that the risks described above are the principal risks inherent in the transaction for the Noteholders, but the inability of the Obligors to pay interest, principal or other amounts on the Purchased Loans and consequently the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons, and the Issuer does not represent that the above statements regarding the risk of holding the Notes are exhaustive. Although the Issuer believes that the various structural elements described in this Prospectus lessen some of the risks for the Noteholders, there can be no assurance that these measures will be sufficient to ensure payment to the Noteholders of interest, principal or any other amounts on or in connection with the Notes on a timely basis or at all.*

## THE PORTFOLIO

The Initial Pool has aggregate characteristics similar to the ones indicated in the tables below, dated as at 11 May 2009 (the **Cut-Off Date**) (columns of percentages may not add up to 100 per cent. due to rounding). Because the future composition of the Portfolio will change over time, the statistical and other information provided is not necessarily indicative of the composition of the Initial Portfolio at any time subsequent to the Cut-Off Date. The Initial Pool will be selected so that it complies with the Loan Warranties. The tables below exclude accrued interest of EUR 29,136,077.67 which will be purchased by the Issuer on the Closing Date.

### 1. Summary

Total Current Balance: EUR 3,263,497,629

Number of Loans: 431

Number of Obligor Groups: 271

Number of Obligor Names: 329

### 2. Current Loan Balance

<b>Current Balance Interval</b>	<b>No of Loans</b>	<b>% no of Loans</b>	<b>Total Balance of Alpha (€)</b>	<b>% Balance of Alpha</b>
1 - 1,000,000	70	16.24	54,868,291.20	1.68
1,000,001 - 2,000,000	84	19.49	132,858,046.00	4.07
2,000,001 - 3,000,000	54	12.53	143,164,608.00	4.39
3,000,001 - 4,000,000	43	9.98	154,551,592.96	4.74
4,000,001 - 5,000,000	33	7.66	155,353,959.98	4.76
5,000,001 - 10,000,000	75	17.4	564,194,559.25	17.29
10,000,001 - 30,000,000	56	12.99	982,723,240.82	30.11
30,000,001 - 50,000,000	9	2.09	356,660,000.00	10.93
50,000,001 - 100,000,000	4	0.93	320,123,331.00	9.81
100,000,001 >=	3	0.7	399,000,000.00	12.23
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

Max: EUR 180,000,000

Min: EUR 195,840

Average: EUR 7,571,920

### 3. Top 20 Obligor Groups

<b>Obligor Group Code</b>	<b>No of Loans</b>	<b>% no of Loans</b>	<b>Total Balance of Alpha (€)</b>	<b>% Balance of Alpha</b>
1214	1	0.23	180,000,000.00	5.52
4248053	2	0.46	174,755,000.00	5.35
240	18	4.18	124,927,000.00	3.83
271	5	1.16	120,000,000.00	3.68
496	2	0.46	117,900,000.00	3.61
301	1	0.23	110,000,000.00	3.37
889	2	0.46	80,000,000.00	2.45
332	4	0.93	70,000,000.00	2.14

<b>Obligor Group Code</b>	<b>No of Loans</b>	<b>% no of Loans</b>	<b>Total Balance of Alpha (€)</b>	<b>% Balance of Alpha</b>
253	2	0.46	68,681,250.00	2.10
1030	5	1.16	63,960,000.00	1.96
333	1	0.23	59,900,000.00	1.84
619	8	1.86	57,568,000.00	1.76
7273294	3	0.7	49,500,000.00	1.52
768	2	0.46	46,400,000.00	1.42
751	8	1.86	45,000,000.00	1.38
7306289	1	0.23	45,000,000.00	1.38
577	4	0.93	44,500,000.00	1.36
1295	4	0.93	42,706,000.00	1.31
140	2	0.46	40,999,973.92	1.26
151	2	0.46	40,000,000.00	1.23
Other	354	82.13	1,681,700,405.29	51.53
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

#### 4. Top 20 Obligators

<b>Obligor Code</b>	<b>No of Loans</b>	<b>% no of Loans</b>	<b>Total Balance of Alpha (€)</b>	<b>% Balance of Alpha</b>
1122331	1	0.23	180,000,000.00	5.52
4248053	2	0.46	174,755,000.00	5.35
871064	5	1.16	120,000,000.00	3.68
819968	1	0.23	110,000,000.00	3.37
552801	1	0.23	109,000,000.00	3.34
406586	2	0.46	80,000,000.00	2.45
492535	2	0.46	68,681,250.00	2.10
606991	1	0.23	59,900,000.00	1.84
575761	1	0.23	50,000,000.00	1.53
5425397	3	0.7	50,000,000.00	1.53
7273294	3	0.7	49,500,000.00	1.52
7306289	1	0.23	45,000,000.00	1.38
6085438	6	1.39	44,682,000.00	1.37
443016	4	0.93	42,500,000.00	1.30
920976	1	0.23	35,200,000.00	1.08
578834	1	0.23	31,960,000.00	0.98
2818469	2	0.46	30,925,000.00	0.95
502525	1	0.23	30,750,000.00	0.94
399174	1	0.23	30,000,000.00	0.92
740437	1	0.23	30,000,000.00	0.92
Other	391	90.72	1,890,644,379.21	57.93
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

#### 5. Top 20 Industry Names

<b>Industry</b>	<b>No of Loans</b>	<b>% no of Loans</b>	<b>Total Balance of Alpha (€)</b>	<b>% Balance of Alpha</b>
Wholesale trade (except of motor vehicles)	101	23.43	561,677,647.97	17.21
Hotel and restaurant services	60	13.92	366,526,298.15	11.23
Manufacture of food products and beverages	26	6.03	332,594,076.00	10.19
Sale and maintenance of motor vehicles	34	7.89	332,241,223.91	10.18

Industry	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
Construction	19	4.41	222,843,999.99	6.83
Manufacture of basic metals	20	4.64	210,300,000.00	6.44
Transport	4	0.93	201,045,100.00	6.16
Real estate activities	25	5.8	179,844,000.00	5.51
Retail trade (except of motor vehicles)	19	4.41	159,511,499.99	4.89
Other business activities	9	2.09	94,940,499.99	2.91
Post and Telecommunications	5	1.16	65,436,475.26	2.01
Renting of machinery and equipment	2	0.46	63,500,000.00	1.95
Recreational, cultural and sporting activities	6	1.39	60,287,000.00	1.85
Manufacture of chemicals and chemical products	16	3.71	53,482,500.00	1.64
Publishing, printing and reproduction of recorded media	5	1.16	34,519,931.95	1.06
Electricity, gas, steam and hot water supply	7	1.62	31,125,000.00	0.95
Computer and related activities	2	0.46	30,999,000.00	0.95
Supporting and auxiliary transport services	11	2.55	29,585,000.00	0.91
Manufacture of other electrical machinery	7	1.62	29,239,000.00	0.90
Manufacture of radio, t.v. and communication equipment	1	0.23	28,000,000.00	0.86
Other	52	12.06	175,799,376.00	5.39
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

## 6. Facility Type

Facility Type	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
Bilateral	353	81.9	1,964,680,914.63	60.2
Syndicated	78	18.1	1,298,816,714.58	39.8
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

## 7. Arranger (Syndicated Loans)

Arranger	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
Alpha Bank	34	7.89	797,189,431.00	24.43
Other	44	10.21	501,627,283.58	15.37
Not Applicable	353	81.9	1,964,680,914.63	60.2
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

## 8. Internal Rating

Internal Rating	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
AA	2	0.46	174,755,000.00	5.35
A	14	3.25	161,180,000.00	4.94
BB	176	40.84	1,319,081,204.91	40.42
B	239	55.45	1,608,481,424.30	49.29
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

## 9. Source

Source	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
ALPHA BANK RATING SYSTEM	120	27.84	263,192,928.99	8.06
MOODY'S KMV MRA	309	71.69	2,825,549,700.22	86.58
Other	2	0.46	174,755,000.00	5.35
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

#### 10. Seasoning

Months Since Issuance Interval	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
01 - 05	21	4.87	295,826,483.00	9.06
06 - 10	134	31.09	979,353,229.32	30.01
11 - 15	80	18.56	780,369,280.00	23.91
16 - 20	47	10.9	273,042,739.99	8.37
21 - 25	54	12.53	428,579,882.95	13.13
26 - 30	24	5.57	114,474,839.99	3.51
31 - 35	29	6.73	93,781,600.00	2.87
36 - 40	12	2.78	68,194,999.99	2.09
41 - 45	11	2.55	88,017,000.00	2.70
46 - 50	7	1.62	65,288,197.97	2.00
51 - 55	7	1.62	58,195,000.00	1.78
56 - 60	4	0.93	12,000,000.00	0.37
61 >=	1	0.23	6,374,376.00	0.20
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

Max: 61

Min: 3

Weighted Average: 16

#### 11. Months to Maturity

Months to Maturity Interval	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
1 - 10	28	6.5	264,086,000.00	8.09
11 - 20	39	9.05	405,745,250.00	12.43
21 - 30	63	14.62	546,998,649.91	16.76
31 - 40	53	12.3	331,952,578.99	10.17
41 - 50	46	10.67	395,555,000.00	12.12
51 - 60	26	6.03	102,034,500.00	3.13
61 - 70	16	3.71	107,144,000.00	3.28
71 - 80	32	7.42	417,472,407.21	12.79
81 - 90	9	2.09	114,234,599.99	3.50
91 - 100	9	2.09	35,630,000.00	1.09
101 - 110	22	5.1	105,392,969.97	3.23
111 - 120	19	4.41	60,805,641.41	1.86
121 - 130	8	1.86	64,627,500.00	1.98
131 - 140	15	3.48	44,934,637.00	1.38
141 - 150	2	0.46	19,260,000.00	0.59
151 - 160	14	3.25	143,329,000.00	4.39
161 - 170	7	1.62	23,413,000.00	0.72
171 - 180	9	2.09	39,544,607.99	1.21

Months to Maturity Interval	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
181 - 190	2	0.46	9,800,000.00	0.30
191 - 200	3	0.7	12,427,000.00	0.38
211 - 220	2	0.46	4,000,000.00	0.12
221 - 230	6	1.39	13,501,536.74	0.41
231 - 240	1	0.23	1,608,750.00	0.05
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

Max: 232

Min: 1

Weighted Average: 57

## 12. Coupon Type

Coupon Type	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
Fixed Rate	7	1.62	269,771,108.00	8.27
Floating Rate	424	98.38	2,993,726,521.21	91.73
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

## 13. Interest Rate

Interest Rate Interval	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
1.51 - 2.00	10	2.32	144,062,000.00	4.41
2.01 - 2.50	40	9.28	362,603,800.00	11.11
2.51 - 3.00	103	23.9	646,580,453.92	19.81
3.01 - 3.50	96	22.27	665,263,851.92	20.38
3.51 - 4.00	58	13.46	564,273,479.00	17.29
4.01 - 4.50	43	9.98	204,416,072.99	6.26
4.51 - 5.00	33	7.66	236,723,129.97	7.25
5.01 - 5.50	33	7.66	278,877,233.41	8.55
5.51 - 6.00	7	1.62	65,886,500.00	2.02
6.01 - 6.50	7	1.62	65,011,108.00	1.99
6.51 - 7.00	1	0.23	29,800,000.00	0.91
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

Max: 6.54%

Min: 1.65%

Weighted Average: 3.54%

## 14. Margin Over Benchmark

Margin Over Benchmark	No of Loans	% no of Loans	Total Balance of Alpha (€)	% Balance of Alpha
Fixed Rate	7	1.62	269,771,108.00	8.27
0.01 - 0.50	4	0.93	10,094,999.99	0.31
0.51 - 1.00	119	27.61	943,501,940.74	28.91
1.01 - 1.50	182	42.23	939,324,290.83	28.78
1.51 - 2.00	92	21.35	769,177,616.65	23.57
2.01 >=	27	6.26	331,627,673.00	10.16
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

Max: 3.00%  
 Min: 0.00%  
 Weighted Average: 1.30%

**15. Interest Benchmark**

<b>Benchmark Rate</b>	<b>No of Loans</b>	<b>% no of Loans</b>	<b>Total Balance of Alpha (€)</b>	<b>% Balance of Alpha</b>
EURIBOR 1M	22	5.1	197,537,000.00	6.05
EURIBOR 2M	2	0.46	2,520,000.00	0.08
EURIBOR 3M	165	38.28	1,309,241,917.10	40.12
EURIBOR 4M	5	1.16	8,590,375.00	0.26
EURIBOR 6M	229	53.13	1,446,037,229.11	44.31
EURIBOR 12M	1	0.23	29,800,000.00	0.91
FIXED RATE	7	1.62	269,771,108.00	8.27
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>

**16. Repayment Profile**

<b>Repayment Profile</b>	<b>No of Loans</b>	<b>% no of Loans</b>	<b>Total Balance of Alpha (€)</b>	<b>% Balance of Alpha</b>
Amortising	307	71.23	1,742,331,531.29	53.39
Bullet	124	28.77	1,521,166,097.92	46.61
<b>Total:</b>	<b>431</b>	<b>100</b>	<b>3,263,497,629.21</b>	<b>100</b>



## FINANCING CRITERIA

### Products

Alpha Bank's Wholesale Banking division operates in the Greek corporate market offering risk products (e.g. loans, leasing, factoring, and treasury products) and servicing products (e.g. trade finance, payroll services and payments services). On balance sheet risk products comprise of mainly credit facilities (*allilohreos*) and loans (including those comprised in corporate bonds).

Corporate bond subscription is a very well established form of bank financing in Greece and is regulated by Law 3156. Corporate bonds are issued exclusively by Greek companies limited by shares (*anonymi eteria*) and are represented by certificates subscribed by one or more banks. Corporate bonds broadly contain terms as follows:

- Term to maturity: 3 to 20 years
- Type of repayment: bullet or amortising
- Fixed or Floating rates of interest: indexed to various rates for EURIBOR
- Mostly denominated in Euros
- Collateral and corporate/personal guarantees: may be required according to internal Alpha Bank risk ratings

### Underwriting

Within Alpha Bank, middle and large corporate lending is a fully centralised process outlined as follows:

#### *Origination*

There are two types of relationship management business units catering for the financing needs of corporates; 10 Commercial Centres with geographically distinct responsibility managing middle-size business customers' interests and a Corporate Banking Division responsible for large corporate banking relationships. In that context, the relationship manager assigned the responsibility of the customer relationship is the first recipient of the financing request and the basic liaison for all negotiations with the customer. The only exception to this rule is when the financing option considered is the Greek-market specific syndicated "Bond Loan" product, in which case the Syndicated Loans Division intervenes in the process at an early stage.

#### *Financial Analysis/Underwriting*

Once the financing request is received, the relationship manager carries out a thorough full scale financial analysis in accordance with Alpha Bank's credit policy standards and guidelines, also taking into account the following:

- the prospects of the economy(ies) and the industry sector(s) in which the company operates;
- the relevant company specific financial metrics which demonstrate the financial strength, liquidity condition and operational efficiency of the obligor;
- the company specific qualitative data characterising the business prospects of the obligor (in this respect, the company's competitive position in its primary markets, management efficiency, succession plans,

reputation and strategic commitment are some of the key issues sought as part of the qualitative assessment of the obligor).

The three basic themes of the credit analysis described above are the building blocs of Alpha's proprietary fully automated obligor rating system which is a basic determinant of the review frequency of the obligor relationship. The review is performed annually if the obligor's rating lies within the investment grade risk categories, semi-annually if the obligor is in the watch list category or quarterly for obligors belonging to the high risk category.

The credit proposal prepared by the relationship manager also includes a thorough review of the overall exposure of Alpha Bank to the obligor and its related entities, as well as a detailed assessment of the profitability of the obligor relationship with Alpha Bank.

Additional factors reviewed and examined during the credit proposal process are:

- the repayment behaviour of the obligor as reflected both in Alpha Bank historical records as well as on the national credit Bureau (TERESIAS) database; and
- the accepted value of the collateral available, which is always assessed by a relevant certified valuator. In case a bond loan request is considered, the valuer should also be of wide acceptance by the participating banks team.

Credit proposals are submitted by the Business Units for approval by the competent Credit Committees. The composition of all Credit Committees is based on the Basel II "four eye principle" and always includes members from both Business and Credit Units. The authorisation limits of each Credit Committee are determined by a combination of the obligor group's total exposure, the obligor's internal risk rating and the accepted value of the collateral offered.

Decisions on credit proposals and reviews (for approval, decline, or approval with conditions) are made when there is a unanimous agreement between the Credit Committee's members. In cases of disagreement between the members of a Credit Committee the credit proposal is forwarded to the next approval level for final decision. In circumstances where the obligor is downgraded by two levels the credit proposal is forwarded to a higher approval level.

The Syndicated Loans Division within Alpha Bank is a centralized unit responsible for the structuring and the arrangement of corporate bond loans, both bilateral and syndicated bond loans. Once the credit approval is in place, the Syndicated Loans Division prepares a mandate letter with the principle terms and conditions of the transaction which is addressed to the client to accept it by countersigning it. In case of a syndicated loan facility, upon receipt of a duly signed mandate letter, the Syndicated Loans Division usually prepares, in close co-operation with the client, an information memorandum to be included to the invitation package to be sent to potential lenders when the transaction is launched in general syndication. In the meantime and while waiting for the banks' commitments, the Syndicated Loans Division negotiates with the client all facility documents that have been drafted by the in-house legal counsels located close to the Syndicated Loans Division. When the two parties (Alpha Bank and the client) reach a final agreement on facility documents, they are addressed to the lenders who have committed to the transaction, for their review and comments. Once facility documents are signed, the Syndicated Loans Division secures that all conditions precedent are in place and securities are perfected and the transaction is drawn.

## **Risk Management**

The custodian of the internal rating models applied to wholesale banking obligors is the Commercial Lending Credit Risk Management Division (**CLCRM Division**), which reports to the Group Credit Risk Officer. In compliance with internal regulation aligned to best international practice, the CLCRM Division:

- develops specialised models to accommodate all classes of wholesale obligors; and
- validates and calibrates all applicable rating models in compliance with Basel II requirements.

The principal drivers in Alpha Bank's internal rating models are the size of the obligor and the availability of the obligors' financial data. The current credit risk rating scale consists of nine basic rating categories classifying obligors with excellent financial performance and servicing capacity to obligors in financial distress (default). Additionally, the group uses ratings provided by international rating agencies.

Credit risk rating models are continuously monitored to achieve maximum predictive power. At the same time, stress testing exercises are performed in order to estimate financial losses that could occur in the event of extreme transactional behaviour by clients. Additionally, large exposures are monitored on a regular basis by credit risk management sector, reporting to the board of directors of Alpha Bank.

## **Servicing**

Once a Bond Loan facility is established with the active involvement of the Syndicated Loans Division, the loan is drawdown from the servicing branch at the customer's preference. Following drawdown, the responsibility for monitoring the terms of the facility documents until maturity is transferred to the Syndicated and Bond Loans Operation Unit, a centralized unit which is part of the head-office function of Corporate and Investment Banking Operations Division, with its main tasks being:

- supervising all necessary actions related to drawdown;
- monitoring payments until maturity;
- monitoring compliance with facility documents;
- periodic valuation of collateral during the life of the agreement;
- co-ordinating communication among all parties involved; and
- co-ordinating all actions related to amendments of facility documents.

## **Non Performing Loans Division**

The Non-Performing Loan (**NPL**) Division monitors and manages overdue claims by large and medium-sized corporate customers at group level. The main objective of the NPL Division is to secure and normalize the repayment of the outstanding overdue obligation with minimum possible disruption to the customer relationship.

The NPL Division is also in charge of arrears, that is overdue claims from 60-90 days. These overdue claims are often easy to realign and return to current status due to their self corrective characteristics, provided these are identified and explored at an early stage. After workout, former arrears are returned to the originator business unit.

Non-performing loans (defined as loans overdue, either in interest or capital, for more than 90 days) management takes up the highest proportion of the NPL Division's resources.

Once the file has been received, the NPL Division initiates negotiations with the obligor with a view to reaching an agreement on how the obligor can fulfil their obligations. In that context, the competent NPL officer assesses the repayment capacity of the obligor based on the company's most recent financial data and its capacity to increase collateralisation levels.

Ideally, parties agree to a feasible rescheduling agreement by modifying the terms of the original loan contract. In more complex cases, restructuring is sought with a view to avoiding the obligor's default. Typical restructuring methods include capitalization of debt or debt retirement.

In order for the NPL Division to carry out effectively its duties, it employs on a permanent basis the services of the in-house Legal Division. For any given case, the interaction with the Legal Services Division intensifies during the foreclosure process. The NPL Division also takes decisions regarding settlement agreements, write-offs and levels of provisions. All the expenses associated with NPLs including legal costs, revaluation costs and other execution activities are charged to the loan account and repaid by the proceeds of liquidation process in priority.

### **Foreclosure Process and Performance**

After all out-of court alternatives for the repayment of the overdue amount have been exploited, the foreclosure process is initiated. The following stages may be involved:

- denouncement of the loan agreement;
- closure of accounting books;
- issuance of order of payment; and
- liquidation of collateral.

The process is carried out by the NPL Division in close collaboration with the Legal Services Division.

The underwriting and servicing procedures carried out by Alpha Bank in respect of Bonds are the same procedures applied by Alpha Bank in respect of Term Loans.

## **USE OF PROCEEDS**

The proceeds of the issue of the Notes will amount to €3,292,000,000 and will be applied by the Issuer towards payment to the Seller of the Initial Purchase Price due for the acquisition of the Initial Pool.

## THE ISSUER

### Introduction

The Issuer was incorporated in England and Wales under the Companies Acts 1985 on 10 March 2009 (registered number 6841918) as a public limited company and as a special purpose vehicle for the purposes of issuing asset backed securities. The registered office of the Issuer is at c/o Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH, telephone number +44 20 7614 1111 and fax number is +44 20 7614 1122. The authorised and issued share capital of the Issuer is £50,000 divided into 50,000 ordinary shares of £1.00 each, 49,999 of which are held by Holdco and one of which is held by Martin McDermott as nominee of Holdco under the terms of a share trust dated 24 March 2009. The paid up share capital of the Issuer is €16, 402. The Issuer has no subsidiaries.

English company law combined with the holding structure of the Issuer, covenants made by the Issuer in the Transaction Documents and the role of the Trustee are together intended to prevent any abuse of control of the Issuer.

### Principal Activities

The principal objects of the Issuer are set out in Clause 4 of its Memorandum of Association. The principal activities of the Issuer will be to acquire the Portfolio, to issue securities, to enter into financial instruments and derivative contracts, to raise or borrow money and to grant security over its assets for such purposes and to lend money with or without security subject to and in accordance with the terms of the Transaction Documents. Copies of the Memorandum and Articles of Association of the Issuer may be inspected at the specified offices of the Issuer and the Principal Paying Agent.

The Issuer has not engaged, since its incorporation, in any activities other than those incidental to its incorporation and registration as a public limited company, the authorisation and issue of the Notes and of the other documents and matters referred to or contemplated in this Prospectus to which it is or will be a party and matters which are incidental or ancillary to the foregoing. In addition, no accounts have been made up by the Issuer as at the date of this Prospectus.

There is no intention to accumulate surpluses in the Issuer (other than amounts standing to the credit of the Reserve Account, or the Collection Account Additional Pool Ledger or any amounts held as Issuer Retained Profit).

The Issuer will covenant to observe certain restrictions on its activities which are described in Condition 3 (*Covenants*).

### Directors and Secretary

The directors of the Issuer and their respective business addresses and other principal activities are:

<b>Name</b>	<b>Business Address</b>	<b>Other Principal Activities</b>
Sunil Masson	Fifth Floor 6 Broad Street Place London, EC2M 7JH	Company Director
Mark Filer	Fifth Floor 6 Broad Street Place London, EC2M 7JH	Company Director

<b>Name</b>	<b>Business Address</b>	<b>Other Principal Activities</b>
Ruth Samson	Fifth Floor 6 Broad Street Place London, EC2M 7JH	Company Director
Wilmington Trust SP Services (London) Limited	Fifth Floor 6 Broad Street Place London, EC2M 7JH	Management of special purpose companies

The secretary of the Issuer is Wilmington Trust SP Services (London) Limited.

The Issuer does not have any employees.

One director of the Issuer is also a director of the Issuer Corporate Services Provider.

## THE SELLER AND SWAP PROVIDER

### ALPHA BANK AE

#### The Group

Alpha Bank A.E. (**Alpha**) and its subsidiaries (together, the **Alpha Bank Group** or the **Group**) are one of the leading banking and financial services groups in Greece, offering a wide range of services including retail banking (deposits, consumer lending, credit cards, mortgage lending, leasing, factoring and lending to small and medium-sized enterprises), corporate banking, treasury operations, investment banking and brokerage services, asset management and private banking, insurance services and real estate management and brokerage.

Alpha is the parent company of the Group and is the principal bank within the Group. The Group's extensive national and international branch and ATM networks, in combination with the advanced new online and telephone channels offering banking and brokerage services, are used to service approximately 3.5 million customers, particularly in retail and corporate deposit, loans and fund management accounts, which gives the Group a strong presence in the domestic Greek market as well as in the markets of southeastern Europe.

The Group is also active in the international banking market, with a presence in Romania, Bulgaria, Serbia, Albania, Former Yugoslav Republic of Macedonia, Cyprus, Ukraine, the United Kingdom, Jersey and Guernsey in the Channel Islands and the United States.

As at 30 September 2008, the consolidated total assets of Alpha were approximately €64.3 billion. Loans and advances to customers were €49.6 billion and customer assets €49.9 billion, of which deposits and Alpha bonds issued for the retail clientele accounted for approximately €42.2 billion. Total equity (including hybrid securities) on a consolidated basis was €4.3 billion as of 30 September 2008, with a total BIS ratio of 10.8 per cent., and Tier 1 capital ratio of 8.7 per cent. Approximately 85.0 per cent. of Alpha's funding is obtained through deposits and bonds issued to retail clients.

Alpha's equity is held by approximately 116,000 shareholders. As at 30 January 2009 the shareholder base comprised:

- institutional shareholders that represents approximately 49.0 per cent. of the shareholder base (of which approximately 39.0 per cent. are foreign institutional investors and 10.0 per cent. are Greek institutional investors);
- Mr Y.S. Costopoulos, chairman of Alpha, who together with other members of the founding family represents 11.0 per cent. of the shareholder base; and
- private shareholders who represents approximately 39.0 per cent. of the shareholder base.

#### Business of the Alpha Bank Group

Alpha was established in 1879 as the banking branch of J.E. Costopoulos Company. On 11 April 2000 Alpha Credit Bank A.E. merged with Ionian Bank and the new entity was renamed Alpha Bank A.E.

Alpha is incorporated and registered in the Hellenic Republic as a public company under Codified Law 2190/20, incorporated with limited liability (registered number 6066106/B/86105) for the period ending 2100. The life of Alpha may be extended by a resolution of the shareholders. Alpha is subject to regulation and supervision by the Bank of Greece and to Greek banking and accounting law.



All the activities of the companies of the Group are divided into six business units, with management and administrative responsibilities. These business units are as follows:

- Retail Banking
- Commercial and Corporate Banking
- Asset Management
- Investment Banking and Treasury
- South Eastern Europe
- Other

## SUMMARY OF THE GREEK SECURITISATION PROVISIONS OF LAW 3156

*The following is intended to be a summary of the legislation applicable to securitisation transactions in Greece. However it is not an exhaustive analysis and as such investors should exercise appropriate caution and, if necessary, seek independent legal advice.*

The transactions described in this Prospectus are the subject of specific legislation enacted by the Greek Government in law 3156/2003 of the Hellenic Republic (published in Government Gazette issue no. 157/A/25.06.03) as the same may be amended or re-enacted from time to time (**Law 3156**). Article 10 of Law 3156 contains express provisions setting out a framework for the assignment and securitisation of receivables originated by a commercial entity resident in Greece (a **Transferor**) resulting from its business activity.

Article 10 of Law 3156 allows a Transferor to sell its receivables to a special purpose vehicle (an **SPV**) which must also be the issuer of notes to be issued in connection with the securitisation of such receivables. In particular, it provides that:

- (a) the transfer of the receivables is to be governed by the assignment provisions of the Greek Civil Code, which provides that additional rights relating to the receivables including guarantees, mortgages, mortgage pre-notations and other security interests will be transferred by the Transferor to the SPV along with the transfer of the receivables;
- (b) the transfer of the receivables pursuant to Law 3156 does not change the nature of the receivables, and all privileges which attach to the receivables for the benefit of the Transferor are also transferred to the SPV;
- (c) a summary of the receivables transfer agreement must be registered with the competent Pledge Registry, in accordance with the procedure set out under Article 3 of law 2844/2000 of the Hellenic Republic, following which the sale of the receivables is effected and perfected and the underlying obligors of the receivables will be deemed to have received notice that there has been a transfer of the receivables;
- (d) following the registration of the summary of the receivables sale agreement, the validity of the sale of the receivables and related security is not affected by any subsequent insolvency proceedings concerning the Transferor or the SPV;
- (e) following the transfer of the receivables and the registration of the summary of the receivables transfer agreement, no security interest or encumbrance can be created over the receivables other than the interest that is created pursuant to Law 3156 which comprises a pledge operating by law over the receivables in favour of the holders of the notes issued in connection with the securitisation of the receivables and also the other creditors of the SPV in the context of the securitisation;
- (f) the claims of the holders of the notes issued in connection with the securitisation of the receivables and also the other creditors of the SPV from the enforcement of the pledge operating by law will rank ahead of the claims of any statutory preferential creditors;
- (g) the servicing and making of collections with respect to the receivables must be carried out by:
  - (i) a credit institution or financial institution in the European Economic Area;
  - (ii) the Transferor; or

- (iii) a third party that had guaranteed or serviced the receivables prior to the time of transfer to the SPV;
- (h) if the SPV is not resident in Greece, the entity responsible for servicing and making collections of the receivables must be resident in Greece if the receivables are payable by consumers in Greece;
- (i) amounts collected in respect of the receivables and security created over the receivables are not available to the creditors of the person making such collections and will not form part of its bankruptcy estate on its liquidation;
- (j) the proceeds of the collections made in respect of the receivables must immediately upon receipt be deposited by the person making such collections in a separate bank account held with a credit institution or financial institution in the European Economic Area or with such person, if it is a credit institution;
- (k) amounts standing to the credit of the separate bank account into which collections are deposited are also secured in favour of the holders of the notes issued in connection with the securitisation of the receivables and the other creditors of the SPV by virtue of a pledge operating by law;
- (l) the laws relating to bank confidentiality do not apply for the purposes of the sale of the receivables by the Transferor to the SPV or for the purposes of the agreements between the SPV and its creditors, but the SPV and its creditors are obliged to comply with the provisions of Greek law relating to confidentiality; and
- (m) the Transferor can make available data relating to the obligors under the receivables to the SPV and the SPV can make such data available to its creditors, to the extent that it is necessary for the purposes of the securitisation, without having to obtain the consent of the obligors or of the Data Protection Authority of law 2472/1997 of the Hellenic Republic.

## PURCHASE OF THE PORTFOLIO

### Master Transfer Agreement

Under the Master Transfer Agreement executed on or about the Closing Date, the Seller will, and during the period from (and including) the Closing Date to (but excluding) the date on which the Amortisation Period commences (hereinafter, the **Revolving Period**), the Seller may, from time to time, agree to sell, assign and transfer without recourse to the Issuer, which shall purchase, under the terms and subject to the conditions set out therein, its right, title, interest and benefit in, to and under Loans that meet the Eligibility Criteria.

Each sale and assignment of Loans will be documented in a Greek law governed transfer agreement to be entered into between the Seller and the Issuer (each a **Greek Transfer and Assignment Agreement**).

**Termination Events** means the occurrence of any of the following event:

- (a) In respect of the Seller:
  - (i) **Non payment:** the Seller fails to pay any amount due by it under any of the Transaction Documents to which it is a party (unless such failure is caused by administrative difficulties or settlement error or is of an amount disputed in good faith) within two Business Days of its due date;
  - (ii) **Failure to perform:** the Seller fails to observe or perform any of its obligations under the Transaction Documents to which it is a party or under any undertaking or arrangement entered into in connection therewith and such failure (i) would, in the reasonable opinion of the Trustee, be likely to have a material adverse effect on the ability of the Seller to perform its respective obligations under the Transaction Documents; and (ii) (if capable of remedy before the expiry of such period) continues unremedied for a period of 15 days from the date the Trustee gives notice to the Seller requiring the same to be remedied;
  - (iii) **Material adverse effect:** any event or series of events (whether related or not) occurs which in the reasonable opinion of the Trustee will have a material adverse effect on: (a) the enforceability and collectability of the Purchased Loans and/or the origination of the Loans; (b) the ability of the Seller or the Servicer to perform its obligations under the Transaction Documents to which it is a party; or (c) the validity or enforceability of any Transaction Document to which the Seller is a party;
  - (iv) **Attachments:** all or any part of the property, business, undertakings, assets or revenues of the Seller having an aggregate value in excess of Euro 1 million has been attached as a result of any distress or execution being levied or any encumbrance taking possession or similar attachment and such attachment has not been lifted within 30 days, unless in any such case the Trustee certifies that in its reasonable opinion such event will not materially prejudice the ability of the Seller to observe or perform its obligations under the Transaction Documents or the enforceability, collectability or origination of the Purchased Loans;
  - (v) **Arrangements with creditors:** the Seller convenes a meeting of its creditors or proposes or makes any arrangement or composition with, or any assignment for the benefit of, or any moratorium with its creditors (other than for the purposes of a solvent reconstruction or amalgamation on such terms and within such period as may previously have been approved in writing by the Trustee) or any other corporate action is taken or any legal proceedings are commenced by the Seller with a view to any such composition, arrangement, assignment or moratorium being made;

- (vi) **Petition for liquidation:** a petition (other than a petition which is dismissed or stayed within 60 days of being instituted) is presented or a meeting is convened for the purpose of considering a resolution or other preparatory steps are taken or legal proceedings are commenced for the liquidation, dissolution, administration or reorganisation of the Seller in accordance with the Greek legislation (other than for the purposes of a solvent reconstruction or amalgamation on such terms and within such period as may previously have been approved in writing by the Trustee);
  - (vii) **Insolvency:** the Seller is or becomes or is declared to be insolvent (including bankruptcy and suspension of payments) or is or becomes unable to pay its debts as they fall due or suspends or threatens to suspend making payments (whether of principal or interest) with respect to all or any class of its debts;
  - (viii) **Disputes:** the Seller disputes, in any manner, the validity or efficacy of any sale and purchase of a Purchased Loan under the Master Transfer Agreement or any Greek Transfer and Assignment Agreement and as a result, in the reasonable opinion of the Trustee, there is, or is likely to be, a material adverse effect on the ability of the Seller to perform its respective obligations under the Transaction Documents or the enforceability and collectability of the Purchased Loans and/or the origination of the Loans is, or is likely to be, materially prejudiced;
  - (ix) **Cessation of business:** it becomes impossible or unlawful for the Seller to continue its business and/or discharge its obligations as contemplated by the Transaction Documents and as a result, in the reasonable opinion of the Trustee, there is, or is likely to be, a material adverse effect on the ability of the Seller to perform its obligations under the Transaction Documents or the enforceability and collectability of the Purchased Loans and/or the origination of the Loans is, or is likely to be, materially prejudiced;
  - (x) **Servicer Termination Event:** the occurrence of a Servicer Termination Event (notwithstanding the appointment of any substitute servicer in accordance with the Servicing Agreement);
  - (xi) **Incorrect representations:** any representation and warranty of the Seller set out in the Master Transfer Agreement or any other representation or warranty which is contained in any certificate, statement, legal opinion or notice provided under or in connection with the Transaction Documents proves to be incorrect in any material respect, or if repeated at any time with reference to the facts and circumstances subsisting at such time would not be accurate in all material respects unless, if curable, cured to the satisfaction of the Trustee within 10 Business Days of notification by the relevant person to the Trustee; and
  - (xii) **Invalidity:** any Transaction Document, or any material provision thereof ceases to be valid and binding on the Seller or if the Seller states so in writing.
- (b) In respect of the Notes:
- (i) **Event of Default:** an Event of Default has occurred pursuant to the Conditions;
  - (ii) **Tax or Regulatory Event:** a Tax or Regulatory Event has occurred under the Conditions.

## Loans

Each sale, assignment and transfer of Loans will comprise all present and future interest of the Seller in, and title to, the relevant Loans listed in the relevant Greek Transfer and Assignment Agreement. On the execution of a Greek Transfer and Assignment Agreement by the Seller and the Issuer, each Bond or Term

Loan listed in such Greek Transfer and Assignment Agreement will become a Purchased Bond or a Purchased Term Loan, as applicable.

Pursuant to Law 3156, the Issuer will not be required to give a notice of assignment to each Borrower, nor to any other obligor in respect of the Loans, or in respect of any Related Security (such obligors, together with the Borrowers, the **Obligors**). In addition, pursuant to Law 3156, the sale, assignment and transfer of Loans will be enforceable against the Obligors and third party creditors of the Seller upon registration of such assignment with the Athens Pledge Registry (the **Assignment Registration**).

In acquiring the Loans, the Issuer will also acquire all the Related Security securing the performance of the Obligor's obligations under the Loans which will be transferred automatically to the Issuer together with the Loans and in respect of Bonds, will be held by the relevant Greek Bondholders' Representatives to the benefit of the Issuer.

### **Acquisition of the Initial Pool**

Upon the terms of the Master Transfer Agreement, the Seller will sell, assign and transfer pursuant to a Greek Transfer and Assignment Agreement to be entered into between the Issuer and the Seller on or about the Closing Date (the **Initial Greek Transfer and Assignment Agreement**), a first pool of Bonds (the **Initial Pool**) selected on the basis of the Eligibility Criteria arising from the Bonds and represented by the Bond Certificates listed in the Initial Greek Transfer and Assignment Agreement.

The transfer of the Initial Pool from the Seller to the Issuer will take legal and economic effect from (and including) the Closing Date and the Issuer will be entitled to all right, title and interest in and to the Initial Pool accruing there from.

On the Closing Date, the Issuer shall pay to the Seller the initial purchase price for the Initial Pool (the **Initial Purchase Price**) which shall be equal to:

- (a) the principal amount outstanding by the relevant Borrower in respect of each Bond comprised in such Pool as of the Closing Date;
- (b) any interest, disbursement, legal expense, fee, charge, service charge, premium or payment which has been properly capitalised in accordance with the relevant Bond Documents or with the relevant Borrower's consent (including capitalised interest); and
- (c) any other amount (including, for the avoidance of doubt, accrued interest and arrears of interest) which is due or accrued (whether or not due) and which has not been paid by the relevant Borrower and has not been capitalised in accordance with the relevant Bond Documents.

### **Acquisition of Additional Pools**

At any time during the Revolving Period, the Seller may agree to sell, assign and transfer without recourse to the Issuer, and, subject to the terms and conditions set out in the Master Transfer Agreement, the Issuer shall purchase pursuant to Law 3156 and a Greek Transfer and Assignment Agreement (each an **Additional Greek Transfer and Assignment Agreement**), Additional Pools of Loans listed in the relevant Additional Greek Transfer and Assignment Agreement and complying with the Eligibility Criteria (hereinafter, each an **Additional Pool**, and together with the Initial Pool, the **Portfolio**). During the Revolving Period, amounts standing to the credit of the Collection Account Additional Pool Ledger may be applied by the Issuer for the purchase of an Additional Pool from the Seller (and for this purpose, any amounts standing to the credit of the Collection Account Additional Pool Ledger will be applied in the order in which such amounts were first credited to the Collection Account Additional Pool Ledger).

The Revolving Period will terminate if an Amortisation Event occurs, resulting in principal being repaid on the Notes on and from the following Interest Payment Date.

The initial purchase price payable by the Issuer in respect of the Loans comprised in any Additional Pool (the **Additional Purchase Price**) shall be payable by using the Additional Pool Available Funds in accordance with the Master Transfer Agreement.

**Additional Purchase Price** means in respect of an Additional Pool during the Revolving Period, the purchase price payable by the Issuer to the Seller in respect of such Additional Pool under the Master Transfer Agreement, such amount being equal to:

- (a) the principal amount outstanding of the Loans comprised in such Additional Pool as of the relevant Transfer Date;
- (b) any interest, disbursement, legal expense, fee, charge, service charge, premium or payment which has been properly capitalised in accordance with the relevant Loan Documentation or with the relevant Borrower's consent (including capitalised interest) as of the relevant Transfer Date; and
- (c) any other amount (including, for the avoidance of doubt, accrued interest and arrears of interest) which is due or accrued (whether or not due) and which has not been paid by the relevant Borrower and has not been capitalised in accordance with the relevant Loan Documentation.

The transfer of each Additional Pool from the Seller to the Issuer will take legal and economic effect from (and including) the relevant Transfer Date and the Issuer will be entitled to all right, title and interest in and to such Additional Pool accruing therefrom.

The Issuer shall purchase Additional Pools from the Seller pursuant to an Additional Greek Transfer and Assignment Agreement and under the terms set out in the Master Transfer Agreement subject to, *inter alia*, the following conditions:

- the Eligibility Criteria having being met; and
- the Additional Purchase Price payable by the Issuer to the Seller on such Transfer Date in respect of such Additional Pool is not higher than the Additional Pool Available Funds available to the Issuer as calculated and reported by the Servicer to the Seller, the Issuer, the Cash Manager and the Trustee on such date.

### **Payment of Deferred Consideration**

Under the terms of the Master Transfer Agreement, on each Interest Payment Date the Issuer will make payment of deferred purchase price to the Seller (the **Deferred Consideration**) as further consideration for the Initial Pool and for the Loans that have been subsequently sold and assigned to the Issuer. The Deferred Consideration will be payable by the Issuer to the Seller in accordance with the Priority of Payments.

### **Eligibility Criteria – Loan Warranties**

As at the date the Loans are sold to the Issuer, the Loans and their Related Security will be required to comply with the Eligibility Criteria. They will also be required to comply with the representations and warranties given by the Seller in respect of the Portfolio in the Master Transfer Agreement (the **Loan Warranties**) which include (but are not limited to) the representations and warranties set out below.

- (a) Immediately prior to the transfer of each Loan under the Master Transfer Agreement, the Seller was the absolute legal and beneficial owner of each Loan and its Related Security.

- (b) The Seller has not received written notice of any litigation or claim calling into question in any material way its title to any Loan and its Related Security.
- (c) No Loan or its Related Security is subject to any Security Interest (other than, after the sale of the Loans, under the Transaction Documents or Law 3156).
- (d) The Seller has no continuing obligations under any Loan which could result in a pledge, lien, right of set-off or counterclaim and no pledge, lien, dispute, claim, right of set-off or counterclaim is or has been alleged to have been created or to have arisen which could affect the relevant Borrower's and/or Guarantor's repayment obligations under such Loan.
- (e) In respect of each Loan, the Seller has not (other than pursuant to the Transaction Documents or Law 3156):
  - (i) assigned, novated, transferred, disposed of, participated, sub-participated or otherwise dealt with that Loan, any Related Security or any interest therein, or entered into any agreement or arrangement to do the same, in such a manner as to confer rights in them on any third parties; and/or
  - (ii) created or agreed to create, or caused by its operation of its ownership of the relevant Loan and its Related Security the creation of, any Security Interest in respect of such Loans or Related Security or any interest in such Loans.
- (f) The sale of each Loan does not and will not constitute a breach by the Seller of the terms of the relevant Loan Documentation, including restrictions on disposition, and does not require the consent or approval of any person, unless otherwise required thereunder.
- (g) Each Bond was underwritten and subscribed for by and each Term Loan was originated and advanced by the Seller in the ordinary course of business in accordance with the terms of the Financing Criteria.
- (h) The Seller has procured that full and proper accounts, books and records have been kept showing clearly all material transactions, payments, receipts and proceedings relating to each Loan.
- (i) At least one scheduled payment of interest has been paid by the relevant Borrower in respect of each Loan.
- (j) In respect of each Loan, the relevant Loan Documentation contains a binding Set-Off Waiver on the Borrower and Guarantor (if any), with the exception of one Greek Programme Agreement which is comprised in the Initial Pool and referred to at paragraph (k) below.
- (k) In respect of the Greek Programme Agreement under which the guarantee by the Hellenic Republic was published prior to its execution, the amount placed on deposit with the Seller from any Obligor under such Greek Programme Agreement does not exceed €1,000.
- (l) In respect of each Loan, the Seller has not received any written notice in accordance with the Loan Documentation or otherwise, that any event of default (howsoever described in the relevant Loan Documentation) in respect of the Borrower or Guarantor, if any, has occurred and is continuing.
- (m) The Seller has not breached any term under or in respect of any Loan Documentation.
- (n) In respect of each Loan, the Seller and, in respect of Bonds, the Greek Bondholders' Representative on its behalf, has not waived any Borrower's or Guarantor's obligations or any event of default (howsoever described in the relevant Loan Documentation).



- (o) In respect of each Loan, the Seller is not obliged (under the terms of the relevant Loan Documentation or otherwise) to make a further subscription or advance to the relevant Borrower(s).
- (p) The interest rate in respect of each Loan is either fixed or floating set with reference to 1, 2, 3, 4, 6, 9 or 12 month EURIBOR for Euro deposits plus a margin, plus Levy (if any) or set with reference to 10 years Euromid swap rate against 6 month EURIBOR plus a margin, plus Levy (if any).
- (q) Each Loan and its Related Security constitutes a legal, valid and binding obligation of the Borrower and Guarantor, if any, and is duly perfected and enforceable in accordance with its terms.
- (r) No pledge, lien, right of set-off or counterclaim has been or alleged to have been created or arisen in favour of any Obligor in respect of the relevant Loan.
- (s) The Loans are not the subject of any dispute, counterclaim, defence or claim existing or pending against the Seller.
- (t) As at the date of underwriting and subscription no registrations or other perfection formalities were required to perfect or create any of the Related Security granted in respect of each Loan.
- (u) In respect of each Term Loan, the Seller is the registered holder of the relevant Related Security or, in respect of Bonds, the Seller is the beneficiary and the relevant Greek Bondholders' Representative on its behalf, is the registered holder of the relevant Related Security.
- (v) The Seller has complied with all relevant data protection laws in relation to the Loans comprising the Portfolio.
- (w) No Loan contains any provision allowing the deferral, by the Borrower, of scheduled interest payments.
- (x) No Loan contains any provision allowing the suspension of payments of principal by a Borrower for a grace period, or if a Loan does contain such provision the grace period has expired.
- (y) The Mortgagor has a good and marketable title to the relevant Property.
- (z) Each Loan has been administered by the Seller (i) according to a level of skill, care and diligence which a Prudent Lender would apply if it were the owner of the Loans and (ii) in accordance with its Servicing Guidelines.
- (aa) All legal and technical fees and costs relating to the subscription or origination of each Loan (including, but not limited to, fees costs and charges) was validly and properly incurred and fully paid.
- (bb) Each Loan and its Related Security comply (i) as of the Closing Date, in respect of the Bonds comprised in the Initial Pool, (ii) as of the relevant Transfer Date, in respect of the Loans to be comprised in any Additional Pool and (iii) as of the relevant Repurchase Date in respect of Replacement Loans, with the following individual criteria (the **Individual Eligibility Criteria**):
  - (i) it arises from a term loan which is a Bilateral Loan or a bond loan which is either a Syndicated Bond or a Bilateral Bond;
  - (ii) it and the relevant Loan Documentation are governed by Greek law or by English law;
  - (iii) it is denominated, and all payments are required to be made by the relevant Borrower and Guarantor, in Euro;

- (iv) it matures on or before January 2032;
- (v) it was a Bond issued by or a Term Loan granted to the relevant Borrower for the following corporate purposes:
  - (A) capital expenditures, working capital and/ or general corporate needs; and
  - (B) for the refinancing of any of (A) above;
- (vi) other than balloon (interest only) Loans, it is fully amortising and interest and principal are payable in Instalment Amounts under the terms of the relevant Loan Documentation by crediting such amounts to the Seller's account, and does not provide for the outstanding balance to be discounted pursuant to a prepayment in full;
- (vii) no notice of prepayment of the Loan has been given;
- (viii) it does not contain provisions which may give rise to a liability on the part of the Seller or the Issuer to subscribe for further issues, make a further advance, pay money or perform any other onerous act;
- (ix) the purchase price of the Property over which a Mortgage or Pre-Notation is granted as security for the Loan has been fully paid by the relevant Mortgagor;
- (x) in respect of each Loan, the relevant Mortgage or Pre-Notation, if any, securing such Loan has been registered in the relevant Cadastral and/or Land Registry in the name of the Seller or, in respect of Bonds only, the relevant Greek Bondholders' Representative on behalf of the Seller, rendering the relevant Mortgage or Pre-Notation a fully valid security interest for the performance of all payment obligations (including the repayment of all principal advances, interest, costs and expenses) under the Loan;
- (xi) if the Loan is secured, it is secured by means of a Mortgage or Pre-Notation over a Property being located in Greece, and/or, in some cases other collateral in the form of, including but not limited to, an insurance policy, a pledge over shares or other securities or cash of which the Seller is the primary beneficiary;
- (xii) each Borrower is a company validly existing and with registered office in Greece and either has an annual turnover of more than €2.5 million or is part of a group of companies that (as a group) has an annual turnover of more than €2.5 million;
- (xiii) the Borrower (and any Guarantor) is not a subsidiary of the Seller;
- (xiv) all payments and repayments in respect of a Loan will be made by the relevant Borrower and/or Guarantor from an account which is located in Greece;
- (xv) the Borrower is not and has not been in breach of any term of the Loan Documentation;
- (xvi) the Loan Documentation for each Loan that is guaranteed by a person other than the Hellenic Republic includes a Guarantor's waiver of its defences available under Article 853 of the Greek Civil Code to invoke, inter alia, the set-off right of the Borrower;
- (xvii) a Teiresias search has been carried out in respect of the Borrower or Guarantors, if any, prior to the subscription or origination of the Loan by the Seller and no history of attachments, dishonoured cheques, pre-notations or mortgages or any Security Interest exist and are continuing and no step has been taken for his/her bankruptcy that has not been cured;

- (xviii) if the Loan is secured by a Mortgage or Pre-Notation, the Property in respect of which security has been given for the Loan has been valued by a certified engineer approved by the Seller or, where appropriate, according to a methodology which would meet the standards of a Prudent Lender and which has been approved by the Seller;
- (xix) if the Loan is secured by a Mortgage or Pre-Notation, a search of the relevant Cadastral and/or Land Registry, where applicable, for investigation of the title certificate in relation to the Property in respect of which security has been given for the Loan has been carried out prior to the subscription or drawdown of the Loan by the Seller in accordance with the Seller's procedures and no adverse entries have been found;
- (xx) if the Loan is secured by a Mortgage or Pre-Notation, the Mortgagor has confirmed that the Property in respect of which security has been given for the Loan is covered by all loss insurance in an amount sufficient to cover the reinstatement cost of the Property as it was at the time of the insurance appraisal;
- (xxi) in respect of each Loan the purpose of which was the construction of a new property, at the time of the final advance, the Seller had determined that the construction was substantially completed;
- (xxii) the application for the Loan was approved by authorised competent employees of the Seller;
- (xxiii) the Loan can be identified and segregated from the other assets of the Seller on any day;
- (xxiv) the Loan is free and clear of any encumbrance unless as provided for in the Transaction Documents;
- (xxv) the terms of the Loan calculate and charge any interest due on the basis of an Actual/360 day count fraction or Actual/365 day count fraction;
- (xxvi) all payments in respect of the Loan can be made by the Borrower, any Guarantor and any Paying Agent to the Issuer free and clear of and without any withholding or deduction for or on account of any Taxes without any procedural formalities being completed by or on behalf of the Issuer;
- (xxvii) no Loan is in Arrears;
- (xxviii) no Loan or any payment thereunder has ever been written off according to the Servicing Guidelines;
- (xxix) no Loan contains any provisions which purport to cause the claim of the Seller against the relevant Borrower or any Guarantor under the Loan Documentation to rank lower than *pari passu* with other creditors of the same creditor class of such Borrower or Guarantor;
- (xxx) no Loan carries nor has carried (a) any right of conversion into shares or other securities, or to the acquisition of shares or other securities; (b) a right to interest the amount of which exceeds a reasonable commercial return on the nominal amount of the capital; (c) a right to interest the amount of which falls or has fallen to be determined to any extent by reference to the results of, or of any part of, a business or the value of any property, or (d) a right on repayment to an amount which exceeds the nominal amount of the capital and is not reasonably comparable with what is generally repayable (in respect of a similar nominal amount of capital) under the terms of issue of loan capital listed on the Official List of the London Stock Exchange;

- (xxxix) none of its Related Security and/or Ancillary Rights consists of:
- (i) stocks, shares or loan capital (**Securities**), interests in, or in dividends or other rights arising out of Securities, or rights to allotments of or to subscribe for, or options to acquire, Securities, other than:
    - (A) Securities which are issued or raised by a body corporate not incorporated in the United Kingdom, are not registered in a register kept in the United Kingdom and, in the case of shares, are not paired with shares issued by a body corporate incorporated in the United Kingdom; and
    - (B) interests in, or in dividends or other rights arising out of Securities, or rights to allotments of or to subscribe for, or options to acquire, Securities of the kind referred to at (A) above;
  - (ii) units under a unit trust scheme; or
  - (iii) any estate, interest, right or power in or over land in the United Kingdom (or the benefit of an obligation, restriction or condition affecting the value of any such estate, interest, right or power);
- (xxxii) the Related Security and/or Ancillary Rights are transferred to the Issuer pursuant to clause 3.8 of the Master Transfer Agreement by way of collateral only and for no consideration; and
- (xxxiii) the Loans are financial assets for the purposes of generally accepted accounting practice (as defined in Section 50 Finance Act 2004).
- (cc) Each Loan to be comprised in an Additional Pool complies, as of the relevant Transfer Date, with the following pool criteria (the **Pool Eligibility Criteria**):
- (i) it is not such that, as a result of the transfer of such Loan to the Issuer, the weighted average interest margin over EURIBOR of all Loans in the Portfolio is less than 1.1%, where the weighted average interest margin on the Loans in the Portfolio is calculated by weighting the interest margin of each Loan by the current Principal Outstanding Balance and where for fixed rate Loans the interest margin will be calculated as the difference between the total interest rate for each Loan and 6 month EURIBOR as at the relevant Transfer Date;
  - (ii) it is not such that, as a result of the transfer of such Loan to the Issuer, the total notional amount of Loans which bear an interest rate payable less frequently than semi-annually is less than 10% of the Portfolio Notional Amount;
  - (iii) it is not such that, as a result of the transfer of such Loan to the Issuer, the total notional amount of Loans which bear interest on a fixed basis is more than 15% of the Portfolio Notional Amount;
  - (iv) it is not such that, as a result of the transfer of such Loan to the Issuer, the Portfolio Notional Amount exceeds (a) the Portfolio Notional Amount prior to such transfer, increased by (b) the then Principal Receipts; and
  - (v) it is such that, as a result of the transfer of such Loan to the Issuer, the Moody's CDOROM Condition is satisfied for the Notes,

*provided that*, if, on the relevant Transfer Date, the Portfolio does not comply with any Pool Eligibility Criteria prior to the proposed addition of Loans to be comprised in an Additional Pool (except where such non-compliance relates to the criterion set out in paragraph (v) above), the proposed addition thereof shall be deemed to comply with the Pool Eligibility Criteria if the inclusion of the Loans comprised in such Additional Pool would not cause the degree of non-compliance with any non-complying Pool Eligibility Criteria to worsen.

#### **Indemnity as a consequence of a set-off**

Pursuant to the terms of the Master Transfer Agreement, the Seller will undertake to pay to the Issuer an amount equal to the amount of any reduction in any payment due with respect to any Purchased Loan as a result of any exercise of any right of set-off or deduction made by any Borrower or any Guarantor against the Seller.

#### **Breach of Loan Warranties - Remedies**

If a Loan or its Related Security fails to comply with the Eligibility Criteria or there is a breach of any of the Loan Warranties given by the Seller, then the Seller will have an obligation to remedy such breach within 21 days after receiving written notice of such breach from the Issuer. If such breach is not capable of remedy, or, if capable of remedy, is not remedied within the 21 day period, the Seller has an obligation to repurchase the Loan for cash or, procure the substitution of a similar loan and security in replacement of such Loan subject to the provisions of the Master Transfer Agreement.

The consideration payable by the Seller in relation to the repurchase of a relevant Loan (**Retired Loan**) will be an amount equal to the aggregate of: (a) the Principal Outstanding Balance of the relevant Retired Loan plus interest accrued thereon but not yet paid (including the interest not yet paid by the relevant Borrower) as at the date of the repurchase; (b) all other amounts due as at the date of repurchase in respect of the relevant Retired Loan (including, if any, any amount of expenses incurred by the Servicer and/or not recovered on completion of the Enforcement Procedures in relation to the Retired Loan); and (c) the reasonable costs and expenses of the Issuer incurred in relation to such repurchase.

If a Loan expressed to be included in the Portfolio has never existed or has ceased to exist on the date on which it is due to be repurchased, the Seller will be required, on demand, to indemnify the Issuer against any loss and all liabilities suffered by the Issuer by reason of the breach of the relevant Loan Warranty.

On any day on which a Retired Loan is to be repurchased and consideration to be paid by the Seller or any day on which the Seller is to make an indemnity payment, in either case to the Issuer, the Seller may sell Replacement Loans to the Issuer such that the aggregate of the Principal Outstanding Balance of the Replacement Loans will be equal to or less than the consideration and/or indemnity payment in cash that is payable by the Seller to the Issuer on such day. In the event that the Principal Outstanding Balance of the Replacement Loan is less than the amount payable by the Seller to the Issuer, then the Seller shall pay an amount in cash equal to such deficiency. The Issuer may discharge its liability to pay the consideration for a Replacement Loan by setting-off amounts due to it in respect of consideration for a Retired Loan and/or in respect of any indemnity payment payable to the Issuer by the Seller.

If during the Revolving Period the Issuer has purchased an Additional Pool from the Seller it shall have the right to offset any amount payable by it as consideration for such Additional Pool against any amount payable to it as consideration for a Retired Loan or in respect of any indemnity payment payable in either case to the Issuer by the Seller.

#### *Replacement Loan Conditions*

The Replacement Loans must satisfy the following criteria:

- (a) each Replacement Loan has to meet the Eligibility Criteria; and
- (b) the Loan Warranties being true in every material respect on the relevant Repurchase Date in respect of the Replacement Loan(s) by reference to the facts and circumstances then subsisting.

#### *Completion of Sale and Purchase of Replacement Loans*

Completion of the sale and purchase of any Replacement Loan on a Repurchase Date will be conditional on:

- (a) no Acceleration Notice in respect of the Notes having been delivered by the Trustee to the Issuer in accordance with the Conditions;
- (b) the Seller not being in breach of any of its obligations under the Master Transfer Agreement; and
- (c) the registration of a form under the terms of Article 10, Paragraphs 8 and 16 approved by the Greek Ministry of Justice (ministerial decisions no. 161338 of 30 October 2003) (a **Notification Form**) in respect of the relevant Replacement Loan(s).

#### **Seller Call Option**

Under the terms of the Master Transfer Agreement, the Issuer will grant the Seller an option to purchase all the Purchased Loans comprised in the Portfolio (the **Seller Call Option**) on any Interest Payment Date falling after the Closing Date (the **Seller Call Option Period**).

If the Seller intends to exercise the Seller Call Option on an Interest Payment Date during the Seller Call Option Period (such date being the **Seller Call Option Date**), it shall deliver to the Issuer, within a period of not less than sixty (60) and not more than seventy-five (75) days prior to the Seller Call Option Date, a duly signed notice stating that it wishes to exercise the Seller Call Option (the **Seller Call Option Exercise Notice**).

The price payable by the Seller to the Issuer as consideration for the purchase of the Purchased Loans comprised in the Portfolio will be the higher of (i) market value and (ii) the principal amount outstanding of the Notes plus accrued but unpaid interest thereon as of the Seller Call Option Date plus an amount equal to the amount ranking *pari passu* with or in priority to the Notes according to the relevant Priority of Payments to be paid by the Issuer on the Seller Call Option Date (the **Seller Call Option Price**). The Seller Call Option Price shall be paid by the Seller to the Issuer on the Seller Call Option Date by crediting the relevant amount on the Issuer Transaction Account.

#### **Seller Defaulted Loan Call Option**

The Issuer will grant the Seller an option to purchase any Purchased Loan comprised in the Portfolio which has become a Defaulted Loan (the **Seller Defaulted Loan Call Option**) under the terms set out in the Master Transfer Agreement. The Seller will have the right to exercise a Seller Defaulted Loan Call Option in respect of one or more Defaulted Loan(s) at any time prior to the Final Maturity Date.

If the Seller intends to exercise a Seller Defaulted Loan Call Option in respect of a Defaulted Loan the Seller shall deliver to the Issuer, with copy to the Servicer, a duly signed notice stating that it wishes to exercise a Seller Defaulted Loan Call Option in respect of one or more Defaulted Loan(s) as set out in such notice (the **Seller Defaulted Loan Call Option Exercise Notice**).

The consideration payable by the Seller in relation to the repurchase of a Defaulted Loan will be an amount equal to the aggregate of: (a) the Principal Outstanding Balance of the relevant Defaulted Loan plus interest accrued thereon but not yet paid (including the interest not yet paid by the relevant Borrower) as at the date of the repurchase; (b) all other amounts due as at the date of repurchase in respect of the relevant Defaulted

Loan (including, if any, any amount of expenses incurred by the Servicer and/or not recovered on completion of the Enforcement Procedures in relation to the Defaulted Loan); and (c) the reasonable costs and expenses of the Issuer incurred in relation to such repurchase (the **Seller Defaulted Loan Call Option Price**). The Seller Defaulted Loan Call Option Price shall be paid by the Seller to the Issuer on the repurchase date by crediting the relevant amount on the Issuer Transaction Account.

The Seller may, instead of purchasing a Defaulted Loan from the Issuer, require the Issuer to accept in consideration for the purchase, the transfer of Replacement Loans such that the aggregate of the Principal Outstanding Balance of such Replacement Loans together with any cash consideration paid by the Seller to the Issuer equals the cash consideration that would have been payable by the Seller to the Issuer.

### **Issuer Put Option**

Under the terms of the Master Transfer Agreement, the Seller will grant the Issuer an option to sell any Purchased Bond which is a Syndicated Bond comprised in the Portfolio (the **Issuer Put Option**). The Issuer, or the Trustee on its behalf, will have the right to exercise an Issuer Put Option in respect of a Syndicated Bond at any time prior to the Final Maturity Date and upon the occurrence of an Issuer Put Option Event (the **Issuer Put Option Period**).

If the Issuer, or the Trustee on its behalf, intends to exercise an Issuer Put Option in respect of a Purchased Bond which is a Syndicated Bond further to the occurrence of an Issuer Put Option Event in respect of such Purchased Bond, the Issuer, or the Servicer on its behalf, shall deliver to the Seller a duly signed notice stating that it wishes to exercise the Issuer Put Option in respect of one or more Syndicated Bond(s) as set out in the such notice (the **Issuer Put Option Exercise Notice**).

The consideration payable by the Seller in relation to the repurchase of a Syndicated Bond will be an amount equal to the aggregate of: (a) the Principal Outstanding Balance of the relevant Syndicated Bond plus interest accrued thereon but not yet paid (including the interest not yet paid by the relevant Borrower) as at the date of the repurchase; (b) all other amounts due as at the date of repurchase in respect of the relevant Syndicated Bond (including, if any, any amount of expenses incurred by the Servicer and/or not recovered on completion of the Enforcement Procedures in relation to the Syndicated Bond); and (c) the reasonable costs and expenses of the Issuer incurred in relation to such repurchase (the **Issuer Put Option Price**). The Issuer Put Option Price shall be paid by the Seller to the Issuer on the repurchase date by crediting the relevant amount on the Issuer Transaction Account.

If there is a material breach of any other representations and warranties under the Master Transfer Agreement, the Seller will indemnify the Issuer against any losses and damage suffered and all costs, fees and expenses incurred by reason of such breach.

The Master Transfer Agreement will be governed by English law.

### **Initial Greek Transfer and Assignment Agreement**

The Issuer will enter into the Initial Greek Transfer and Assignment Agreement with the Seller on the Closing Date pursuant to which the Seller will assign to the Issuer all the Seller's rights attaching to each Bond comprised in the Initial Pool (including the Related Security) and transfer to the Issuer each Bond and the respective Bond Certificate comprised in the Initial Pool. The Initial Greek Assignment Agreement will be subject to the terms and conditions of the Master Transfer Agreement.

The Initial Greek Assignment Agreement will be governed by Greek law.

## SERVICING OF THE PORTFOLIO

Under the Servicing Agreement, Alpha Bank will be appointed to act as Servicer on behalf of the Issuer and the Trustee and will provide services (the **Services**) to the Issuer in relation to the Purchased Loans and Related Security which include the following:

- (a) service the Purchased Loans and their Related Security with the same level of skill, care and diligence as a Prudent Lender would if it were the owner of the Purchased Loans and their Related Security and in accordance with (i) the terms of the relevant Loan Documentation, (ii) the Servicing Guidelines, and (iii) the Servicing Agreement;
- (b) use its best endeavours to keep in force all licences, approvals, authorisations and consents which may be necessary in connection with the performance of the Services and prepare and submit all necessary applications and requests for any approval, authorisation, consent or licence required by Greek law or regulation in connection with the business of the Issuer;
- (c) not fail to comply with any Greek legal or regulatory requirements or knowingly fail to comply with any English legal or regulatory requirements in the performance of the Services or cause the Issuer to fail to comply with such requirements;
- (d) make the necessary calculations and determinations to prepare the Servicer Report to be delivered to the Issuer, the Trustee (if requested), the Swap Provider, the Rating Agency and the Cash Manager on each Servicer Report Distribution Date setting out information in relation to the Portfolio including, but not limited to the amount of Defaulted Loans repurchased by the Seller pursuant to the Seller Defaulted Call Option and the amount and number of Permitted Variations;
- (e) notify the Issuer, the Cash Manager and the Trustee of a breach or potential breach of any of the representations, warranties and undertakings of the Seller contained in the Master Transfer Agreement and of any event which could result in the termination of its appointment as Servicer;
- (f) maintain and/or preserve any and all of the Related Security and its priority or in the case of Purchased Bonds procure that these are maintained and/or preserved by the Greek Bondholders' Representative;
- (g) procure payment of all applicable stamp duties, registration and other documentary taxes in respect of the Purchased Loans and/or their Related Security, if any;
- (h) pay, on behalf of the Issuer, any amount of Levy which is due and payable by the Issuer;
- (i) enforce the Purchased Loans in accordance with the Enforcement Procedures or, in the case of Purchased Bonds, procure the taking of enforcement proceedings by the Greek Bondholders' Representative or any other relevant party duly appointed by the Servicer at its own costs and under its liability;
- (j) collect from Obligors any legal costs incurred in the administration or enforcement of a Purchased Loan or, where applicable, net-off such costs from any relevant recoveries;
- (k) retain the Loan Documentation for all the Purchased Loans;
- (l) provide the Cash Manager with information relating to Collections, Defaulted Loans, Replacement Loans and Retired Loans in respect of each Collection Period;



- (m) exercise, either by itself or, in the case of Purchased Bonds, by providing instructions to the relevant Greek Bondholders' Representative or other relevant party duly appointed by the Servicer at its own costs and under its liability, all the Ancillary Rights benefiting or securing the Purchased Loans in the best interest of the Issuer and the Noteholders under the terms set out in the relevant Loan Documentation and the Transaction Documents;
- (n) supervise the activity carried out or to be carried out, on behalf of the Issuer as holder of the Purchased Bonds, by the Greek Bondholders' Representative and the Greek Paying Agent in respect of each Purchased Bond and liaise with them in order to exercise on behalf and in the interest of the Issuer and the Noteholders, any rights granted to the Issuer under the Bond Documents;
- (o) provide the Greek Paying Agent, if different from Alpha Bank, in respect of each Purchased Bond with details of the Collection Account and any other information necessary in order to enable it to make payments to the Issuer in respect of the Purchased Bonds under the terms of the relevant Bond Documents;
- (p) maintain the Collection Account Ledgers on behalf of the Issuer, make the relevant entries in accordance with the Transaction Documents and, on each Transfer Date, determine and notify the Issuer, the Seller, the Cash Manager and the Trustee the amount of the Additional Pool Available Funds; and
- (q) segregate collections representing interest which accrued on the Purchased Loans prior to the relevant Transfer Date and remit such amounts to the Seller.

#### **Ability to change the terms of the Purchased Loans**

The Servicer will not be entitled to (i) effect in respect of a Term Loan, (ii) effect in respect of a Purchased Bond which is a Bilateral Bond, or (iii) give its consent to effect in respect of a Purchased Bond which is a Syndicated Bond, on behalf of the Issuer, any variation to the terms and conditions applicable to any Purchased Loan unless that variation is a Permitted Variation.

The Servicer may amend the Servicer Guidelines if such change is required by law or such change (i) would not affect the yield to maturity of the Notes and (ii) where the Servicer is Alpha Bank, is made applicable to other loans owned and serviced by the Servicer which have characteristics the same as or substantially similar to the Purchased Loans and the relevant Loan Documentation which are subject to the change.

#### **Collections**

The Servicer will promptly upon receipt or collection of all amounts paid by the Borrowers under or in respect of the Purchased Loans (including amounts representing interest accrued on the Purchased Loans prior to the relevant Transfer Date) credit such amounts, less deductions in respect of certain legal expenses associated with the ongoing servicing of the Purchased Loans on a per Purchased Loans basis, to the Collection Account.

The Servicer will also identify and record, among other things, the amount of receipts and collections and the items to which they relate including, but not limited to, principal, interest, fees, levies and legal costs. All amounts standing to the credit of the Collection Account will be held in the name of the Issuer for the benefit of the Secured Parties pursuant to Paragraph 15, Article 10 of Law 3156.

The Servicer will transfer all amounts standing to the credit of the Collection Account (which for avoidance of doubt will exclude any Levy deducted by the Servicer and paid to the Bank of Greece), together with any Collection Account Income (other than, during the Revolving Period, the amounts standing to the credit of the Collection Account Additional Pool Ledger), to the Issuer Transaction Account one Transfer Business Day prior to each Interest Payment Date unless a Downgrading Event has occurred. Upon the occurrence of

a Downgrading Event, the Servicer will immediately transfer all amounts standing to the credit of the Collection Account (which for avoidance of doubt will exclude any Levy deducted by the Servicer and paid to the Bank of Greece) to the Issuer Transaction Account upon receipt or collection thereof. Unless a Downgrading Event has previously occurred, the amounts standing to the credit of the Collection Account Additional Pool Ledger will be transferred to the Issuer Transaction Account on the Transfer Business Day prior to the Interest Payment Date falling immediately after the expiry of the Revolving Period.

If, following the breach of certain Eligibility Criteria, the Seller fails to remedy such breach within the grace period allowed or to perform its obligations under the Master Transfer Agreement to repurchase the relevant Purchased Loan, the Servicer will not be permitted to effect any Permitted Variation until such failure has been remedied to the satisfaction of the Trustee. If the failure is not remedied within 21 days, the Trustee will have the right immediately to terminate the appointment of the Servicer (but only where the Servicer is Alpha Bank) and to appoint a substitute servicer.

### **Reports**

The Servicer will produce a report (the **Servicer Report**) in respect of the immediately preceding Collection Period and deliver it to the Issuer, the Trustee (if requested), the Swap Provider, the Rating Agency and the Cash Manager on 17 January and 17 July, or if such a day is a Saturday or a Sunday, or is not an Athens Business Day, then on the immediately succeeding Athens Business Day (the **Servicer Report Distribution Date**). The Servicer Report will set out information on, among other things, the Purchased Loans, any Permitted Variations and details of Available Funds.

### **Delegation**

The Servicer will not, without the prior written consent of the Trustee, be entitled to sub-contract or to delegate the performance of all or any of the Services.

### **Representations and Warranties**

The Servicer will make certain representations and warranties to the Issuer in accordance with the terms of the Servicing Agreement relating to itself and its entering into the Transaction Documents to which it is a party. The Servicer will also be required to make covenants in favour of the Issuer relating to itself in the performance of the Services in accordance with the terms of the Servicing Agreement.

### **Fees**

The Servicer will receive a fee (inclusive of any applicable VAT) for providing the Services pursuant to the Servicing Agreement payable on each Interest Payment Date in accordance with the Priority of Payments and Deed of Charge. The Servicer will also be entitled to be reimbursed for costs and expenses that it incurs in connection with the provision of the Services, including the payment of the Levy on behalf of the Issuer, and the costs of enforcement action against Obligors, to the extent that these have not previously been deducted from gross amounts paid by the Borrowers to the Servicer or from recoveries.

### **Servicer Termination Events**

The appointment of Alpha Bank as Servicer can be terminated on the occurrence of, *inter alia*, certain insolvency events in relation to the Servicer, a payment or other default by the Servicer under the Servicing Agreement and it becoming unlawful under the laws of the Hellenic Republic for the Servicer to perform any material part of the Services (each a **Servicer Termination Event**). In the event that the appointment of the Servicer is terminated, the Trustee will not be responsible for performing any of the obligations of the Servicer pending the appointment of a substitute servicer.

Upon the occurrence of a Servicer Termination Event, a substitute servicer (whose appointment would not cause the Rating Agency to downgrade the then current ratings of the Notes) will be appointed by the Issuer by written agreement on substantially the same terms as the Servicing Agreement. Such substitute entity is required to be a credit institution for the purposes of law 3601/2007 of the Hellenic Republic. If the substitute entity is not a credit institution, such substitute entity will be required to appoint an Eligible Bank in a jurisdiction in which such bank needs to be located for the purposes of Paragraphs 14 and 15, Article 10 of Law 3156 and that is satisfactory to the Trustee, in case of substitution of the Servicer, to open and operate the Collection Account in the name of the Issuer pursuant to the terms of a collection account agreement, to be on substantially the same terms as the Collection Account Agreement, to be entered into at the relevant time between the Issuer, the Trustee and such bank. If a substitute servicer is appointed to service the Purchased Loans and their Related Security such appointment is required to comply with Paragraph 14, Article 10 of Law 3156.

The Servicing Agreement will be governed by English law.

## SUMMARY OF THE PRINCIPAL DOCUMENTS

### **Trust Deed**

The Notes will be constituted by the Trust Deed. Pursuant to the terms of the Trust Deed, the Trustee may retire at any time on giving not less than three months' prior written notice to the Issuer without assigning any reason and without being responsible for any costs occasioned by such retirement. The Noteholders will have the power (exercisable by an Extraordinary Resolution of each class of Notes) or, (pursuant to the Deed of Charge) if none of the Notes remains outstanding, all of the Other Secured Creditors will have the power by written notice to remove any trustee or trustees for the time being under the Trust Deed and the Deed of Charge. The Issuer undertakes that it will use all reasonable endeavours to procure a new trustee to be appointed as soon as reasonably practicable after the Trustee under the Trust Deed retires or is removed. The retirement or removal of any such trustee will not become effective until a successor trustee is appointed. If a successor trustee has not been appointed within three months after the date of the notice of retirement of the Trustee or the Extraordinary Resolution of the Noteholders or written notice from the Other Secured Creditors, as the case may be, then the retiring Trustee may appoint its own successor trustee but, while the Notes remain outstanding, no appointment shall take effect unless previously approved by Extraordinary Resolution of each class of Notes.

The Trust Deed also provides for the indemnification and exoneration of the Trustee as further described in Condition 12 (*Indemnification and Exoneration of the Trustee*).

The Trust Deed will be governed by English law.

### **Issuer Corporate Services Agreement**

The Issuer will enter into the Issuer Corporate Services Agreement with the Issuer Corporate Services Provider on or prior to the Closing Date. Under the Issuer Corporate Services Agreement, the Issuer Corporate Services Provider will agree to provide certain corporate book-keeping, secretarial and accounting services to the Issuer. In return for the services so provided, the Issuer Corporate Services Provider will receive a fee (exclusive of VAT) payable by the Issuer in accordance with the Priority of Payments.

The Issuer Corporate Services Provider will provide corporate administration and secretarial services to the Issuer which will include: (a) arranging on behalf of the Issuer for the preparation, keeping and auditing of the accounts of the Issuer, administering all matters relating to taxation of the Issuer and obtaining accounting and taxation advice from professional advisers approved by the Issuer; (b) arranging the convening of shareholders' and directors' meetings of the Issuer (to be held in the United Kingdom) as and when required, providing facilities for holding such meetings in the United Kingdom and preparing and keeping minutes of such meetings; (c) giving, at the request of the board of directors of the Issuer, any directions and information concerning the Issuer to any providers of services (such as the Servicer, auditors, accountants, financial or management advisers or attorneys) or other agents appointed by the board of directors pursuant to the articles of association of the Issuer; and (d) using its best endeavours to cause the Issuer (to the extent that the Issuer has sufficient funds and other resources and is otherwise able to do so) to comply with its obligations under any agreement by which the relevant the Issuer is bound.

No termination of the appointment of the Issuer Corporate Services Provider may occur unless a successor corporate services provider acceptable to the Issuer has been appointed and has acceded to the terms of the Issuer Corporate Services Agreement.

The Issuer Corporate Services Agreement will be governed by English law.

## **Collection Account Agreement**

The Issuer and the Trustee will enter into a collection account agreement with the Greek Account Bank whereby the Greek Account Bank will open the Collection Account in the name of the Issuer. The Greek Account Bank will agree to open and maintain the Collection Account and provide the Issuer with certain services in connection with account handling in relation to the moneys from time to time standing to the credit of the Collection Account. The Greek Account Bank will acknowledge and agree that all amounts deposited in the Collection Account are held by it for the benefit of the Noteholders and the Other Secured Creditors in accordance with Paragraphs 15 and 18, Article 10 of Law 3156 and that it will make a special notation stating that the Collection Account is segregated from the property of the Greek Account Bank in accordance with Paragraph 15, Article 10 of Law 3156. Amounts standing to the credit of the Collection Account (other than, during the Revolving Period, the amounts standing to the credit of the Collection Account Additional Pool Ledger and other than, for the avoidance of doubt, any Levy deducted by the Servicer and paid to the Bank of Greece), together with any Collection Account Income shall, one Transfer Business Day prior to each Interest Payment Date, be transferred to the Issuer Transaction Account unless a Downgrading Event has occurred. Upon the occurrence of a Downgrading Event, the Servicer will immediately transfer all amounts standing to the credit of the Collection Account (other than, for the avoidance of doubt, any Levy deducted by the Servicer and paid to the Bank of Greece) to the Issuer Transaction Account upon receipt or collection thereof.

If the appointment of Alpha Bank as Servicer is terminated, the Collection Account and the Bond Certificates Account will, within 30 calendar days, be transferred to another Eligible Bank, the identity of which shall have been approved in writing by the Trustee. If there is no other Eligible Bank which is acceptable to the Trustee, then, subject to confirmation from the Rating Agency that the then current ratings of the Notes will not be adversely affected, the Collection Account may continue to be held with the Greek Account Bank until a suitable Eligible Bank has been identified, or may be transferred to such other bank or banks as the Trustee may approve in writing.

The appointment of any successor Greek Account Bank shall be on substantially the same terms and conditions as that of the Greek Account Bank.

The Collection Account Agreement will be governed by Greek law.

## **Deed of Charge**

The Issuer will enter into the Deed of Charge on or prior to the Closing Date with the Other Secured Parties. Under the Deed of Charge, the Issuer will grant fixed and floating security over all of its assets (other than those charged pursuant to Paragraph 18 of Article 10 of Law 3156) in favour of the Trustee for the benefit of the Trustee and the Secured Parties.

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 18 of Article 10 of Law 3156. The proceeds of any such enforcement of the Deed of Charge and Paragraph 18 of Article 10 of Law 3156 will be required to be applied in accordance with the order of priority set out in the Post-Enforcement Priority of Payments.

The Deed of Charge will be governed by English law.

## **Cash Management Agreement**

The Cash Manager will provide certain cash management services (the **Cash Management Services**) pursuant to the terms of the Cash Management Agreement. Among other things, the Cash Manager will provide services to the Issuer and the Trustee in respect of the Issuer Bank Accounts, the administration of

payments under the Swap Agreement, the Subordinated Loan Agreements and the making of payments in respect of the Notes to the Paying Agents.

The Cash Manager will operate the Issuer Transaction Account in such a manner as to enable the Issuer to perform its financial obligations pursuant to the Notes and the Transaction Documents and will carry out the following incidental services relating thereto:

- (a) providing the Issuer and the Trustee with certain cash management, calculation, notification and reporting information in relation to the Issuer Transaction Account;
- (b) taking the necessary action and giving the necessary notices to ensure that the Issuer Transaction Account is credited with the appropriate amounts in accordance with the Cash Management Agreement;
- (c) taking all necessary action to ensure that all payments are made out of the Issuer Transaction Account in accordance with the Cash Management Agreement and the Conditions; and
- (d) maintaining adequate records to reflect all transactions carried out by or in respect of the Issuer Transaction Account.

On or prior to each Determination Date, the Cash Manager shall, on the basis of the information supplied to it, calculate the Income Receipts, Available Funds, the Additional Pool Reserve Amount (in respect of each Interest Payment Date falling in the Revolving Period), the Note Redemption Amount (in respect of each Interest Payment Date falling in the Amortisation Period) applicable to each class of Notes in relation to the next Interest Payment Date and the Principal Amount Outstanding of the Notes of each Class on the first day of the next following Interest Period.

In order to fulfil its obligations, the Cash Manager will rely on being provided with certain information from other parties. This will include:

- (a) the quarterly Servicer Report, to be delivered on or before each Servicer Report Distribution Date, pertaining to the immediately preceding Collection Period; and
- (b) a report from the Issuer Account Bank and the Greek Account Bank, on or before each Servicer Report Distribution Date, as to the interest accrued on the Issuer Bank Accounts, pertaining to the immediately preceding Collection Period.

Following the end of each Interest Period, the Cash Manager will prepare and provide a report (the **Investor Report**) to the Issuer, the Trustee, the Servicer and the Rating Agency. The Issuer will make the Investor Report available to Noteholders on each Interest Payment Date.

The Cash Management Agreement will be governed by English law.

### **Bank Account Agreement**

The Issuer, the Cash Manager and the Trustee will enter into an account agreement with the Issuer Account Bank whereby the Issuer Account Bank will open the Issuer Transaction Account in the name of the Issuer. The Issuer Account Bank will agree to open and maintain the Issuer Transaction Account and provide the Issuer with certain services in connection with account handling and reporting requirements in relation to the monies from time to time standing to the credit of the Issuer Transaction Account.

The Issuer Account Bank will agree to comply with any instructions given by the Cash Manager or the Issuer or the Trustee in relation to the management of the Issuer Transaction Account. The Issuer Account Bank will waive all rights of set-off which it may have in respect of the Issuer Transaction Account.

If the Issuer Account Bank ceases to be an Eligible Bank, then as soon as reasonably practicable thereafter, and in any case within 60 calendar days of the Issuer Account Bank ceasing to be an Eligible Bank, the Issuer will procure the transfer of the Issuer Transaction Account to an Eligible Bank.

The Bank Account Agreement will be governed by English law.

### **Reserve Account Agreement**

The Issuer, the Cash Manager and the Trustee will enter into an account agreement with the Greek Account Bank whereby the Greek Account Bank will open the Reserve Account in the name of the Issuer. The Greek Account Bank will agree to open and maintain the Reserve Account and provide the Issuer with certain services in connection with account handling and reporting requirements in relation to the monies from time to time standing to the credit of the Reserve Account.

The Greek Account Bank will agree to comply with any instructions given by the Cash Manager or the Issuer or the Trustee in relation to the management of the Reserve Account. The Greek Account Bank will waive all rights of set-off which it may have in respect of the Reserve Account.

If the Greek Account Bank ceases to be an Eligible Bank, then as soon as reasonably practicable thereafter, and in any case within 60 calendar days of the Greek Account Bank ceasing to be an Eligible Bank, the Issuer will procure the transfer of the Reserve Account to an Eligible Bank.

The Reserve Account Agreement will be governed by Greek law.

### **Greek Pledge Agreement**

The Issuer will enter into the Greek Pledge Agreement on or prior to the Closing Date with the Other Secured Parties. Under the Greek Pledge Agreement, the Issuer will grant security over the amounts standing from time to time to the credit of the Reserve Account in favour of the Trustee for the benefit of the Trustee and the other Secured Parties.

The Greek Pledge Agreement will also provide that only the Trustee may enforce the security created under the Greek Pledge Agreement. The proceeds of any such enforcement of the Greek Pledge Agreement will be required to be applied in accordance with the order of priority set out in the Post-Enforcement Priority of Payments.

The Greek Pledge Agreement will be governed by Greek law.

### **Swap Agreement**

On or prior to the Closing Date the Issuer and the Swap Provider will enter into a euro interest rate swap transaction as evidenced by a confirmation (the **Swap Transaction**). The Swap Transaction supplements and forms part of an ISDA Master Agreement (Multi-Currency Cross Border) dated on or prior to the Closing Date and as amended and supplemented from time to time, between *inter alios*, the Issuer, the Swap Provider and the Trustee (the **Master Agreement**). The Swap Transaction may be terminated by either party in certain circumstances including the following, each as more specifically defined in the Swap Agreement: (i) if an applicable Event of Default or Termination Event (as defined therein) occurs in relation to a party, (ii) if the Notes are redeemed in full pursuant to Condition 6(c), (d) or (e), or (iii) if an Acceleration Notice is served by the Trustee pursuant to Condition 9. The Swap Transaction may be terminated by the Swap Provider if there is a material amendment to any of the Transaction Documents without the prior written consent of the Swap Provider as more specifically set out in the Swap Agreement. The Swap Transaction may be terminated by the Issuer upon the occurrence of a Moody's Rating Event, as more specifically set out in the Swap Agreement. Events of Default in relation to the Issuer will be limited to (i) non-payment under the Swap Agreement, (ii) certain insolvency events, and (iii) the service of an Acceleration Notice.

Under the Swap Transaction, the Issuer will pay the Swap Provider an amount equal to all the interest received from the Loans in the Portfolio minus any relevant Levy, and the Issuer will receive from the Swap Provider an amount equal to Note EURIBOR plus a margin on the average performing principal amount outstanding on the Portfolio.

Pursuant to the terms of the Swap Agreement, in the event that the relevant ratings of the Swap Provider are downgraded by a Rating Agency below the ratings specified in the Swap Agreement (the **Required Rating**) (in accordance with the criteria specified from time to time by the Rating Agency for de-linking counterparty risk from the rating of the Notes (the **Swap Criteria**)) for the Swap Provider and, as a result of the downgrade, the then current ratings of the Notes would or may, if applicable, be adversely affected (a **Swap Provider Ratings Downgrade**), the Swap Provider will, in accordance with the Swap Agreement, be required to take certain remedial measures which may include providing collateral for its obligations under the Swap Agreement, arranging for its obligations under the Swap Agreement to be transferred to an entity with the Required Rating, procuring another entity with the Required Rating to become co-obligor in respect of its obligations under the Swap Agreement, or taking such other action as may be consistent with the Swap Criteria.

A failure by the Swap Provider to take such steps following a Swap Provider Ratings Downgrade will give the Issuer the right, subject to certain conditions, to terminate the Swap Transaction.

Upon the occurrence of any termination of the Swap Transaction, the Issuer or the Swap Provider may be liable to make a termination payment to the other. The amount of any termination payment will be based on the market value of the terminated Swap Transaction.

In the event that the Issuer is required to withhold or deduct from any payments payable by it to the Swap Provider an amount for or on account of tax, the Issuer will not be required pursuant to the terms of the Swap Agreement to pay to the Swap Provider any additional amounts.

In the event that the Swap Provider is required to withhold or deduct from any payments payable by it to the Issuer an amount for or on account of tax, the Swap Provider will be required pursuant to the terms of the Swap Agreement to pay to the Issuer such amounts as are required to ensure that the Issuer receives the same amount that it would have received had such withholding or deduction not been made.

The Swap Agreement will provide that if, due to any change in tax law, the Swap Provider will (or there is a substantial likelihood that it will) either (i) receive any payment under the Swap Agreement from the Issuer from which an amount is required to be deducted or withheld for or on account of tax, or (ii) pay an additional amount under the Swap Agreement to ensure that the Issuer receives the same amount that it would have received had such withholding or deduction not been made (each being a **Swap Tax Event**), the Swap Provider will be required promptly to notify the Issuer thereof and use all reasonable efforts to transfer its rights and obligations under the Swap Agreement to another office, branch or affiliate to avoid the Swap Tax Event. If no such transfer can be effected, the Swap Provider will be entitled to terminate the Swap Transaction.

The Swap Provider may, at its own discretion and its own cost, novate all of its rights and obligations under the Swap Transaction to any third party provided that, *inter alia*, such third party has the Required Rating and that any such novation has been notified to the Rating Agency and the Trustee.

The Swap Agreement will be governed by English law.

### **Subordinated Expenses Loan Agreement**

The Subordinated Loan Provider will, pursuant to the Subordinated Expenses Loan Agreement, provide the Subordinated Expenses Loan to the Issuer.



Pursuant to the Subordinated Expenses Loan Agreement, the Issuer will, on the Closing Date, be entitled to make a drawing of up to €100,000 to the extent of the amount required to pay the initial expenses of the Issuer in connection with the purchase of the Initial Pool and the issue of the Notes (including, but not limited to, certain fees and legal expenses connected with the transaction (the **Start-Up Expenses**)).

The Issuer will be permitted to make further drawings under the Subordinated Expenses Loan during the first Interest Period in order to pay any additional Start-Up Expenses (as agreed between the Issuer and the Subordinated Expenses Loan Provider) which were not capable of being determined on the Closing Date.

Interest on the Subordinated Expenses Loan will be paid by the Issuer on each Interest Payment Date subject to and in accordance with the Priority of Payments.

Amounts drawn down under the Subordinated Expenses Loan will be partially repaid by the Issuer on each Interest Payment Date from Available Funds in accordance with the Priority of Payments.

All outstanding amounts under the Subordinated Expenses Loan will be due and payable on the earlier of (i) the Interest Payment Date on which all Notes have been repaid in full, and (ii) the Final Maturity Date.

The Subordinated Expenses Loan Agreement will be governed by English law.

#### **Subordinated Reserve Loan Agreement**

The Subordinated Loan Provider will, pursuant to the Subordinated Reserve Loan Agreement, make the Subordinated Reserve Loan to the Issuer.

The Subordinated Reserve Loan will be for a principal amount of €65,840,000 and will be drawn in full by the Issuer on the Closing Date in order to fund the Reserve Account.

Interest on the Subordinated Reserve Loan will be paid by the Issuer on each Interest Payment Date subject to and in accordance with the Priority of Payments.

Amounts drawn down under the Subordinated Reserve Loan will be partially repaid by the Issuer on each Interest Payment Date from Available Funds in accordance with the Priority of Payments.

All amounts outstanding under the Subordinated Reserve Loan will be due and payable on the earlier of (i) the Interest Payment Date on which all Notes have been repaid in full, and (ii) the Final Maturity Date.

The Subordinated Reserve Loan Agreement will be governed by English law.

## CREDIT STRUCTURE

*The Notes will be limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any other entity, including (but not limited to) the Trustee, the Seller, the Servicer, the Arrangers, the Subordinated Loan Provider, the Swap Provider, the Paying Agents, the Agent Bank, the Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider or the Holdco Corporate Services Provider or by any entity affiliated to any of the foregoing. Furthermore, none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due on the Notes.*

It is expected that the Rating Agency will, on issue, assign to the Class A Notes the following ratings:

### Moody's

Class A Notes

Aaa

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning Rating Agency.

### Subordination of Notes as between Classes

The Notes of each Class shall rank *pari passu* without preference or priority amongst themselves. The Class B Notes will rank subordinate to the Class A Notes in point of security and as to the payment of interest and principal under the terms set out in the Priority of Payments.

### Reserve Account

The Reserve Account will be funded on the Closing Date from the proceeds of the Subordinated Reserve Loan and thereafter shall be funded out of Available Funds on each Interest Payment Date (subject to payment of amounts ranking in priority to the funding of the Reserve Account in the Priority of Payments) until the balance reaches the Required Reserve Fund Amount.

The Required Reserve Fund Amount as at the Closing Date will be €65,840,000.

### Interest Rate Swap

Interest on the Notes is payable at a rate equal to Note EURIBOR plus the applicable margin.

Under the Swap Transaction, the Issuer will pay the Swap Provider an amount equal to all the interest received from the Loans in the Portfolio minus any relevant Levy, and the Issuer will receive from the Swap Provider an amount equal to Note EURIBOR plus a margin on the average performing principal amount outstanding on the Portfolio.

The Swap Agreement will be documented under an ISDA Master Agreement and will govern the over-the-counter swap transaction negotiated at arm's length between the Issuer and the Swap Provider. The Swap Agreement may be terminated in accordance with Events of Default and Termination Events (each as defined in the ISDA Master Agreement) commonly found in standard ISDA documentation. The Swap Agreement will be terminable by one party if (i) an applicable Event of Default or Termination Event (as defined therein) occurs in relation to the other party, (ii) it becomes unlawful for either party to perform its obligations under the Swap Agreement or (iii) an Acceleration Notice is served. Events of Default under the Swap Agreement in relation to the Issuer will be limited to certain insolvency events.

In addition, the Swap Agreement will become subject to early termination if all of the Notes are redeemed in whole, repaid or cancelled at any time prior to the Final Maturity Date.

Upon the early termination of any of the Swap Agreements the Issuer or the Swap Provider may be liable to make a termination payment to the other party. In the event that the Swap Agreement is terminated early due to a specific additional termination event, a termination payment based on market quotations may also be payable. The amount of any termination payment will be based on the market value of the Swap Agreement (and payable under the netting terms of the single ISDA Master Agreement governing such Swap Agreement). The market value will be based on market quotations of the cost of entering into replacement transactions with the same terms and conditions and that would have the effect of preserving the respective full payment obligations of the parties (or based upon loss in the event that no market quotation can be obtained).

## CASH FLOWS

Under the terms of the Cash Management Agreement, the Cash Manager, on behalf of the Issuer, shall pay the following amounts into, and withdraw the following amounts from (or to procure that the same are paid into and withdrawn from, respectively), the Issuer Bank Accounts, on the dates indicated, subject to and in accordance with the more detailed provisions contained in the Cash Management Agreement. No withdrawal from any Issuer Bank Account shall be permitted to the extent that such withdrawal would cause the relevant Issuer Bank Account to become overdrawn.

### *Collection Account*

1.1 *Payments into the Collection Account:* Under the Collection Account Agreement and the Servicing Agreement, the Collection Account will be credited with the following amounts:

- (a) on each Transfer Business Day, all amounts of Collections received from the Obligor in respect of Purchased Loans;
- (b) on each Interest Payment Date falling in the Revolving Period, an amount equal to the Additional Pool Reserve Amount (which amount shall be credited to the Collection Account Additional Pool Ledger); and
- (c) all amounts of Collection Account Income paid from time to time by the Greek Account Bank.

1.2 *Payments out of the Collection Account:* Under the Collection Account Agreement and the Servicing Agreement:

- (a) on each date during the Revolving Period which is a Transfer Date, an amount from the Collection Account Additional Pool Ledger equal to the Additional Purchase Price payable by the Issuer to the Seller in respect of the relevant Additional Pool purchased by the Issuer under the Master Transfer Agreement will be withdrawn from the Collection Account and the Collection Account Additional Pool Ledger shall be debited accordingly;
- (b) unless a Downgrading Event has occurred, the Servicer shall transfer all amounts standing to the credit of the Collection Account, together with any Collection Account Income (other than, during the Revolving Period, the amounts standing to the credit of the Collection Account Additional Pool Ledger), to the Issuer Transaction Account one Transfer Business Day prior to each Interest Payment Date (provided that each such withdrawal does not cause the Collection Account to become overdrawn). Upon the occurrence of a Downgrading Event, such amounts will be transferred to the Issuer Transaction Account upon receipt or collection thereof. Unless a Downgrading Event has previously occurred, the amounts standing to the credit of the Collection Account Additional Pool Ledger will be transferred to the Issuer Transaction Account on the Transfer Business Day prior to the Interest Payment Date falling immediately after the expiry of the Revolving Period.

### *Issuer Transaction Account*

2.1 *Payments into the Issuer Transaction Account:* Under the Cash Management Agreement, the Issuer Transaction Account shall be credited with the following amounts:

- (a) all amounts transferred from the Collection Account pursuant to paragraph 1.2(b) above;
- (b) all amounts transferred from the Reserve Account pursuant to paragraph 3.2 below;

- (c) on or prior to each Interest Payment Date, all amounts received from the Swap Provider pursuant to the terms of the Swap Agreement; and
- (d) the amount of (i) any warranty or indemnity claim paid by the Seller pursuant to the Master Transfer Agreement and the other Transaction Documents, and (ii) any indemnity claim paid by any other party to the Issuer pursuant to any Transaction Document.

2.2 *Payments out of the Issuer Transaction Account:* Under the Cash Management Agreement, the Cash Manager shall withdraw the following amounts from the Issuer Transaction Account (provided that each such withdrawal does not cause the Issuer Transaction Account to become overdrawn):

- (a) by no later than 10.00 am London time, on each Interest Payment Date, the amounts to be credited to the Paying Agents for payments to be made on the Notes on such Interest Payment Date, as calculated by the Cash Manager under the terms of the Cash Management Agreement;
- (b) on or prior to each Interest Payment Date, the amounts to be paid to the relevant payee, as calculated by the Cash Manager under the terms of the Cash Management Agreement.

#### *Reserve Account*

3.1 *Payments into the Reserve Account:* Under the Cash Management Agreement, the Reserve Account shall be credited with the following amounts:

- (a) on the Closing Date, the Required Reserve Fund Amount; and
- (b) on each Interest Payment Date, the amounts to be applied in accordance with the Priority of Payments that are necessary to replenish the Reserve Account up to the Required Reserve Fund Amount.

3.2 *Payments out of the Reserve Account:* The Cash Manager shall provide instructions to the Greek Account Bank to apply the amounts standing to the credit of the Reserve Account for application thereof in accordance with the Priority of Payments. All interest payable in respect of the Reserve Account will be transferred by the Greek Account Bank to the Issuer Transaction Account one Transfer Business Day prior to each Calculation Date.

## WEIGHTED AVERAGE LIVES OF THE NOTES

*"Weighted average lives of the Notes" refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the investor of all amounts to be distributed in repayment of principal of such security (assuming no losses). The weighted average lives of the Notes will be influenced by, amongst other things, the rate at which the principal of the Loans is paid, which may be in the form of scheduled amortisation, prepayments or liquidations. The weighted average lives of the Notes cannot be predicted as the rate at which the Loans will be repaid and a number of relevant factors are unknown.*

The following tables are prepared on the basis of certain assumptions, as described below, regarding the weighted average characteristics of the Loans and the performance thereof. The table assumes, among other things, that:

- (a) the Portfolio is subject to a constant annual rate of prepayment as set out under "CPR";
- (b) the Loans are fully performing at all times;
- (c) there are no delinquencies or losses on the Loans;
- (d) no Loan is sold by the Issuer;
- (e) no Loans are repurchased by the Issuer;
- (f) no Replacement Loans are purchased by the Issuer;
- (g) there are no Flexible Option Variations or Permitted Variations;
- (h) all Loans comprised in the Initial Portfolio will, on and after the Closing Date, have the same payment profile, life and duration;
- (i) no Issuer Put Option is exercised;
- (j) the interest rates in respect of the Loans and the Notes remain stable at current levels;
- (k) the Revolving Period will end at the first Interest Payment Date falling not less than 3 years after the Closing Date;
- (l) no Amortization Event occurs during the Revolving Period;
- (m) the cut-off date for the Initial Pool is May 11, 2009 (the **Cut-Off Date**);
- (n) during the Revolving Period, any funds available for such purpose are used to purchase any Additional Pool of Loans and that the pool of Loans after the Revolving Period has the same characteristics as the Initial Pool at the Cut-Off Date;
- (o) no Seller Call Option is exercised;
- (p) no Optional Redemption is exercised;
- (q) the Closing Date is 20 May 2009;
- (r) there is no default or termination by any party in the transaction documents; and

- (s) each Interest Payment Date will fall on 20 January and 20 July each year with the first Interest Payment Date falling on 20 January 2010.

Please note the following:

- (i) assumption (a) above is stated as an average annualised payment rate since the payment rate for one interest period may be substantially different from that for another. The CPRs shown below are purely illustrative and do not represent the full range of possibilities for constant payment rates;
- (ii) assumption (b) assumes no default in payments in relation to the Loans occurs, but no assurance can be made that payments in relation to the Loans will always be made; and
- (iii) assumption (c) to (l) and (n) to (p) above relates to circumstances which are not predictable.

The actual characteristics and performance of the Loans will differ from the assumptions used in constructing the tables set forth below. The tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under varying prepayment scenarios. For example, in reality, it is unlikely that the Loans will prepay at a constant rate until maturity, that all of the Loans will prepay at the same rate or that there will be no delinquencies or losses on the Loans. Moreover, the diverse remaining terms to maturity of the Loans could produce slower or faster principal distributions than indicated in the tables at the various percentages of CPR specified, even if the weighted average remaining term to maturity of the Loans is as assumed. Any difference between such assumptions and the actual characteristics and performance of the Loans, or actual prepayment or loss experience, will affect the percentages of the initial amount outstanding over time and the weighted average lives of the Notes. Subject to the foregoing discussion and assumptions, the following table indicates that the approximate weighted average lives and the percentages of the Notes, at various assumed rates of prepayment of the Loans, would be as follows:

**Percentage of Original Principal Amount Outstanding of the Class A Notes at the Specified CPR %**

<b>Date</b>	<b>0% CPR</b>	<b>5% CPR</b>	<b>10% CPR</b>	<b>15% CPR</b>	<b>20% CPR</b>	<b>25% CPR</b>
20/05/2009	100%	100%	100%	100%	100%	100%
20/01/2010	100%	100%	100%	100%	100%	100%
20/07/2010	100%	100%	100%	100%	100%	100%
20/01/2011	100%	100%	100%	100%	100%	100%
20/07/2011	100%	100%	100%	100%	100%	100%
20/01/2012	100%	100%	100%	100%	100%	100%
20/07/2012	100%	100%	100%	100%	100%	100%
20/01/2013	84%	80%	75%	70%	65%	59%
20/07/2013	56%	48%	40%	32%	24%	16%
20/01/2014	37%	27%	17%	7%	0%	0%
20/07/2014	13%	1%	0%	0%	0%	0%
20/01/2015	0%	0%	0%	0%	0%	0%
20/07/2015	0%	0%	0%	0%	0%	0%
20/01/2016	0%	0%	0%	0%	0%	0%
<b>Weighted average lives (years)</b>	<b>4.69</b>	<b>4.51</b>	<b>4.39</b>	<b>4.27</b>	<b>4.17</b>	<b>4.11</b>

The weighted average lives of the Class A Notes cannot be predicted as the actual rate at which the Loans will be repaid and a number of other relevant factors are unknown. The weighted average lives of the Class A Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and the estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.



## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions (the **Conditions**) of the Notes in the form (subject to amendment) in which they will be set out in the Trust Deed. Subject to any contrary provisions in the Conditions, the Conditions will apply to the Notes in global and in definitive form.*

The issue of the €1,623,000,000 Class A Asset Backed Floating Rate Notes due January 2035 (the **Class A Notes**) and €1,669,000,000 Class B Asset Backed Floating Rate Notes due January 2035 (the **Class B Notes**, and together with the Class A Notes, the **Notes**) by Epihiro plc (the **Issuer**) are constituted by a trust deed (the **Trust Deed**) dated on or about the Closing Date between the Issuer and Citicorp Trustee Company Limited (the **Trustee**) as trustee for the holders of the Notes (the **Noteholders**).

The proceeds of the issue of the Notes will be applied in or towards, *inter alia*, the purchase of the Initial Pool.

References herein to the Notes shall include reference to:

- (a) any Global Note (as defined below);
- (b) in relation to any Notes represented by a Global Note, units of €100,000 (as reduced by any payment under Condition 6(a) (*Mandatory Redemption of the Notes in Part*) (unless the context otherwise requires)); and
- (c) any Definitive Notes (as defined below) issued in exchange for a Global Note.

References herein to interest include references to Class B Deferred Interest (as defined below) and interest thereon, unless the context otherwise requires.

Pursuant to an agency agreement (the **Agency Agreement**) dated the Closing Date and made between the Issuer, Citibank N.A., London Branch as principal paying agent (the **Principal Paying Agent** and, together with such additional or other paying agents, if any, appointed from time to time pursuant to the Agency Agreement, the **Paying Agents**), Citibank N.A., London Branch as agent bank (the **Agent Bank**) and the Trustee, provision is made for the payment of principal and interest in respect of the Notes of each Class.

The security for the Notes is constituted by a deed of charge governed by English law dated the Closing Date and made between, among others, the Issuer and the Trustee as security trustee for the Secured Parties (the **Deed of Charge**, which expression includes such deed of charge as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto) and security created pursuant to Paragraph 18, Article 10 of law 3156/2003 of the Hellenic Republic (published in Government Gazette issue no. 157/A/25.06.03) as the same may be amended or re-enacted from time to time (**Law 3156**).

Copies of the Transaction Documents are available to Noteholders for inspection during normal business hours at the specified office of each of the Paying Agents. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Agency Agreement, the Deed of Charge, the Greek Pledge Agreement and Law 3156 applicable to them and all the provisions of the other Transaction Documents (including the Master Transfer Agreement, each Greek Transfer and Assignment Agreement, the Issuer Corporate Services Agreement, the Holdco Corporate Services Agreement, the Servicing Agreement, each Subordinated Loan Agreement, the Bank Account Agreement, the Reserve Account Agreement, the Swap Agreement and the Cash Management Agreement (each as defined below)).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Agency Agreement, the Deed of Charge and the other Transaction Documents.

As used in these Conditions, a reference to a class of Notes, or the respective **holders** or **Noteholders** thereof, as applicable, shall be a reference to the Class A Notes or the Class B Notes or, as the case maybe, the holders thereof and **classes**, in a similar context, shall be construed accordingly.

Capitalised terms not otherwise defined in these Conditions shall bear the meanings given to them in the Master Definitions Schedule available as described above. These Conditions shall be construed in accordance with the principles of construction set out in the Master Definitions Schedule.

## 1. Form, Denomination and Title

- (a) Each class of the Notes is initially represented by a temporary global note (each a **Temporary Global Note**) in bearer form in the aggregate principal amount on issue of €1,623,000,000 for the Class A Notes and €1,669,000,000 for the Class B Notes. Each Temporary Global Note has been deposited on behalf of the subscribers of the Notes with a common safekeeper (the **Common Safekeeper**) for Clearstream Banking, société anonyme (**Clearstream, Luxembourg** and Euroclear Bank S.A./N.V. (**Euroclear** and together with Clearstream, Luxembourg, the **Clearing Systems**) on the Closing Date. Upon deposit of the Temporary Global Notes, the Clearing Systems credited each subscriber of Notes with the principal amount of Notes of the relevant class equal to the aggregate principal amount thereof for which it had subscribed and paid. Interests in each Temporary Global Note are exchangeable on and after the date which is 40 days after the Closing Date, upon certification of non-U.S. beneficial ownership by the relevant Noteholder, for interests recorded in the records of the Clearing Systems in a permanent global note (each, a **Permanent Global Note**) representing the same class of Notes (the expressions **Global Notes** and **Global Note** meaning, respectively, (i) all the Temporary Global Notes and the Permanent Global Notes, or the Temporary Global Note or Permanent Global Note of a particular class, or (ii) any of the Temporary Global Notes or Permanent Global Notes, as the context may require). The Permanent Global Notes have also been deposited with the Common Safekeeper for the Clearing Systems. Title to the Global Notes will pass by delivery.

The Notes are intended to be held in a manner which will allow Eurosystem eligibility. This simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as Common Safekeeper and does not necessarily mean that the Notes 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 satisfaction of the Eurosystem eligibility criteria.

Interests in a Global Note will be transferable in accordance with the rules and procedures for the time being of the relevant Clearing System.

For so long as the Notes are represented by the Global Note, the Notes will be tradeable only in the minimum authorised denomination of €100,000.

- (b) If, while any of the Notes are represented by the Permanent Global Note, (i) either of the Clearing Systems is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no other clearing system acceptable to the Trustee is then in existence or (ii) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political sub-division thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will on the next Interest Payment Date (as defined below) be required to make any deduction or withholding for or on account of tax from any payment

in respect of such Notes which would not be required were such Notes in definitive form, then the Issuer will issue Notes of the relevant class in definitive form (**Definitive Notes**) in exchange for such Permanent Global Note (free of charge to the persons entitled to them) within 30 days of the occurrence of the relevant event. These Conditions and the Transaction Documents will be amended in such manner as the Issuer and Trustee require to take account of the issue of Definitive Notes.

- (c) Definitive Notes, if issued, will only be printed and issued in the denomination of €100,000. Such Notes will be serially numbered and will be issued in bearer form, without interest coupons, principal coupons or talons.
- (d) **Noteholders** means each person (other than the Clearing Systems themselves) who is for the time being shown in the records of the Clearing Systems as the holder of a particular Principal Amount Outstanding of the Notes of any class (in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the Principal Amount Outstanding of the Notes standing to the account of any person shall be conclusive and binding for all purposes) and such person shall be treated by the Issuer, the Trustee and all other persons as the holder of such Principal Amount Outstanding of such Notes for all purposes, other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, the Trustee and all other persons, solely in the bearer of the relevant Global Note in accordance with and subject to its terms and for which purpose **Noteholders** means the bearer of the relevant Global Note; and related expressions shall be construed accordingly.
  - (i) **Class A Noteholders** means Noteholders in respect of the Class A Notes; and
  - (ii) **Class B Noteholders** means Noteholders in respect of the Class B Notes.

## 2. Status and relationship between the Notes And Security

### (a) Status and relationship between the Notes

- (i) The Class A Notes constitute direct, secured and unconditional obligations of the Issuer and are secured by a pledge operating by law (pursuant to Law 3156) and assignments, pledges and other fixed and floating security interests over all of the assets of the Issuer (as more particularly described in the Deed of Charge and in the Greek Pledge Agreement) (the **Charged Property**) (such pledge, assignments and fixed and floating security together, the **Security**). The Class A Notes rank *pari passu* without preference or priority amongst themselves.
- (ii) The Class B Notes constitute direct, secured and, subject as provided in Condition 4(i) (*Deferral of Payment*), unconditional obligations of the Issuer and are secured by the Security. The Class B Notes rank *pari passu* without preference or priority amongst themselves but junior to the Class A Notes as provided in these Conditions and the Transaction Documents.
- (iii) The Trust Deed contains provisions requiring the Trustee to have regard to the interests of the Class A Noteholders and the Class B Noteholders equally as regards all rights, powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise), but requiring the Trustee in any such case to have regard only to the interests of the Class A Noteholders if, in the Trustee's opinion, there is a conflict between the interests of:
  - (A) the Class A Noteholders; and
  - (B) the Class B Noteholders.

- (iv) The Trust Deed and the Deed of Charge contain provisions limiting the powers of Class B Noteholders to request or direct the Trustee to take any action or to pass an effective Extraordinary Resolution (as defined in the Trust Deed) according to the effect thereof on the interests of the Class A Noteholders.

Except in certain circumstances set out in the Trust Deed and the Deed of Charge, there is no such limitation on the powers of the Class A Noteholders, the exercise of which will be binding on the Class B Noteholders.

(b) **Security**

- (i) The security constituted by the Deed of Charge and as provided in Law 3156 is granted to the Trustee, on trust for the Noteholders and the Other Secured Creditors of the Issuer, upon and subject to the terms and conditions of the Deed of Charge.
- (ii) The Noteholders will share in the benefit of the security constituted by the Deed of Charge and as provided in Law 3156, upon and subject to the terms and conditions of the Deed of Charge.
- (iii) The Cash Management Agreement contains provisions regulating the priority of application of the Charged Property (and proceeds thereof) by the Cash Manager among the persons entitled thereto prior to the Security becoming enforceable and the Deed of Charge contains provisions regulating such application by or on behalf of the Trustee after the Security has become enforceable. The Security will become enforceable on the giving of an Acceleration Notice pursuant to Condition 10 (*Enforcement*) or upon any failure by the Issuer to pay the full amount due and payable on a redemption of the Notes pursuant to or under Condition 6(c), (d) or (e).

**3. Covenants**

(a) **Restrictions**

Save with the prior written consent of the Trustee (having regard to the interests of the Noteholders of each class) or as provided in these Conditions or as permitted by the other Transaction Documents, the Issuer shall not so long as any of the Notes remains outstanding:

(i) **Negative Pledge**

create or permit to subsist any mortgage, sub-mortgage, charge, sub-charge, assignment, pledge, lien, hypothecation or other security interest whatsoever, however created or arising (unless arising by operation of law) over any of its property, assets or undertakings present or future (including any uncalled capital), or any interest, estate, right, title or benefit therein or use, invest or dispose of, including by way of sale or the grant of any security interest of whatsoever nature or otherwise deal with, or agree or attempt or purport to sell or otherwise dispose of, or deal with (in each case whether by one transaction or a series of transactions), or grant any option or right to acquire any such property, assets or undertakings, present or future or any interest, estate, right, title or benefit therein;

(ii) **Restrictions on Activities**

- (A) engage in any activity whatsoever which is not, or is not reasonably incidental to, any of the activities in which the Transaction Documents provide or envisage the Issuer will engage in;

- (B) open or have an interest in any account whatsoever with any bank or other financial institution, save where such account or the Issuer's interest therein is immediately charged in favour of, and to the satisfaction of, the Trustee so as to form part of the Security;
- (C) have any subsidiaries or any subsidiary undertaking (as defined in the Companies Act 1985);
- (D) own or lease any premises or have any employees;
- (E) amend, supplement or otherwise modify its Memorandum and Articles of Association; or
- (F) issue any further shares;

(iii) **Borrowings**

incur or permit to subsist any indebtedness in respect of borrowed money whatsoever, except in respect of the Notes, or give any guarantee or indemnity in respect of any indebtedness or of any other obligation of any person;

(iv) **Dividends or Distributions**

pay any dividend or make any other distribution to its shareholders, or issue any further shares, other than in accordance with the Deed of Charge;

(v) **Merger**

except as required or permitted pursuant to Conditions 6(c) (*Optional Redemption in Full for Taxation*) and 11(c), consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person unless:

- (A) the person (if other than the Issuer) which is formed pursuant to or survives such consolidation or merger or which acquires by conveyance or transfer the properties and assets of the Issuer substantially as an entirety shall be a person incorporated and existing under the laws of England and Wales, the objects of which include the funding, purchase and administration of receivables and securities, and who shall expressly assume, by an instrument supplemental to each of the Transaction Documents, in form and substance satisfactory to the Trustee, the obligation to make due and punctual payment of all moneys owing by the Issuer, including principal and interest on the Notes, and the performance and observance of every covenant in each of the Transaction Documents to be performed or observed on the part of the Issuer;
- (B) immediately after giving effect to such transaction, no Event of Default (as defined in Condition 9 (*Events of Default*)) shall have occurred and be continuing;
- (C) immediately after giving effect to such transaction, the Security shall be subsisting valid and effective in full in accordance with the Deed of Charge and Law 3156;
- (D) such consolidation, merger, conveyance or transfer has been approved by an Extraordinary Resolution of each class of Noteholders;

- (E) all persons required by the Trustee shall have executed and delivered such documentation as the Trustee may require;
- (F) the Issuer shall have delivered to the Trustee a legal opinion of English lawyers and as the case may be, Greek lawyers, acceptable to the Trustee in a form acceptable to the Trustee to the effect that such consolidation, merger, conveyance or transfer and such supplemental instruments and other documents comply with paragraphs (A), (C) and (E) above and are binding on the Issuer or such other persons. For the avoidance of doubt such opinions shall be disclosed (but not addressed to) the Rating Agency, but may not be relied upon by them;
- (G) the Issuer shall have delivered to the Trustee a legal opinion of Greek lawyers in a form acceptable to the Trustee to the effect that the transactions contemplated by the Transaction Documents and the Security continue to comply with applicable provisions of Greek law (including Law 3156). For the avoidance of doubt such opinion shall be disclosed (but not addressed to) the Rating Agency, but may not be relied upon by them; and
- (H) the then current ratings of the Notes are unaffected by such consolidation, merger, conveyance or transfer;

(vi) **No Modification or Waivers**

cause or permit the validity or effectiveness of any of the Transaction Documents, or the priority of the security interests created thereby, to be amended, terminated, postponed or discharged, or consent to any variation of, or exercise any powers of consent or waiver pursuant to the Trust Deed, the Deed of Charge or any of the other Transaction Documents, or dispose of any part of the Charged Property;

(vii) **Disposal of assets**

transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertakings or any interest, estate, right, title or benefit therein; and

(viii) **Corporation tax**

do anything, or permit anything to be done, which may prejudice its eligibility for its corporation tax liability to be calculated in accordance with regulation 14 of the Taxation of Securitisation Companies Regulations (S.I. 2006/3296).

(b) **Servicer**

So long as any of the Notes remain outstanding, the Issuer will procure that there will at all times be a servicer of the Portfolio and the performance of the loan servicing duties set out in the Servicing Agreement. Any appointment by the Issuer of a servicer other than Alpha Bank is subject to the prior written approval of the Trustee and the terms of the Servicing Agreement. The Issuer will not be permitted to terminate Alpha Bank's appointment as Servicer without, *inter alia*, the prior written consent of the Trustee. The appointment of the Servicer may be terminated by the Issuer (with the prior written approval of the Trustee) or the Trustee if, *inter alia* (and subject to any grace periods applicable thereto), the Servicer defaults in any material respect (as determined in the sole discretion of the Trustee) in the observance and performance of any obligation imposed on it under the Servicing Agreement which default is not remedied within a specified period after written notice of such default has been served on it by the Issuer or the Trustee.

#### 4. Interest

##### (a) Interest Accrual

Each Note bears interest on its Principal Amount Outstanding from (and including) the Closing Date. Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest from and including the due date for redemption unless, upon due presentation in accordance with Condition 5(d) (*Payment only on a Presentation Date*), payment of the principal in respect of the Note is improperly withheld or refused or default is otherwise made in respect of the payment, in which event interest shall continue to accrue as provided in the Trust Deed.

##### (b) Interest Payment Dates and Interest Periods

Interest on the Notes is, subject as provided below in relation to the first payment, payable semi-annually in arrear on 20 January and 20 July in each year (each, an **Interest Payment Date**). If any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would then fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. The first such payment is due on the Interest Payment Date falling on 20 January 2010 in respect of the period from (and including) the Closing Date to (but excluding) that Interest Payment Date. Each period from (and including) an Interest Payment Date (or the Closing Date, in the case of the first Interest Period) to (but excluding) the next (or, in the case of the first Interest Period, the first) Interest Payment Date is in these Conditions called an **Interest Period**.

##### (c) Rates of Interest

The rate of interest payable from time to time in respect of each class of Notes (each a **Rate of Interest** and together the **Rates of Interest**) will be determined on the basis of the following provisions:

- (i) the rate of interest payable shall be a floating rate of interest calculated in accordance with paragraphs (ii), (iii) and (iv) below;
- (ii) on the initial Interest Determination Date (as defined below), the Agent Bank will calculate the Initial Relevant Screen Rate (as defined below) in respect of each class of Notes as at or about 11.00 a.m. (Brussels time) on that date. If the Initial Relevant Screen Rate is unavailable, the Agent Bank will request the principal Eurozone office of each of the Reference Banks (as defined below) to provide the Agent Bank with its offered quotation to prime banks for seven month and eight month Euro deposits of €10,000,000 in the Eurozone interbank market as at or about 11.00 a.m. (Brussels time) on such Interest Determination Date. The Rates of Interest for the first Interest Period shall be the aggregate of (A) the Relevant Margin (as defined below) and (B) the Initial Relevant Screen Rate in respect of the Notes or, if the Initial Relevant Screen Rate is unavailable, the linear interpolation of the arithmetic mean of such offered quotations for seven month and eight month Euro deposits (rounded upwards, if necessary, to five decimal places);
- (iii) on each subsequent Interest Determination Date, the Agent Bank will determine the Relevant Screen Rate in respect of each class of Notes as at or about 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If the Relevant Screen Rate is unavailable, the Agent Bank will request the principal Eurozone office of each of the Reference Banks to provide the Agent Bank with its offered quotation to prime banks for, as applicable, six-month Euro deposits of €10,000,000 in the Eurozone interbank market as at or about 11.00 a.m. (Brussels time) on the relevant Interest Determination Date. The Rates of Interest for the relevant Interest Period shall be the aggregate of (A) the Relevant Margin

and (B) the Relevant Screen Rate or, if the Relevant Screen Rate is unavailable, the arithmetic mean of such offered quotations for six-month Euro deposits (rounded upwards, if necessary, to five decimal places); and

- (iv) if, on any Interest Determination Date, the Relevant Screen Rate is unavailable and only two or three of the Reference Banks provide offered quotations, the Rates of Interest for the relevant Interest Period shall be determined in accordance with the provisions of subparagraph (ii) or, as the case may be, subparagraph (iii) above on the basis of the offered quotations of those Reference Banks providing such quotations. If, on any such Interest Determination Date, only one or none of the Reference Banks provides the Agent Bank with such an offered quotation, the Agent Bank shall forthwith consult with the Trustee and the Issuer for the purposes of agreeing two banks (or, where one only of the Reference Banks provided such a quotation, one additional bank) to provide such a quotation or quotations to the Agent Bank (which bank or banks are in the opinion of the Trustee suitable for such purpose) and the Rates of Interest for the Interest Period in question shall be determined, as aforesaid, on the basis of the offered quotations of such banks as so agreed (or, as the case may be, the offered quotation of such bank as so agreed and the relevant Reference Bank). If no such bank or banks is or are so agreed or such bank or banks as so agreed does or do not provide such a quotation or quotations, then the Rates of Interest for the relevant Interest Period shall be the Rates of Interest in effect for the last preceding Interest Period to which subparagraph (ii) or (iii), as the case may be, shall have applied but, as applicable, taking account of any change in the Relevant Margin;

There will be no minimum or maximum Rate of Interest.

- (v) In these Conditions (except where otherwise defined), the expression:
- (A) **Business Day** means a day which is an Athens Business Day, a London Business Day and a TARGET2 Business Day. An **Athens Business Day** means a day (other than a Saturday or a Sunday) on which banks are generally open for business in the city of Athens; **London Business Day** means a day (other than a Saturday or a Sunday) on which banks are generally open for business in London; and **TARGET2 Business Day** means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system is open;
- (B) **Interest Determination Date** means two TARGET2 Business Days before the first day of the Interest Period for which the rate will apply;
- (C) **Eurozone** means the region comprised of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended;
- (D) **Initial Relevant Screen Rate** means:
- I. the linear interpolation of the arithmetic mean of the offered quotations to prime banks for seven month Euro deposits and the arithmetic mean of the offered quotations to prime banks for eight month Euro deposits (in each case rounded upwards, if necessary, to five decimal places), in the Eurozone interbank market displayed on the Reuters Page EURIBORØ1 (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying applicable rates or prices) or, if that service ceases to display the information, such other screen service as may be determined by the Issuer with the approval of the Trustee; and



II. **Relevant Margin** means in respect of each class of the Notes, the following per cent per annum:

<b>Class of Notes</b>	<b>Margin</b>
Class A Notes.....	0.30%

(E) **Relevant Screen Rate** means:

- I. in respect of the first Interest Period, the Initial Relevant Screen Rate, if any; and
- II. in respect of subsequent Interest Periods of the Notes, the arithmetic mean of offered quotations to prime banks for six-month Euro deposits (rounded upwards, if necessary, to five decimal places), in the Eurozone interbank market displayed on Reuters Page EURIBORØ1 or, if that service ceases to display the information, such other screen service as may be determined by the Issuer with the approval of the Trustee; and

(F) **Reference Banks** means the principal Eurozone office of each of five major banks engaged in the Eurozone interbank market, in each case selected by the Agent Bank with the approval of the Issuer, provided that, once a Reference Bank has been selected by the Agent Bank, that Reference Bank shall not be changed unless and until it ceases to be capable of acting as such.

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

The Agent Bank shall, as soon as practicable after 11.00 a.m. (Brussels time) on each Interest Determination Date but in no event later than the third Business Day thereafter, determine the respective Euro amounts (the **Interest Amounts**) payable in respect of interest on the Principal Amount Outstanding of each class of Notes for the relevant Interest Period. The Interest Amounts shall be determined by applying the relevant Rate of Interest to such Principal Amount Outstanding, multiplying the sum by the actual number of days in the Interest Period concerned divided by 360 and rounding the resulting figure downwards to the nearest cent (fractions of a half cent. being rounded upwards).

(e) **Publication of Rate of Interest and Interest Amounts**

The Agent Bank shall cause the Rates of Interest and the Interest Amounts for each Interest Period and the relative Interest Payment Date to be notified to the Issuer, the Trustee each of the Clearing Systems and to any stock exchange or other relevant authority on which the Notes are at the relevant time admitted to trading and/or listed and to be published as soon as possible after their determination and in no event later than the second Business Day thereafter. The Interest Amounts and Interest Payment Date 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.

(f) **Determination by the Trustee**

The Trustee shall, if the Agent Bank defaults at any time in its obligation to determine the Rates of Interest and Interest Amounts in accordance with the above provisions, determine the Rates of Interest and Interest Amounts, the former at such rates as, in its absolute discretion (having such regard as it shall think fit to the procedure described above it shall deem fair and reasonable in all the

circumstances and the latter in the manner provided in Condition 4(d) (*Determination of Rate of Interest and Interest Amounts*)) and the determinations shall be deemed to be determinations by the Agent Bank.

(g) **Notifications, etc. to be Final**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(g), whether by the Reference Banks (or any of them) the Agent Bank or the Trustee, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Trustee, the Agent Bank, the Paying Agents and all Noteholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer or the Noteholders shall attach to the Reference Banks (or any of them), the Agent Bank or, if applicable, the Trustee in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition 4(g).

(h) **Agent Bank**

The Issuer shall procure that, so long as any of the Notes remains outstanding, there is at all times an Agent Bank for the purposes of the Notes and the Issuer may, subject to the prior written approval of the Trustee, terminate the appointment of the Agent Bank. In the event of the appointed office of any bank being unable or unwilling to continue to act as the Agent Bank or failing duly to determine the Rates of Interest and the Interest Amounts for any Interest Period, the Issuer shall, subject to the prior written approval of the Trustee, appoint the London office of another major bank engaged in the London interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed.

(i) **Deferral of Payment**

Interest on the Notes is payable subject to, and in accordance with, the order of priorities set out in the Priority of Payments. If, on any Interest Payment Date, the Issuer has insufficient funds to make payment in full of all amounts of interest (including any Class B Deferred Interest (as defined below) and accrued interest thereon) which would be due and payable in respect of the Class B Notes but for the provisions of this Condition 4(i) after having paid or provided for items of higher priority and any amounts payable *pari passu* therewith, then the Issuer shall be entitled (unless there are no Class A Notes then outstanding) to defer to the next Interest Payment Date the payment of interest in respect of the Class B Notes to the extent only of any insufficiency of funds (after having paid or provided for all amounts specified as having a higher priority than interest payable in respect of the Class B Notes).

Any amount of interest (including any Class B Deferred Interest (as defined below)) arising during the Interest Period and accrued on Class B Notes which is not due and payable on the relevant Interest Payment Date as a result of the provisions of this Condition 4(i) is the **Class B Deferred Interest** arising on such Interest Payment Date. Interest will accrue on the amount of any such Class B Deferred Interest at the Rate of Interest from time to time applicable to the Class B Notes and on the same basis as interest on the Class B Notes then applicable. Any Class B Deferred Interest and accrued interest thereon is due and payable on the next Interest Payment Date unless and to the extent that this Condition 4(i) applies. As soon as practicable after becoming aware that any payment of interest or part thereof on the Class B Notes will be deferred or that a payment previously deferred will be made in accordance with this Condition 4(i), the Issuer will give notice thereof to the Class B Noteholders in accordance with Condition 14 (*Notice to Noteholders*). Any deferral of interest in accordance with this Condition 4(i) will not constitute an Event of Default. The provisions of this Condition 4(i) shall cease to apply on the Final Maturity Date, or, if earlier, the date on which the Notes are redeemed in full pursuant to these Conditions, at which time all Class B Deferred Interest and accrued interest thereon shall become due and payable.

## 5. Payments

### (a) Payments in respect of Notes

Payments in respect of principal and interest in respect of any Global Note will be made only against presentation of such Global Note to or to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders in accordance with Condition 14 (*Notice to Noteholders*) for such purpose, subject, in the case of any Temporary Global Note, to certification of non-US beneficial ownership as provided in such Temporary Global Note. Each payment of principal or interest made in respect of a Global Note will be recorded by the Clearing Systems in their records (which records are the records each relevant Clearing System holds for its customers which reflect such customers' interest in the Notes) and such records shall be prima facie evidence that the payment in question has been made. No person appearing from time to time in the records of either of the Clearing Systems as the holder of a Note shall have any claim directly against the Issuer in respect of payments due on such Note whilst such Note is represented by a Global Note and the Issuer shall be discharged by payment of the relevant amount to the bearer of the relevant Global Note. The Issuer shall procure that each payment shall be entered *pro rata* in the records of the relevant Clearing Systems but any failure to make such entries shall not affect the discharge referred to above.

### (b) Method of Payment

Payments of principal and interest shall be made by euro cheque or upon application by the relevant Noteholder to the specified office of any Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a euro account maintained by the payee with a bank in the European Union, as the case may be, and (in the case of final redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Global Notes or Definitive Notes (as the case may be) at the specified office of any Paying Agent.

### (c) Payments subject to Applicable Laws

Payments in respect of principal and interest on the Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment.

### (d) Payment only on a Presentation Date

A holder shall be entitled to present a Global Note for payment only on a Presentation Date and shall not, except as provided in Condition 4 (*Interest*), be entitled to any further interest or other payment if a Presentation Date is after the due date.

**Presentation Date** means a day which (subject to Condition 7 (*Prescription*)):

- (i) is or falls after the relevant due date;
- (ii) is a Business Day in the place of the specified office of the Paying Agent at which the Global Note is presented for payment; and
- (iii) in the case of payment by credit or transfer to a euro account as referred to above, is a TARGET2 Business Day.

(e) **Change of Paying Agents**

The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

- (i) there will at all times be a person appointed to perform the obligations of the Principal Paying Agent with a specified office in London;
- (ii) there will at all times be at least one Paying Agent (which may be the Principal Paying Agent) having its specified office in such place as may be required by the rules and regulations of the Irish Stock Exchange and competent authority; and
- (iii) the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

Notice of any termination or appointment and of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 14 (*Notice to Noteholders*).

(f) **Partial Payment**

If a Paying Agent makes a partial payment in respect of any Note, the Paying Agent will annotate the relevant Notes indicating the amount and date of such payment.

(g) **Payment of Interest**

If interest is not paid in respect of a Note of any class on the date when due and payable (other than because the due date is not a Business Day (as defined in Condition 5(d) (*Payment only on a Presentation Date*)) or by reason of non-compliance with Condition 5(a) (*Payments in respect of Notes*), then such unpaid interest shall itself bear interest at the Rate of Interest applicable from time to time to such Note until such interest and interest thereon are available for payment and notice thereof has been duly given in accordance with Condition 14 (*Notice to Noteholders*).

**6. Redemption**

(a) **Mandatory Redemption of the Notes in Part**

On each Interest Payment Date (other than an Interest Payment Date on which the Notes are redeemed in full under Condition 6(c), 6(d) or 6(e) below), each Note of each class shall be redeemed in an amount equal to the Note Redemption Amount applicable to the relevant class of Notes, divided by the number of Notes of that class outstanding on the relevant Interest Payment Date. The Cash Manager (which expression when used in this Condition 6 shall include any substitute Cash Manager appointed to perform some or all of the role, as the case may be, of the Cash Manager) shall on the Determination Date relating to such Interest Payment Date, determine the Note Redemption Amount and the Principal Amortisation Amount applicable to each class of Notes.

(b) **Calculation of Note Principal Payments and Principal Amount Outstanding**

On each Determination Date the Cash Manager shall determine (x) the Note Redemption Amount applicable to each class of Notes due on the Interest Payment Date next following such Determination Date and (y) the Principal Amount Outstanding of each Note of each class on the first

day of the next following Interest Period (after deducting any Note Redemption Amount in relation to Notes of the relevant class due to be made on the Interest Payment Date next following such Determination Date). Each determination by the Cash Manager of any Note Redemption Amount and the Principal Amount Outstanding of a Note (in each case in the absence of wilful default, bad faith or manifest error) shall be final and binding on all persons.

The Issuer or the Cash Manager on its behalf will cause each determination of a Note Redemption Amount and Principal Amount Outstanding of each class to be notified forthwith upon such determination to the Trustee, the Paying Agents, the Agent Bank and, for so long as any class of Notes is listed on the Irish Stock Exchange, to the Irish Stock Exchange and will cause details of each determination of a Note Redemption Amount and Principal Amount Outstanding to be notified to Noteholders in accordance with Condition 14 (*Notice to Noteholders*) by not later than the second Business Day after the relevant Interest Payment Date next following the relevant Determination Date.

If the Cash Manager at any time for any reason does not determine a Note Redemption Amount or the Principal Amount Outstanding applicable to the Notes for each class of Notes in accordance with the preceding provisions of this Condition 6(b), such Note Redemption Amount and Principal Amount Outstanding, as the case may be, for each class of Notes shall be determined by or on behalf of the Trustee in accordance with this Condition 6(b) and Condition 6(a) above (but based on such information as it has in its possession) and each such determination or calculation shall be deemed to have been made by the Cash Manager.

(c) **Optional Redemption in Full for Taxation**

If at any time:

- (i) any amount is required to be deducted or withheld for or on account of any present or future Tax from amounts of interest or principal payable to the Issuer on the Purchased Loans, by reason of a change in law, or a change in the interpretation or administration thereof, which change becomes effective after the Closing Date and/or the Seller is required to pay an additional amount in respect of Tax to the Issuer as a result of a change in law or a change in the interpretation or administration thereof in accordance with the terms of the Master Transfer Agreement;
- (ii) on the occasion of the next Interest Payment Date, the Issuer (or any Paying Agent on its behalf) would be required to make any withholding or deduction from any payment of principal or interest in respect of any of the Notes for or on account of any present or future Tax, duty or charge of whatsoever nature incurred or levied by or on behalf of the United Kingdom or the Hellenic Republic or any authority thereof or therein; or
- (iii) the Issuer becomes subject to taxation or incurs a taxation liability in Greece by reason of a change in law, or a change in the interpretation or administration thereof, which change becomes effective after the Closing Date;

(each of the event set out in paragraphs (i), (ii) and (iii) above, a **Tax Event**)

then the Issuer shall inform the Trustee accordingly and shall, in the case of (ii) above, in order to avoid the event described therein, use its reasonable endeavours to arrange the substitution of a company incorporated in another jurisdiction (approved in writing by the Trustee and on terms acceptable to the Trustee and consistent with the criteria of the Rating Agency) as principal debtor under the Notes in accordance with Condition 11(c), and if the Issuer is unable to arrange such a substitution which would have the result of avoiding the event described above, or in any case on the occurrence of an event described in (i) or (iii) above, then the Issuer may, having certified to the

Trustee that a Tax Event has occurred (or, in the case of paragraph (ii) above, will apply on the occasion of the next Interest Payment Date) (on which certification the Trustee shall be entitled to rely without further enquiry) and having given not more than 60 nor less than 30 days' notice to the Noteholders, the Trustee, the Paying Agents and the Swap Provider in accordance with Condition 14 (*Notice to Noteholders*), redeem all (but not some only) of the Notes at their respective Principal Amounts Outstanding together with accrued interest (which shall include, for the avoidance of doubt, Class B Deferred Interest (if any)) on the next Interest Payment Date but net of any withholding pursuant to paragraph (ii) above, provided that, prior to giving any such notice, the Issuer shall have delivered to the Trustee a certificate signed by two directors of the Issuer stating that the event described above applies (or, in the case of paragraph (ii) above, will apply on the occasion of the next Interest Payment Date and cannot be avoided by the Issuer using reasonable endeavours to arrange a substitution as aforesaid) and that the Issuer will have the funds, not subject to the interest of any other persons, required to fulfil its obligations hereunder in respect of the Notes and any amounts required under the Deed of Charge to be paid *pari passu* with, or in priority to, the Notes and the Trustee shall accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above and it shall be conclusive and binding on the Noteholders.

(d) **Optional Redemption in Full for Other Reasons**

On any Interest Payment Date on or after:

- (i) the date on which the aggregate Principal Amount Outstanding of the Notes is 10 per cent. or less of their original aggregate Principal Amount Outstanding as at the date of issue of the Notes; or
- (ii) it becomes unlawful (by reason of a change in law of the Hellenic Republic or the United Kingdom or the interpretation or administration thereof since the Closing Date) for the Issuer to perform its obligations under the Notes or any of the Transaction Documents (a **Regulatory Event**),

the Issuer may, having given not more than 60 nor less than 30 days' notice to the Noteholders, the Trustee, the Paying Agents and the Swap Provider in accordance with Condition 14 (*Notice to Noteholders*), redeem all (but not some only) of the Notes at their respective Principal Amounts Outstanding together with accrued interest (which shall include, for the avoidance of doubt, Class B Deferred Interest (if any)) provided that, prior to giving any such notice, the Issuer shall have delivered to the Trustee a certificate signed by two directors of the Issuer stating that the Issuer will have the funds, not subject to the interest of any other persons, required to fulfil its obligations hereunder in respect of the Notes and any amounts required under the Deed of Charge to be paid *pari passu* with, or in priority to, the Notes and the Trustee shall accept the certificate as sufficient evidence of the satisfaction of such condition precedent and it shall be conclusive and binding on the Noteholders.

After giving notice of redemption pursuant to this sub-paragraph, the Issuer shall not make any further payment of principal on the Notes and no further reduction shall be made to the Principal Amount Outstanding of any such Note other than by way of redemption pursuant to this paragraph 6(d).

(e) **Mandatory Redemption of the Notes in Full further to the exercise of the Seller Call Option**

Pursuant to the Master Transfer Agreement the Issuer has granted the Seller an option to purchase the Portfolio, under the terms and subject to the conditions set out therein, on any Interest Payment Date falling after the Closing Date.

On receipt from the Seller of notice that it intends to exercise its option to acquire the Portfolio in whole pursuant to the Master Transfer Agreement, the Issuer will, having given not more than 60 nor less than 30 days' notice to the Noteholders, the Trustee, the Paying Agents and the Swap Provider in accordance with Condition 14 (*Notice to Noteholders*), redeem all (but not some only) of the Notes on the next Interest Payment Date at their respective Principal Amounts Outstanding together with accrued interest (which shall include, for the avoidance of doubt, Class B Deferred Interest (if any)) provided that, prior to giving any such notice, the Issuer shall have delivered to the Trustee a certificate signed by two directors of the Issuer stating that the Issuer will have the funds, not subject to the interest of any other persons, required to fulfil its obligations hereunder in respect of the Notes and any amounts required under the Deed of Charge to be paid *pari passu* with, or in priority to, the Notes and the Trustee shall accept the certificate as sufficient evidence of the satisfaction of such condition precedent and it shall be conclusive and binding on the Noteholders.

After giving notice of redemption pursuant to this sub-paragraph, the Issuer shall not make any further payment of principal on the Notes and no further reduction shall be made to the Principal Amount Outstanding of any such Note other than by way of redemption pursuant to this paragraph 6(e).

(f) **Redemption on Maturity**

Save to the extent otherwise redeemed or cancelled in accordance with this Condition the Issuer shall redeem the Notes of each class at their respective Principal Amounts Outstanding plus interest accrued and unpaid (including, for the avoidance of doubt, Class B Deferred Interest (if any)) on the Interest Payment Date which falls in January 2035 (the **Final Maturity Date**).

(g) **Purchase**

The Issuer shall not purchase Notes.

(h) **Cancellation**

All Notes redeemed in full will be cancelled forthwith and may not be reissued.

**7. Prescription**

Claims in respect of principal and interest on the Notes will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the relevant payment.

In this Condition 7, the **Relevant Date**, in respect of a payment, is the date on which such payment first becomes due or (if the full amount of the moneys payable on that date has not been duly received by the Principal Paying Agent or the Trustee on or prior to such date) the date on which, the full amount of such moneys having been received, notice to that effect is duly given to the relevant Noteholders in accordance with Condition 14 (*Notice to Noteholders*).

**8. Taxation**

All payments in respect of the Notes by or on behalf of the Issuer will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatsoever nature (and wherever imposed) (**Taxes**) unless the withholding or deduction of the Taxes is required by applicable law. In that event, the Issuer or the relevant Paying Agent (as the case may be) shall (subject to the Issuer's obligations and rights under Condition 6(c)) make such payment after the withholding or deduction has been made and shall account to the relevant authorities for the amount required to be withheld or deducted. Neither the Issuer nor any other

person will be obliged to make any additional payments to Noteholders in respect of any such withholding or deduction.

## 9. Events of Default

- (a) The Trustee at its absolute discretion may, and if so requested in writing by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding or if so directed by an Extraordinary Resolution (as defined below) of the holders of the Most Senior Class of Notes then outstanding shall, (subject in each case to its being secured and/or indemnified to its satisfaction) give notice in writing (an **Acceleration Notice**) to the Issuer, with a copy to the Swap Provider, declaring the Notes immediately due and repayable at their respective Principal Amounts Outstanding, together with accrued interest (including deferred interest) as provided in the Trust Deed, at any time after the happening of any of the following events (each, an **Event of Default**):
- (i) default being made by the Issuer for a period of three Business Days in the payment of any principal of, or default is made for a period of five Business Days in the payment of any interest on any Note when and as the same ought to be paid in accordance with these Conditions, provided that a deferral of interest in accordance with Condition 4(i) shall not constitute a default in the payment of such interest for the purposes of this Condition 9(a)(i); or
  - (ii) breach by the Issuer of any representation or warranty made by it in these Conditions, the Trust Deed or any of the other Transaction Documents to which it is a party and in any such case (except where the Trustee certifies that, in its opinion, such breach is incapable of remedy, when no notice will be required), such breach continues for a period of 30 days following the service by the Trustee on the Issuer of notice in writing requiring the same to be remedied; or
  - (iii) the Issuer failing duly to perform or observe any other obligation, condition or provision binding upon it under these Conditions, the Trust Deed or any of the other Transaction Documents to which it is a party and in any such case (except where the Trustee certifies that, in its opinion, such failure is incapable of remedy, when no notice will be required), such failure continues for a period of 30 days following the service by the Trustee on the Issuer of notice in writing requiring the same to be remedied; or
  - (iv) the Issuer, otherwise than for the purposes of such a pre-approved amalgamation or reconstruction as is referred to in sub-paragraph (v) below, ceasing or, through an official action of the board of directors of the Issuer, threatening to cease to carry on business (or a substantial part thereof) or the Issuer being (or being deemed to be) unable to pay its debts as and when they fall due (provided that for the purposes of this Condition 9(a)(iv) and in respect of the Final Maturity Date only, only interest and principal on the Most Senior Class of Notes and any amounts ranking senior in priority to interest on the Most Senior Class of Notes in the Priority of Payments shall be deemed to fall due on the Final Maturity Date); or
  - (v) an order being made or an effective resolution being passed for the winding-up of the Issuer, except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding; or
  - (vi) proceedings being initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including, but not limited to the presentation of an administration petition), or an administration order being granted or an



administrative receiver or other receiver (including documents being filed with the Court for the appointment of an administrator or notice of intention to appoint an administrator being served), liquidator or other similar official being appointed in relation to the Issuer or in relation to the whole or any part of the undertaking or assets of the Issuer or an encumbrancer taking possession of the whole or any substantial part of the undertaking or assets of the Issuer, or a distress, execution, attachment, sequestration or other process being levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Issuer, and such proceedings, distress, execution, attachment, sequestration or process (as the case may be) not being discharged or not otherwise ceasing to apply within 15 days, or the Issuer initiating or consenting to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or making a conveyance or assignment for the benefit of its creditors generally,

**provided that:** in the case of each of the events described in sub-paragraphs (ii) and (iii) of this paragraph (a), the Trustee shall have certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding.

- (b) Upon any declaration being made by the Trustee in accordance with paragraph (a) above that the Notes are due and repayable the Security shall become enforceable and each Note shall thereby immediately become due and repayable at its Principal Amount Outstanding together with accrued interest as provided in the Trust Deed subject to the Post-Enforcement Priority of Payments.

## **10. Enforcement**

- (a) The Trustee may, at its discretion and without notice at any time and from time to time, take such proceedings or other action it may think fit to enforce the provisions of the Transaction Documents and the Notes, provided that, subject to paragraph (c) below, enforcement of the Security shall be the only remedy available for the repayment of the Class A Notes and the Class B Notes and the payment of accrued interest (including any Class B Deferred Interest and accrued interest thereon) and, at any time after the Security has become enforceable, take such steps as it may think fit to enforce the Security, but it shall not be bound to take any such proceedings, action or steps unless (a) it shall have been so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or so requested in writing by the holders of at least 25 per cent. in aggregate Principal Amount Outstanding for the time being of the Most Senior Class of Notes then outstanding and (b) it shall have been secured and/or indemnified to its satisfaction.
- (b) No Noteholder shall be entitled to proceed directly against the Issuer or any other party to the Transaction Documents or to enforce the Security unless the Trustee, having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing. The Trustee cannot, while any of the Notes are outstanding, be required to enforce the Security at the request of any of the Other Secured Creditors under the Deed of Charge or otherwise.
- (c) Notwithstanding any other Condition or any provision of any Transaction Document, all obligations of the Issuer to the Noteholders are limited in recourse to the Charged Property. If:
  - (i) there is no Charged Property remaining which is capable of being realised or otherwise converted into cash;
  - (ii) all amounts available from the Charged Property have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Deed of Charge; and

- (iii) there are insufficient amounts available from the Charged Property to pay in full, in accordance with the provisions of the Deed of Charge, amounts outstanding under the Notes (including payments of principal, premium (if any) and interest),

then the Noteholders shall have no further claim against the Issuer in respect of any amounts owing to them which remain unpaid (including, for the avoidance of doubt, payments of principal and/or interest in respect of the Notes) and such unpaid amounts shall be deemed to be discharged in full and any relevant payment rights shall be deemed to cease.

#### **11. Meetings of Noteholders, Modification, Waiver, Substitution and Trustee's Discretions**

- (a) The Trust Deed contains provisions for convening meetings of Noteholders of each Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of these Conditions or the provisions of any of the Transaction Documents or any other documents the rights and benefits of the Issuer in respect of which are comprised in the Security.
  - (A) An Extraordinary Resolution passed at any meeting of the Class A Noteholders shall be binding on all the Class B Noteholders irrespective of its effect upon them except an Extraordinary Resolution to sanction a Basic Terms Modification (as defined below), which shall not take effect unless it shall have been sanctioned by an Extraordinary Resolution of the Class B Noteholders or the Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class B Noteholders.
  - (B) An Extraordinary Resolution passed at any meeting of Class B Noteholders (other than a sanctioning Extraordinary Resolution referred to in paragraph (A) above) shall not be effective unless it shall have been sanctioned by an Extraordinary Resolution of the Class A Noteholders or the Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A Noteholders.

The quorum at any meeting of the Noteholders of any class for passing an Extraordinary Resolution shall be one or more persons present holding or representing over 50 per cent. in aggregate Principal Amount Outstanding of the Notes of the relevant class then outstanding or, at any adjourned meeting, one or more persons present being or representing the Noteholders of the relevant class whatever the aggregate Principal Amount Outstanding of the Notes of the relevant class so held or represented, except that, at any meeting the business of which includes the making or sanctioning of any Basic Terms Modification, the necessary quorum for passing the related Extraordinary Resolution will be one or more persons present holding or representing not less than 75 per cent., or at any adjourned such meeting not less than 33 per cent., in aggregate Principal Amount Outstanding of the Notes of the relevant class for the time being outstanding.

As used in these Conditions and the Trust Deed:

- (i) **Extraordinary Resolution** means (a) a resolution passed at a meeting of the Noteholders of any Class duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than three-fourths of the votes cast on such poll or (b) a resolution in writing signed by or on behalf of not less than 75 per cent. in aggregate Principal Amount Outstanding of the Noteholders of such class, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders and shall be as valid, effective and binding as a resolution duly passed at such a meeting; and

- (ii) **Basic Terms Modification** means, in respect of a class of Notes:
- (A) a change in 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, of the method of calculating the date of payment in respect of any principal or interest in respect of such Notes;
  - (B) alteration of the currency in which payments under such Notes appertaining thereto are to be made;
  - (C) alteration of the quorum or majority required to pass an Extraordinary Resolution;
  - (D) the sanctioning of any such scheme or proposal in respect of such Notes as is described in paragraph 20 of Schedule 3 to the Trust Deed;
  - (E) alteration of this definition or the provisos to paragraphs 5 and/or 6 of Schedule 3 to the Trust Deed;
  - (F) alteration of any the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments; and
  - (G) alteration of the Charged Property or amendment to any of the documents relating to the Charged Property or any other provision of the Security, in each case in any material respect.

(b) The Trustee may agree, without the consent of the Noteholders, (i) to any modification (other than a Basic Terms Modification) of, or to the waiver or authorisation of any breach or proposed breach of, these Conditions, the Trust Deed or any of the other Transaction Documents, which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders of any class, or (ii) to any modification of these Conditions or any of the Transaction Documents, which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error. The Trustee may also, without the consent of the Noteholders, determine that any Event of Default shall not, or shall not subject to specified conditions, be treated as such which determination is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders of any class. Any such modification, waiver, authorisation or determination shall be binding on the Noteholders and, unless the Trustee agrees otherwise, any such modification shall be notified by, or on behalf of, the Issuer to the Noteholders, the Rating Agency and the Irish Stock Exchange in accordance with Condition 14 (*Notice to Noteholders*) as soon as practicable thereafter.

(c) The Trustee may agree, without the consent of the Noteholders, to the substitution of another body corporate in place of the Issuer as principal debtor under the Trust Deed and the Notes, subject to (i) the Notes being unconditionally and irrevocably guaranteed by the Issuer (unless all or substantially all of the assets of the Issuer are transferred to such body corporate), (ii) such body corporate being a single purpose vehicle and undertaking itself to be bound by provisions corresponding to those set out in these Conditions, (iii) the Trustee being satisfied that the interests of the Noteholders of each class will not be materially prejudiced thereby, (iv) the then current rating of the Notes being unaffected by such substitution, and (v) certain other conditions set out in the Trust Deed being complied with. In the case of a substitution pursuant to this paragraph (c), the Trustee may in its absolute discretion agree, without the consent of the Noteholders, to a change of the laws governing the Notes and/or any of the Transaction Documents provided that such change would not, in the opinion of the Trustee, be materially prejudicial to the interests of the Noteholders of any class. No such substitution shall take effect unless it applies to all the Notes then outstanding.

## **12. Indemnification and Exoneration of the Trustee**

The Trust Deed and certain of the Transaction Documents contain provisions governing the responsibility (and relief from responsibility) of the Trustee and providing for its indemnification in certain circumstances, including provisions relieving it from taking enforcement proceedings or enforcing the Security unless secured and/or indemnified to its satisfaction. The Trustee will not be responsible for any loss, expense or liability which may be suffered as a result of any assets comprised in the Charged Property, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by or to the order of the Seller or any agent or related company of the Seller or by clearing organisations or their operators or by intermediaries such as banks, brokers, depositories, warehousemen or other persons whether or not on behalf of the Trustee.

The Trust Deed contains provisions pursuant to which the Trustee or any of its related companies is entitled, *inter alia*, (i) to enter into business transactions with the Issuer and/or any other person who is a party to the Transaction Documents or whose obligations are comprised in the Charged Property and/or any of their subsidiary or associated companies and to act as trustee for the holders of any other securities issued by or relating to the Issuer and/or any other person who is a party to the Transaction Documents or whose obligations are comprised in the Charged Property and/or any of their subsidiary or associated companies, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of the Noteholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Trust Deed also relieves the Trustee of liability for not having made or not having caused to be made on its behalf the searches, investigations and enquiries which a prudent chargee would normally have been likely to make in entering into the Deed of Charge. The Trustee has no responsibility in relation to the legality, validity, sufficiency, adequacy and enforceability of the Security or the Transaction Documents. The Trustee will not be obliged to take any action which might result in its incurring personal liabilities unless secured and/or indemnified to its satisfaction or to supervise the performance by the Servicer, the Swap Provider or any other person of their obligations under the Transaction Documents and the Trustee shall assume, until it has notice in writing to the contrary, that all such persons are properly performing their duties, notwithstanding that the Security (or any part thereof) may, as a consequence, be treated as floating rather than fixed security.

The Trust Deed and certain of the other Transaction Documents contain other provisions limiting the responsibility, duties and liability of the Trustee.

## **13. Replacement of the Notes**

### **(a) Definitive Notes**

If a Definitive Note, is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Principal Paying Agent. Replacement thereof will only be made on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and the Principal Paying Agent may reasonably require. If mutilated or defaced, the Definitive Note, must be surrendered before a new one will be issued.

### **(b) Global Notes**

If any Global Note is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Principal Paying Agent. Replacement of any mutilated, defaced, lost, stolen or destroyed Global Note will only be made on payment of such costs as may be incurred in connection

therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. A mutilated or defaced Global Note must be surrendered before a new one will be issued.

**14. Notice to Noteholders**

Any notice to the Noteholders shall be validly given if published (a) in one leading London daily newspaper (which is expected to be the *Financial Times*), and (b) (for so long as the Notes are listed on the Irish Stock Exchange and the rules of that exchange so require) in a leading English language newspaper having general circulation in Dublin (which is expected to be the *Irish Times*) or, if either such newspaper shall cease to be published or timely publication therein shall not be practicable, in the opinion of the Trustee, in another appropriate newspaper or newspapers as the Trustee shall approve having a general circulation in London or Dublin (as appropriate) previously approved in writing by the Trustee. Any such notice published in a newspaper as aforesaid shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made in the newspaper or newspapers in which publication is required. If publication is not practicable in any such newspaper as is mentioned above, notice will be valid if given in such other manner, and shall be deemed to have been given on such date, as the Trustee shall determine.

Whilst the Notes are represented by Global Notes, notices to Noteholders may be given by delivery of the relevant notice to Clearstream, Luxembourg and/or Euroclear for communication by them to Noteholders rather than by notification as required above provided that so long as the Notes are listed on the Irish Stock Exchange, the Irish Stock Exchange so agrees. Any notice delivered to Clearstream, Luxembourg and/or Euroclear as aforesaid shall be deemed to have been given on the date on which it was sent.

A copy of each notice given in accordance with this Condition 14 shall be provided to the Rating Agency, which reference in these Conditions shall include any additional or replacement rating agency appointed by the Issuer to provide a credit rating in respect of the Notes thereof). For the avoidance of doubt, and unless the context otherwise requires, all references to rating and ratings in these Conditions shall be deemed to be references to the ratings assigned by the Rating Agency.

The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders or to a class if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the stock exchange on which the Notes are then listed and provided that notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

**15. Contracts (Rights of Third Parties) Act 1999**

This Note does not confer any rights on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Trust Deed or this Note, but this does not affect any right or remedy of any person which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.

**16. Governing Law and Jurisdiction**

Each of the Notes, the Trust Deed and these Conditions (and, in each case, any non-contractual obligations arising out of or in connection with the relevant document) is governed by and shall be construed in accordance with English law and are subject to the non-exclusive jurisdiction of the courts of England and Wales.

**17. Specified Offices of Principal Paying Agent**

The initial Specified Office of the Principal Paying Agent is at Citibank N.A., London Branch, 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.

## SUBSCRIPTION AND SALE

Alpha Bank A.E. (**Alpha Bank**), Morgan Stanley & Co. International plc (**Morgan Stanley**) and Deutsche Bank AG, London Branch (**Deutsche Bank**, and together with Alpha Bank and Morgan Stanley, the **Arrangers**) have entered into a subscription agreement dated on or about the date of this Prospectus (the **Subscription Agreement**) with the Issuer and the Seller, pursuant to which Alpha Bank (the **Purchaser**) has agreed to subscribe for all the Notes at 100 per cent. of their principal amount.

Except for the approval of this Prospectus as a prospectus in accordance with the requirements of the Prospectus Directive and the implementing measures in Ireland, application for the Notes to be admitted to the Official List of the Irish Stock Exchange and to trading on its regulated market, no action is being taken to permit a public offering of the Notes, or the distribution of any document, in or from any jurisdiction where action would be required for such purposes. This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation in or from any jurisdiction where such an offer or solicitation is not authorised.

The Purchaser has represented to each of the Arrangers and to the Issuer and agreed that:

(i) **United States of America:**

The Notes 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 in certain transactions exempt from the registration requirements of the Securities Act and applicable state laws. The Purchaser has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes (i) as part of their distribution at any time, or (ii) otherwise until 40 days after the later of the commencement of the offering of the Notes and the Closing Date (for the purposes only of this section *Subscription and Sale*, the **Distribution Compliance Period**) within the United States or to, or for the account or benefit of, U.S. persons and that it will have sent to each distributor, dealer or other person to which it sells Notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes 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 of the Securities Act.

In addition, 40 days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by a dealer, whether or not participating in the offering, may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

The Notes are in bearer form and 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 a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in the preceding sentence have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

(ii) **United Kingdom:**

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of FSMA does not apply to the Issuer; and

- (b) it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.
- (iii) **Greece:** It has not publicly offered or sold and will not publicly offer or sell any Notes, in, or to persons in, the Hellenic Republic, or engage in advertisements, notices, statements or other actions in the Hellenic Republic, with a view to attracting resident investors in the Hellenic Republic to acquire Notes. All applicable provisions of Article 10 of Law 3156 and law 3401/2005 must be complied with in respect of anything done with regard to the offering of Notes in, from or otherwise involving the Hellenic Republic.
- (iv) **Ireland:**
  - (a) It will not underwrite the issue of or place the Notes otherwise than in conformity with the provisions of the Investment Intermediaries Act, 1995 (as amended) including, without limitation, Sections 9 and 23 thereof and any codes of conduct rules made under Section 37 thereof and the provisions of the Investor Compensation Act 1998;
  - (b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942-1999 (as amended) and any codes of conduct rules made under Section 117(1) thereof;
  - (c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the Prospectus Directive 2003/71/EC Regulations 2005 and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005, by the Irish Central Bank and Financial Services Regulatory Authority (**Financial Regulator**); and
  - (d) in will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse Directive 2003/6/EC Regulations 2005 and any rules issued under Section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Financial Regulator.
- (v) **General:** other than with respect to the listing of the Notes on the Irish Stock Exchange, no action has been or will be taken in any country or jurisdiction by the Purchaser and Issuer that would permit a public offering of the Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Prospectus comes are required by the Issuer to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver the Notes or have in their possession or distribute such offering material in all cases at their own expense.

## TAXATION

**The following, which applies only to persons who are the beneficial owners of the Notes, is a summary of the Issuer's understanding of current law and practice in Greece and the United Kingdom as at the date of this Prospectus relating to certain aspects of Greek taxation and the United Kingdom taxation of the Notes. It is not a comprehensive analysis of all the tax consequences arising in respect of the Notes. Special rules may apply to certain classes of taxpayer (such as dealers). Prospective Noteholders who are in any doubt about their tax position or who may be subject to tax in a jurisdiction other than Greece and the United Kingdom should seek their own professional advice.**

### GREEK TAXATION

Interest on the Notes earned by Greek resident investors or investors with a permanent establishment in Greece will be subject to withholding tax at 10 per cent. if payment is made by a paying agent in Greece. In the case of investors who are individuals, partnerships, joint ventures or non profit entities, such withholding extinguishes their income tax liability in respect of this income. In the case of investors (mainly companies limited by shares (*anonymi eteria*) limited liability companies (*eteria periorismenis efthinis*) and branches of foreign entities operating in Greece, interest on the Notes will be reported as part of their taxable base of the year in which such interest arose and will be subject to tax at the applicable corporate income tax rate (currently 25 per cent.) while the 10 per cent. tax withheld at source will be offset against the income tax liability of the year or refunded if the tax due is not sufficient to absorb tax withheld. In the case of banks and insurance companies interest is fully taxable at the applicable corporate income tax rate (25 per cent.) however special rules apply as to the time of taxation. Institutional investors (mutual funds, portfolio investment companies and real estate investment companies) are exempt from the 10 per cent. withholding tax on condition that the investor acquires the interest coupon at least 30 days prior to maturity.

There is no explicit provision in Greek tax legislation as to the treatment applying to capital gain arising from the disposal of Notes. It should be noted, however, that the Ministry of Economy and Finance in Circular 1092/27-7-2007, has adopted the view that any gain earned in excess of accrued interest, by Greek residents (either individuals or legal entities) from the disposal of foreign bonds (including the Notes) or bonds issued by Greek corporations abroad will be regarded as income, not subject to withholding tax, but fully taxable at the nominal tax rates. Consequently such gain should be reported in the beneficiary's annual income tax return and taxed in accordance with the general provisions of Greek tax law at the applicable tax rate.

**No additional amounts would be payable by the Issuer or by any other person if any such deduction or withholding were required to be made.**

The Issuer has not appointed any paying agent in Greece. Prospective Noteholders in Greece, or prospective Noteholders who might receive income from the Notes in Greece, should consult with their own tax advisers as to the taxation of income from the Notes in Greece.

### UNITED KINGDOM TAXATION

**The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current law and practice in the United Kingdom relating only to United Kingdom withholding tax treatment of payments of principal and interest in respect of Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.**



## **1. Payment of interest on the Notes**

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. The Irish Stock Exchange is a recognised stock exchange. The Notes will satisfy this requirement if they are officially listed in Ireland in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the Irish Stock Exchange. Provided, therefore, that the Notes remain so listed, interest on the Notes will be payable without deduction of or withholding on account of United Kingdom income tax.

Interest on the Notes may also be paid without deduction of or withholding on account of United Kingdom income tax where interest on the Notes is paid by a company and, at the time the payment is made, the company reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) that the beneficial owner is within the charge to United Kingdom corporation tax as regards the payment of interest, provided that HM Revenue and Customs (HMRC) has not given a direction (in circumstances where it has reasonable grounds to believe that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

In other cases, an amount must generally be withheld from payments of interest on the Notes on account of United Kingdom income tax at the basic rate (currently 20 per cent.). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

Noteholders may wish to note that, in certain circumstances, HMRC has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays or credits interest to or receives interest for the benefit of a Noteholder. Information so obtained may, in certain circumstances, be exchanged by HMRC with the tax authorities of the jurisdiction in which the Noteholder is resident for tax purposes.

## **2. EU Savings Directive**

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 15 September 2008, the European Commission issued a report to the Council of the European Union on the operations of the Directive, which included the Commission's advice on the need for changes to the Directive. On 13 November 2008, the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above.

## GENERAL INFORMATION

2. The issue of the Notes has been authorised by a resolution of the board of directors of the Issuer passed on or about 18 May 2009.
3. Application has been made to list the Notes on the Irish Stock Exchange. It is expected that admission of the Notes to the official list of the Irish Stock Exchange and admission to trading on its regulated market will be granted on or about 20 May 2009 subject only to the issue of the Global Notes. The estimated cost of the applications for admission to the official list and admission to trading on the Irish Stock Exchange's regulated market is €4,800. The Issuer will not provide any post-issuance information, except if required by any applicable laws and regulations.
4. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN for the Class A Notes is XS0430552082 and the Common Code is 043055208. The ISIN for the Class B Notes is XS0430552751 and the Common Code is 043055275.
5. Transactions will normally be effected for settlement in Euro and for delivery on the third working day after the date of the transaction.
6. The Issuer is not involved in any governmental, legal or arbitration proceedings which may have, or have had, since the date of its incorporation, a significant effect on its financial position or profitability nor is the Issuer aware that any such proceedings are pending or threatened.
7. Since the date of its incorporation, the Issuer has not entered into any material contracts other than the Subscription Agreement, being contracts entered into other than in its ordinary course of business.
8. Save as disclosed herein, since 10 March 2009 (being the date of incorporation of the Issuer), there has been (1) no material adverse change in the financial position or prospects of the Issuer, and (2) no significant change in the trading or financial position of the Issuer.
9. It is a condition of the issue of the Notes that the Class A Notes are on issue assigned an Aaa rating by Moody's.  
  
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 by Moody's.
10. Save as disclosed in this document, the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Issuer created any mortgages, charges or given any guarantees.
11. The auditors of the Issuer are KPMG Audit Plc (**KPMG** or the **Auditor**). KPMG is a member of The Institute of Chartered Accountants in England and Wales. The Issuer will not publish interim accounts. The Issuer will produce non-consolidated audited financial statements in respect of each financial year but will not produce consolidated audited financial statements. The Issuer anticipates that it will publish its first financial statements no later than 30 June 2010 in respect of the financial year ending 31 December 2009. Copies of the most recently published annual accounts from time to time will, so long as the Notes are admitted to the official list of the Irish Stock Exchange, be available at the specified office of the Principal Paying Agent within seven months of the related year end.
12. The Cash Manager will produce on behalf of the Issuer quarterly reports on the performance of the Portfolio. These quarterly reports will be available at the offices of the Principal Paying Agent.

13. The address of the Arrangers are as follows: Alpha Bank AE, acting out of its office at 40 Stadiou Street, Athens; Morgan Stanley & Co. International plc, acting out of its offices at 25 Cabot Square, Canary Wharf, London E14 4QA; and Deutsche Bank AG, London Branch, acting out of its offices at Winchester House, 1 Great Winchester Street, London EC2N 2DB.
14. Final copies (when available) of the following documents may be inspected (in electronic format) during usual business hours on any weekday (excluding Saturdays and public holidays) at the specified offices of the Principal Paying Agent and the Issuer from the date of this document and so long as any of the Notes remain outstanding:
  - (A) the Memorandum and Articles of Association of the Issuer;
  - (B) the most recent balance sheet of the Issuer and the accountants' report thereon;
  - (C) the most recently published annual audited non-consolidated financial statements of the Issuer;
  - (D) the Subscription Agreement;
  - (E) the Master Transfer Agreement and each Greek Transfer and Assignment Agreement;
  - (F) the Collection Account Agreement;
  - (G) the Servicing Agreement;
  - (H) the Trust Deed;
  - (I) the Agency Agreement;
  - (J) the Deed of Charge;
  - (K) the Swap Agreement;
  - (L) each Subordinated Loan Agreement;
  - (M) the Cash Management Agreement;
  - (N) the Bank Account Agreement;
  - (O) the Reserve Account Agreement;
  - (P) the Issuer Corporate Services Agreement;
  - (Q) the Holdco Corporate Services Agreement; and
  - (R) the Master Definitions Schedule.

## GLOSSARY OF TERMS

*These and other terms used in this Prospectus are subject to, and in some cases are summaries of, the definitions of such terms set out in the Transaction Documents, as they may be amended from time to time.*

**Acceleration Notice** has the meaning given to that term in Condition 9.

**Additional Greek Transfer and Assignment Agreement** means each Greek law governed transfer agreement to be entered into between the Seller and the Issuer for the sale, assignment and transfer of an Additional Pool pursuant to the terms of the Master Transfer Agreement.

**Additional Pool Applied Funds** means, on each Collection Period End Date during the Revolving Period, any amount of Additional Pool Available Funds which was applied by the Issuer during the Collection Period ending on such Collection Period End Date towards payment of Additional Purchase Prices in respect of Additional Pools purchased by the Issuer from the Seller under the terms of the Master Transfer Agreement.

**Additional Pool Available Funds** means, on each day during the Revolving Period, an amount equal to the Additional Pool Reserve Amount standing to the credit of the Collection Account Additional Pool Ledger at the opening of business on such day.

**Additional Pool** means any additional pool of Loans which may be purchased by the Issuer from the Seller during the Revolving Period under the terms of the Master Transfer Agreement, details of which will be set out in Annex I to the relevant Additional Greek Transfer and Assignment Agreement.

**Additional Pool Reserve Amount** means, on each Determination Date during the Revolving Period, an amount not higher than 20% of the Principal Amount Outstanding of the Notes calculated as at the immediately following Interest Payment Date, as agreed between the Servicer and the Cash Manager on or before such Determination Date, which shall be applied towards payment of the Additional Purchase Prices payable for Additional Pools to be purchased by the Issuer.

**Additional Purchase Price** means in respect of an Additional Pool during the Revolving Period, the purchase price payable by the Issuer to the Seller in respect of such Additional Pool under the Master Transfer Agreement, such amount being equal to:

- (a) the principal amount outstanding of the Loans comprised in such Additional Pool as of the relevant Transfer Date;
- (b) any interest, disbursement, legal expense, fee, charge, service charge, premium or payment which has been properly capitalised in accordance with the relevant Loan Documentation or with the relevant Borrower's consent (including capitalised interest) as of the relevant Transfer Date; and
- (c) any other amount (including, for the avoidance of doubt, accrued interest and arrears of interest) which is due or accrued (whether or not due) and which has not been paid by the relevant Borrower and has not been capitalised in accordance with the relevant Loan Documentation.

**Agency Agreement** means the agency agreement to be entered into between the Issuer, the Trustee, the Principal Paying Agent and the Agent Bank dated on or prior to the Closing Date.

**Agent Bank** means Citibank, N.A., London Branch, acting through its specified office at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, in its capacity as agent bank under the Agency Agreement.

**Amortisation Event** means the occurrence of any of the following events during the Revolving Period:

- (a) a Termination Event occurs in relation to the Seller;
- (b) the Seller's banking license is revoked or suspended by the Bank of Greece or the Bank of Greece makes demand that the Seller cease its authorised operations in Greece;
- (c) any of the Seller, the Issuer or the Servicer gives notice in writing to the others that it has been advised or otherwise became aware that as a result of a change in any applicable laws or regulatory practice, the Issuer is prevented from purchasing an Additional Pool;
- (d) an Amortisation Commencement Notice is provided to the Issuer and the Cash Manager;
- (e) the amount standing to the credit of the Reserve Account on any Interest Payment Date and the immediately preceding Interest Payment Date was (in each case) less than the Required Reserve Fund Amount as at such date;
- (f) on any Interest Payment Date, amounts credited to the Collection Account Additional Pool Ledger exceed 20 per cent. of the Principal Amount Outstanding of the Notes;
- (g) any amount credited to the Collection Account Additional Pool Ledger has not been applied by the Issuer towards the purchase of an Additional Pool by the day before the second Calculation Date following the date on which such amount was first credited to the Collection Account and, for this purpose, any amounts standing to the credit of the Collection Account Additional Pool Ledger and applied by the Issuer for the purchase of an Additional Pool shall be treated as applied in the order in which such amounts were credited to the Collection Account Additional Pool Ledger;
- (h) the occurrence of a Servicer Termination Event; or
- (i) the occurrence of a Swap Agreement Termination Event.

**Amortisation Period** means the period commencing on the earlier of (i) the first Interest Payment Date to fall not less than three years after the Closing Date and (ii) the occurrence of an Amortisation Event, and, in each case, ending on the earlier of (a) the Final Maturity Date and (b) the Optional Redemption Date.

**Ancillary Rights** means in respect of a Loan, the Mortgages, Pre-Notations, pledges of all types (including assignment of claims, by way of pledge), all rights against the relevant Guarantors, rights to enforce all Related Security and all other rights arising from the relevant Loan Documentation and the benefit of all applicable laws relating to, in each case, that Loan.

**Applicable Rate** means, in respect of a Loan at any time, the rate of interest (inclusive of any margin and any applicable Levy in force) applicable to that Loan at such time and whether determined by reference to a fixed or a floating rate basis.

**Appointee** means any attorney, manager, agent, delegate, nominee, custodian, receiver or other person appointed by the Trustee under the Trust Deed and/or the Deed of Charge.

**Arrangers** means Alpha Bank AE with registered office at 40 Stadiou Street, Athens, Greece, Morgan Stanley & Co. International plc, with registered office at 25 Cabot Square, Canary Wharf, London E14 4QA, United Kingdom and Deutsche Bank AG, London Branch, with registered office at Winchester House, 1 Great Winchester Street, London EC2N 2DB.

**Arrears** means, in respect of any Loan, any amount which is outstanding after being due and payable by the relevant Borrower for 30 days in accordance with the terms and conditions of the relevant Loan Documentation.

**Assignment Registration** means the registration of a Greek Transfer and Assignment Agreement with the Athens Pledge Registry in accordance with Article 10 of Law 3156.

**Athens Business Day** means a day on which the banks are open for business in Athens.

**Athens Pledge Registry** means the official pledge registry for the Athens area of the Hellenic Republic.

**Available Funds** means as at a Calculation Date, an amount equal to the aggregate of:

- (a) the Receipts standing to the credit of the Issuer Transaction Account at the opening of business on the Determination Date immediately prior to such Calculation Date and any other Receipts to be transferred to the Issuer Transaction Account prior to the Interest Payment Date that falls immediately after such Calculation Date (but excluding, for the avoidance of doubt amounts representing Levy deducted by the Servicer and paid to the Bank of Greece);
- (b) any Swap Income due to be paid to the Issuer under the Swap Agreement on or prior to the immediately succeeding Interest Payment Date;
- (c) any amounts standing to the credit of the Collection Account Additional Pool Ledger immediately following the end of the Revolving Period; and
- (d) any other amounts (if any) standing to the credit of the Issuer Bank Accounts (except amounts credited thereto by mistake), other than:
  - (i) any amounts credited to the Issuer Retained Profit Ledger, such amounts standing to the credit of the Issuer Retained Profit Ledger to be applied, first, to meet and/or to make appropriate provision for any corporation tax liability of the Issuer in the U.K., and thereafter retained by the Issuer as its profit unless distributed by way of dividend to Holdings;
  - (ii) any Swap Replacement Premium Amount;
  - (iii) any Excess Swap Collateral; and
  - (iv) any Swap Tax Credit Amounts,

without double-counting.

**Bank Account Agreement** means the bank account agreement to be entered into between the Issuer, the Cash Manager, the Issuer Account Bank and the Trustee on or about the Closing Date.

**Basic Terms Modification** has the meaning given to that term in Condition 11 and in paragraph 20(a) of Schedule 3 to the Trust Deed.

**Bilateral Bond** means a bond issued by a Borrower on a bilateral basis with the Seller which was fully underwritten and subscribed by the Seller under the terms set out in the relevant Bond Documents.

**Bond** means any bond complying with the Eligibility Criteria and represented by the relevant Bond Certificate, together with the relevant Related Security, selected from the total portfolio of the Seller and entered into by the Seller, on a bilateral or on a syndicated basis, with companies with registered office in

Greece under Law 3156. Unless the context otherwise requires, any reference to a Bond includes the relevant Related Security.

**Bond Certificate** means in respect of each Bond, the single or multiple bond certificate representing such Bond, without interest coupons attached, having the same or different maturities, which is held in bearer or registered form and is transferable by delivery or assignment and delivery, respectively, under the terms of the relevant Bond Documents.

**Bond Certificates Account** means the custody account held by the Servicer where the Bond Certificates representing the Purchased Bonds are deposited pursuant to the Servicing Agreement.

**Borrower** means, in relation to a Loan, the company with registered office in Greece, which has the primary obligation to repay that Loan (or any part of it) and who is specified as such in the relevant Loan Documentation.

**Business Day** means an Athens Business Day, a London Business Day and a TARGET2 Business Day.

**Calculation Date** means the date falling two days (other than a Saturday or Sunday) before each Interest Payment Date, on which banks are open for business in London and Athens, and on which calculations are made for an Interest Period ending on the immediately succeeding Interest Payment Date by reference to the determinations made on the immediately preceding Determination Date.

**Cash Management Agreement** means the cash management agreement to be entered into between the Issuer, the Cash Manager and the Trustee on or about the Closing Date.

**Cash Manager** means Citibank, N.A., London Branch, acting through its specified office at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, in its capacity as cash manager under the Cash Management Agreement.

**Charged Property** means the whole of the right, title, interest and benefit of the Issuer in the property, assets and rights of the Issuer charged by or pursuant to the Deed of Charge, the Greek Pledge Agreement or by operation of Law 3156 and which is summarised in Condition 2(a). For the avoidance of doubt, Charged Property includes the Purchased Loans, the Issuer's interest in the relevant Related Security and to any other assets of the Issuer then in existence.

**Class A Note Redemption Amount** means on any Calculation Date, an amount equal to:

- (a) in respect of an Interest Payment Date falling in the Revolving Period, zero; and
- (b) in respect of an Interest Payment Date falling in the Amortisation Period, the lesser of:
  - (i) the Principal Amortisation Amount; and
  - (ii) the then Principal Amount Outstanding of the Class A Notes.

**Class A Noteholders** means the several persons who are for the time being holders of the Class A Notes (being, if and to the extent that the Class A Notes are represented by the Definitive Class A Notes, the bearers thereof and, if and to the extent that the Class A Notes are represented by the Temporary Class A Global Note and/or the Permanent Class A Global Note, the persons for the time being shown in the records of Euroclear and Clearstream, Luxembourg (other than Clearstream, Luxembourg if Clearstream, Luxembourg shall be an account holder at Euroclear and other than Euroclear if Euroclear shall be an account holder at Clearstream, Luxembourg) as being holders of the Class A Notes, in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the principal amount of Class A Notes standing to the account of any person shall be conclusive and binding for all purposes of the

Trust Deed and the Conditions (other than for the purposes of payments in respect thereof the right to which shall be vested, as against the Issuer and the Trustee, solely in the bearer of the Temporary Class A Global Note and/or the Permanent Class A Global Note in accordance with and subject to their respective terms and the terms of the Trust Deed)) and the words holder and holders in relation to the Class A Notes and related expressions shall be construed accordingly.

**Class A Notes** means the €1,623,000,000 Class A Asset Backed Floating Rate Notes due in January 2035 constituted by the Trust Deed or the principal amount thereof for the time being outstanding or, as the context may require, a specific number thereof and includes any replacements for such Notes issued pursuant to Condition 13, the Temporary Class A Global Note (or part thereof) (except for the purposes of Clause 4 of the Trust Deed) and the Permanent Class A Global Note (or part thereof) (except for the purposes of Clause 4 of the Trust Deed) and references to the Class A Notes shall, except where the context otherwise requires, include the Conditions.

**Class B Note Redemption Amount** means on any Calculation Date an amount equal to:

- (a) in respect of an Interest Payment Date falling in the Revolving Period, zero; and
- (b) in respect of an Interest Payment Date falling in the Amortisation Period, the lesser of:
  - (i) the Principal Amortisation Amount less any amounts repayable on the Class A Notes on the next following Interest Payment Date; and
  - (ii) the then Principal Amount Outstanding of the Class B Notes.

**Class B Noteholders** means the several persons who are for the time being holders of the Class B Notes (being, if and to the extent that the Class B Notes are represented by the Definitive Class B Notes, the bearers thereof and, if and to the extent that the Class B Notes are represented by the Temporary Class B Global Note and/or the Permanent Class B Global Note, the persons for the time being shown in the records of Euroclear and Clearstream, Luxembourg (other than Clearstream, Luxembourg if Clearstream, Luxembourg shall be an account holder at Euroclear and other than Euroclear if Euroclear shall be an account holder at Clearstream, Luxembourg) as being holders of the Class B Notes in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the principal amount of Class B Notes standing to the account of any person shall be conclusive and binding for all purposes of the Trust Deed and the Conditions (other than for the purposes of payments in respect thereof the right to which shall be vested, as against the Issuer and the Trustee, solely in the bearer of the Temporary Class B Global Note and/or the Permanent Class B Global Note in accordance with and subject to their respective terms and the terms of the Trust Deed)) and the words holder and holders in relation to the Class B Notes and related expressions shall be construed accordingly.

**Class B Notes** means the €1,669,000,000 Class B Asset Backed Floating Rate Notes due January 2035 constituted by the Trust Deed or the principal amount thereof for the time being outstanding or, as the context may require, a specific number thereof and includes any replacements for such Notes issued pursuant to Condition 13, the Temporary Class B Global Note (or part thereof) (except for the purposes of Clause 4 of the Trust Deed) and the Permanent Class B Global Note (or part thereof) (except for the purposes of Clause 4 of the Trust Deed) and references to the Class B Notes shall, except where the context otherwise requires, include the Conditions.

**Clearstream, Luxembourg** means Clearstream Banking, *société anonyme*.

**Closing Date** means 20 May 2009 or such later date as may be agreed between the Issuer, the Arranger and the Trustee.



**Collection Account Additional Pool Ledger** means the ledger established and maintained by or on behalf of the Issuer relating to the Collection Account in order to record the amounts received as Additional Pool Reserve Funds.

**Collection Account Agreement** means any collection account agreement entered into between the Issuer, the Trustee and the Greek Account Bank in respect of any Collection Account at the relevant time.

**Collection Account Income** means interest accrued, if any, on Collections standing to the credit of the Collection Account.

**Collection Account** means the bank account opened by the Servicer in the name of the Issuer to be designated as the collection account under Article 10(15) of Law 3156 pursuant to the Collection Account Agreement.

**Collection Date** means 1 January and 1 July in each year.

**Collection Period End Date** means in respect of a Collection Period, the Collection Date on which such period ends.

**Collection Period** means each period commencing on (and including) a Collection Date and ending on (but excluding) the next succeeding Collection Date, provided that the first Collection Period shall commence on (and including) the Closing Date and end on (but excluding) 1 January 2010.

**Collections** means all amounts (including, without limitation, interest, principal, fees (including any related break costs), charges and penalties, in each case, which relates to the Purchased Loans and amounts representing interest accrued on the Purchased Loans prior to the relevant Transfer Date which form part of the Portfolio purchased by the Issuer) received in accordance with the Servicing Agreement and credited or to be credited to the Collection Account.

**Common Safekeeper** means Euroclear or any successor common safekeeper for Euroclear and Clearstream, Luxembourg.

**Conditions** means the terms and conditions applicable to the Notes in the form set out in Part 2 of Schedule 2 to the Trust Deed as any of the same may be altered in accordance with the provisions of the Trust Deed, and reference to a particular numbered Condition shall be construed as a reference to such Condition.

**Deed of Charge** means the deed of charge dated on or prior to the Closing Date and made between, among others, the Issuer and the Trustee for the benefit of the Trustee, the Noteholders and all of the Other Secured Parties.

**Defaulted Loan** means a Purchased Loan which is 90 days in Arrears, or which has been referred to the Servicer's non-performing loans division, whichever occurs earlier.

**Deferred Consideration** means the amount payable by the Issuer to the Seller by way of deferred purchase price for the purchase of the Initial Pool or each Additional Pool, as applicable, equal to the Available Funds held by the Issuer following the payment of, or provision for, the amounts referred to in paragraphs (i) to (xvi) (inclusive) of the Priority of Payments or the amounts referred to in paragraphs (i) to (ix) (inclusive) of the Post-Enforcement Priority of Payments, as appropriate.

**Definitive Class A Notes** means the definitive notes representing the Class A Notes to be issued in accordance with Clause 4 of the Trust Deed in substantially the form set out in Part 1 of Schedule 2 to the Trust Deed.

**Definitive Class B Notes** means the definitive notes representing the Class B Notes to be issued in accordance with Clause 4 of the Trust Deed in substantially the form set out in Part 1 of Schedule 2 to the Trust Deed.

**Definitive Notes** means the Definitive Class A Notes and the Definitive Class B Notes.

**Determination Date** means three Business Days after each Servicer Report Distribution Date, on which banks are open for business in London, and on which calculations are made for an Interest Period ending on the immediately succeeding Interest Payment Date by reference to the determinations made on the immediately preceding Collection Period End Date.

**Downgrading Event** means in respect of an entity, such entity ceasing to be rated at any time at least P-1 by Moody's or such other rating as Moody's confirm will not result in a reduction or withdrawal of the then current rating of the Notes.

**Eligibility Criteria** means the Individual Eligibility Criteria and the Pool Eligibility Criteria, as set out in Schedule 2 to the Master Transfer Agreement.

**Eligible Bank** means a bank the short term rating of which is not less than P-1 by Moody's and the long term ratings of which is not less than A3 by Moody's or, in each case, such lower rating as complies with Moody's counterparty rating criteria from time to time.

**Enforcement Procedures** means the Servicer's customary and usual servicing procedures for enforcing loans and their related security that are comparable to the Purchased Loans and their Related Security in accordance with its policies and procedures relating to its loan business.

**EURIBOR** means the Eurozone Interbank Offered Rate.

**Euroclear** means Euroclear Bank S.A./N.V. or the successor for the time being to such business.

**Eurozone** means the region comprised of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended.

**Event of Default** means each of the events set out in Condition 9.

**Expected Amortisation Amount** means, in relation to each Calculation Date during the Amortisation Period, the aggregate Principal Amount Outstanding of all Notes less the Principal Outstanding Balance of the Performing Loans, in each case as at such Calculation Date.

**Extraordinary Resolution** has the meaning given to that term in paragraph 20(b) of Schedule 3 to the Trust Deed and Condition 11(a)(i).

**Final Maturity Date** means the Interest Payment Date falling in January 2035.

**Financing Criteria** means the financing criteria of the Seller attached to set out Schedule 8 of the Master Transfer Agreement and set out in the section of the Prospectus headed *Financing Criteria*.

**Flexible Option Variation** means a variation permitting a Borrower to defer payment of one Instalment Amounts in any calendar year with a maximum of one deferral over the life of the Loan.

**Global Notes** means the Temporary Global Notes together with the Permanent Global Notes or any of them, as the context may require.

**Greek Account Bank Agreements** means the Collection Account Bank and the Reserve Account Agreement.

**Greek Account Bank** means:

- (a) for so long as it is Servicer, Alpha Bank; and
- (b) thereafter, any Eligible Bank designated as such by the Issuer and approved by the Trustee.

**Greek Bankruptcy Law** means Greek Law 3588/2007, as amended and supplemented from time to time.

**Greek Bondholders' Representative** means in respect of each Bond, Alpha Bank or any other entity acting as bondholders' representative under the terms of the relevant Bond Documents.

**Greek Civil Code** means Presidential Decree 456/1984, as currently in force.

**Greek Paying Agent** means in respect of each Bond, Alpha Bank or any other entity acting as paying agent in respect of the payments to be made by the Borrower under the relevant Bond Documents.

**Greek Pledge Agreement** means the pledge agreement dated on or prior to the Closing Date and made between, among others, the Issuer and the Trustee for the benefit of the Trustee, the Noteholders and all of the Other Secured Parties.

**Greek Programme Agreement** means any Greek law governed programme agreement entered into by the Seller and a Borrower, under which the Seller has underwritten and subscribed, on a bilateral or on a syndicated basis, the Bond issued by such Borrower.

**Greek Transfer and Assignment Agreement** means the Initial Greek Transfer and Assignment Agreement and any Additional Greek Transfer and Assignment Agreement.

**Guarantee** means, in relation to a Loan, any agreement whereby the Guarantor guarantees the payments of a Borrower pursuant to that Loan.

**Guarantor** means, in relation to a Loan, the individuals or entities assuming an obligation to guarantee repayment of such Loan or providing any Security Interests securing any payment obligation under that Loan.

**Holdco Corporate Services Agreement** means the corporate services agreement to be entered into between Holdco, the Issuer, the Holdco Corporate Services Provider and the Trustee, dated on or prior to the Closing Date.

**Holdco Corporate Services Provider** means Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH, United Kingdom (registered number 02548079) in its capacity as corporate services provider under the under the Holdco Corporate Services Agreement.

**Holdco** means Epihiro Holdings Limited, (registered number 6841976) the registered office of which is at c/o Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH, United Kingdom.

**Hurdle Moody's Metric** means, in respect of the Class A Notes, 0.32.

**IBA Income** means, in respect of a Collection Period, the aggregate of the interest received from time to time on the balances on the Issuer Bank Accounts during such Collection Period on or before the Servicer Report Distribution Date immediately following such Collection Period.

**Income Receipts** means the aggregate of:

- (a) Loan Income Receipts in respect of a Collection Period;
- (b) IBA Income in respect of a Collection Period; and
- (c) Collection Account Income in respect of a Collection Period,

in each case for the Interest Period corresponding to such Collection Period and ending on the immediately succeeding Interest Payment Date, without double-counting.

**Individual Eligibility Criteria** means the individual eligibility criteria set out in Schedule 2, Part I, to the Master Transfer Agreement.

**Initial Greek Transfer and Assignment Agreement** means the Greek Transfer and Assignment Agreement which shall be entered into between the Seller and the Issuer on the Closing Date in order to transfer the Initial Pool to the Issuer.

**Initial Pool** means the pool of Bonds purchased by the Issuer from the Seller on the Closing Date pursuant to the Master Transfer Agreement, details of which are set out in Annex I to the Initial Greek Transfer and Assignment Agreement.

**Initial Purchase Price** means in respect of the Initial Pool, the purchase price payable by the Issuer to the Seller in respect of such Pool under the Master Transfer Agreement, such amount being equal to:

- (a) the principal amount outstanding by the relevant Borrower in respect of each Bond comprised in such Pool as of the Closing Date;
- (b) any interest, disbursement, legal expense, fee, charge, service charge, premium or payment which has been properly capitalised in accordance with the relevant Bond Documents or with the relevant Borrower's consent (including capitalised interest) as of the Closing Date; and
- (c) other amount (including, for the avoidance of doubt, accrued interest and arrears of interest) which is due or accrued (whether or not due) and which has not been paid by the relevant Borrower and has not been capitalised in accordance with the relevant Bond Documents.

**Instalment Amount** means, in respect of a Loan, the amount which, under the terms of the relevant Loan Documentation, the relevant Borrower is obliged to pay to the lender on each payment date specified therein.

**Insurance Proceeds Right** means the right to receive monies as sole loss payee under an insurance policy in respect of a Property.

**Interest Determination Date** has the meaning given to that term in Condition 4(c)(v)(B).

**Interest Payment Date** means each day falling on 20 January and 20 July in each year.

**Interest Period** has the meaning given to that term in Condition 4(b).

**Irish Stock Exchange** means the Irish Stock Exchange.

**Issuer Account Bank** means Citibank N.A., London Branch acting through its specified office at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.

**Issuer Bank Accounts** means each of the Issuer Transaction Account and the Reserve Account.

**Issuer Corporate Services Agreement** means the corporate services agreement to be entered into between the Issuer, Holdco, the Issuer Corporate Services Provider and the Trustee, dated on or prior to the Closing Date.

**Issuer Corporate Services Provider** means Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH, United Kingdom (registered number 02548079) in its capacity as corporate services provider under the Issuer Corporate Services Agreement.

**Issuer** means Epihiro plc (registered number 6841918) the registered office of which is at c/o Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH, United Kingdom.

**Issuer Put Option Event** means in respect of any Purchased Bond which is a Syndicated Bond, the occurrence of the following circumstances:

- (a) a bondholders' meeting in respect of such Syndicated Bond was held by the bondholders in accordance with the Bond Documents in order to resolve on:
  - (i) any amendment or supplement to, or novation of, the terms and conditions of such Syndicated Bond and/or the relevant Bond Documents; and/or
  - (ii) the exercise of any rights (including enforcement rights, waivers, granting of any grace period, etc.) and/or the determination of any other course of action to take in respect of the relevant Obligors, under the Bond Documents; and
- (b) (i) a resolution passed by such bondholders' meeting was adopted without the Issuer, or the Servicer on its behalf, having cast a vote in favour of the determination expressed in such resolution; or (ii) the Issuer, or the Servicer on its behalf, has cast a vote in favour of a resolution which was not passed by such bondholders' meeting.

**Issuer Put Option Exercise Notice** has the meaning ascribed to it in Clause 12.2 of the Master Transfer Agreement.

**Issuer Put Option** means the option granted by the Seller to the Issuer to sell any Purchased Bond which is a Syndicated Bond comprised in the Portfolio under the terms and subject to the conditions set out in Clause 12.1 of the Master Transfer Agreement.

**Issuer Put Option Price** has the meaning ascribed to it in Clause 12.3 of the Master Transfer Agreement.

**Issuer Retained Profit Ledger** has the meaning given to it in Schedule 2 of the Cash Management Agreement.

**Issuer Retained Profit** has the same meaning as given to that term in Schedule 2 of the Cash Management Agreement.

**Issuer Transaction Account** means the designated bank account opened and maintained by the Issuer with the Issuer Account Bank in London, under the Bank Account Agreement or such other account as may be designated as such by the Issuer, the Cash Manager and the Trustee.

**Land Registry** means the official real property registration office or offices of either the Mortgage Office (*Ypothikofilakio*) and/or the Cadastre (*Ktimatologio*) as applicable for each separate area of the Hellenic Republic.

**Law 3156** means law 3156/2003 of the Hellenic Republic (published in Government Gazette issue no. 157/A/25.06.03) as it may be amended or re-enacted from time to time.

**Loan** means any Bond or Term Loan.

**Loan Documentation** means, in respect of a Loan, (a) the agreements (however constituted) for each Loan between the Seller and the relevant Obligor and any other documents relating to or evidencing that Loan, including, as regards Bonds, the relevant Greek Programme Agreement and the relevant Bond Certificate and (b) all documents relating to or evidencing the Related Security for that Loan.

**Loan Income Receipts** means in respect of a Collection Period, the aggregate of payments of interest (which, for the avoidance of doubt, includes amounts representing the Levy) and other fees received from the Obligors under the Purchased Loans, including all amounts of collections and recoveries in respect of Defaulted Loans until the relevant Collection Period End Date.

**Loan Warranties** means the representations and warranties set out in Schedule 1 to the Master Transfer Agreement.

**Master Definitions Schedule** means the master definitions schedule signed for identification by, among others, the Issuer and the Trustee on or prior to the Closing Date.

**Master Transfer Agreement** means the master transfer agreement between the Issuer, the Seller and the Trustee dated on or prior to the Closing Date.

**Maximum Portfolio Notional Amount** means on any date:

- (a) the current Principal Outstanding Balance of the Purchased Loans, plus
- (b) any Principal Receipts.

**Moody's CDOROM Condition** means, on any Transfer Date, a condition that is satisfied for the Notes if the Moody's Metric on such Transfer Date and as determined by the Cash Manager using the Moody's CDOROM, is less than or equal to the Hurdle Moody's Metric.

**Moody's CDOROM** means a dynamic, analytical computer programme developed by Moody's and used to determine the expected loss in respect of the Notes by Moody's on or before the Closing Date, as updated by Moody's from time to time, details of which are set out in Schedule 10 of the Master Transfer Agreement.

**Moody's Metric** means, on any date of determination, a numerical equivalent of a rating deduced from the expected loss, determined by the Cash Manager using Moody's CDOROM on such date.

**Moody's** means Moody's Investors Service Limited.

**Mortgage** means a mortgage under Articles 1257 et seq. of the Greek Civil Code granted in respect of a Property.

**Mortgagor** means a Borrower or a Guarantor or any other third person, as the case may be, being the grantor of a Mortgage or a Pre-Notation.

**Most Senior Class of Notes** means:

- (a) the Class A Notes; or
- (b) if no Class A Notes are then outstanding (as defined in the Master Definitions Schedule), the Class B Notes (if, at any time, any Class B Notes are then outstanding).

**Note Euribor** means EURIBOR for six month deposits (save in the case of the payment due on the first Interest Payment Date in respect of which it will be determined by reference to the linear interpolation of seven-month and eight-month EURIBOR).

**Note Redemption Amount** means the Class A Note Redemption Amount and the Class B Note Redemption Amount or any one or more of them, as the context may require.

**Noteholders** means the Class A Noteholders and the Class B Noteholders.

**Notes** means, as the context so requires, the Class A Notes and/or the Class B Notes.

**Obligor** means a Borrower and/or a Guarantor.

**Official Rate** means, at any time, the official default interest rate applied by the Greek courts in respect of amounts which have been adjudged to be due to successful litigants.

**Optional Redemption Date** means any Interest Payment Date on which the Issuer redeems the Notes pursuant to Condition 6(c) or 6(d).

**Other Rights** means, for the purposes of Paragraph 6 of Article 10 of Law 3156, other rights which, though not being accessory rights within the meaning of article 458 of the Greek Civil Code, are nevertheless connected with a Loan, and includes, without limitation, the Insurance Proceeds Rights.

**Other Secured Creditors** or **Other Secured Parties** means the Trustee, any Appointee thereof and any Receiver, the Servicer, the Seller, the Issuer Corporate Services Provider, the Swap Provider, the Issuer Account Bank, the Cash Manager, the Principal Paying Agent, the Agent Bank, the Subordinated Loan Provider and any other paying agent appointed under the Agency Agreement.

**Paying Agents** means the Principal Paying Agent and any other paying agent appointed under the Agency Agreement.

**Performance Event** means any of (i) a failure, refusal or inability by the Seller to perform or comply with, for whatever reason, any of its indemnity obligations under the Master Transfer Agreement, for a period in excess of five Business Days or (ii) the occurrence of certain insolvency events in respect of Alpha Bank.

**Performing Loans** means the Purchased Loans in the Portfolio that are not, and have not at any point, been classified as Defaulted Loans.

**Permanent Class A Global Note** means the permanent global note representing the Class A Notes to be issued pursuant to Clause 4 of the Trust Deed substantially in the form set out in Part 2 of Schedule 1 to the Trust Deed.

**Permanent Class B Global Note** means the permanent global note representing the Class B Notes to be issued pursuant to Clause 4 of the Trust Deed substantially in the form set out in Part 2 of Schedule 1 to the Trust Deed.

**Permanent Global Notes** means the Permanent Class A Global Note and the Permanent Class B Global Note.

**Permitted Variation** means, in respect of a Purchased Loan, a change to the terms and conditions of that Purchased Loan which (i) does not cause the Purchased Loan to cease to comply with the Eligibility Criteria, (ii) would not cause any of the Warranties (as set out in the Master Transfer Agreement) to be untrue if given on the effective date of the relevant variation, (iii) would not result in the release of the relevant Related

Security, (iv) would not result in the decrease of the Principal Outstanding Balance of such Loan, (v) would be made by a Prudent Lender and, (vi) which is a Flexible Option Variation.

**Pool** means each of the Initial Pool and any Additional Pool.

**Pool Eligibility Criteria** means the pool eligibility criteria set out in Schedule 2 to the Master Transfer Agreement.

**Portfolio** means the Initial Pool as updated from time to time to reflect the addition of an Additional Pool or Replacement Loans and the removal of any Retired Loans or any Loans repurchased by the Seller from the Issuer pursuant to the Seller Call Option or the Seller Defaulted Loan Call Option.

**Portfolio Notional Amount** means the principal balance of the Initial Pool as of the Closing Date.

**Post-Enforcement Priority of Payments** means the order of priority of payments set out in Clause 6.2 of the Deed of Charge.

**Potential Event of Default** means an event which would be (with the expiry of a grace period, the lapse of time, the giving of notice, certification, declaration or demand or the making of a determination and/or the fulfilment of any similar condition) an Event of Default.

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

**Presentation Date** has the meaning given to that term in Condition 5(d).

**Principal Amortisation Amount** means, in respect of an Interest Payment Date, the lower of:

- (a) the Available Funds relating to such Interest Payment Date, minus:
  - (i) for so long as any Class A Notes are outstanding, all amounts falling due and payable under item (i) to (vii) (inclusive) of the Priority of Payments on such Interest Payment Date; or
  - (ii) to the extent that the Class A Notes have been redeemed in full or would be redeemed in full on such Interest Payment Date, all amounts falling due and payable under items (i) to (xi) (inclusive) of the Priority of Payments on such Interest Payment Date; and
- (b) the greater of (i) zero and (ii) the Expected Amortisation Amount,

provided that if this calculation gives a negative number, the Principal Amortisation Amount shall be zero.

**Principal Amount Outstanding of Notes** means in respect of any Note of each Class at any time the principal amount thereof as at the Closing Date as reduced by any payment of principal to the holder of the Note up to (and including) that time.

**Principal Outstanding Balance** means, at any time in relation to a Loan, the principal amount outstanding of such Loan at such time (i) including any expense, charge, fee, premium or payment (excluding accrued interest) capitalised and added to the principal amount outstanding in respect of such Loan in accordance with the relevant Loan Documentation but (ii) excluding accrued interest (other than any accrued interest that has been capitalised and added to the principal balance of the Loan).

**Principal Paying Agent** means Citibank N.A., London Branch, acting through its specified office at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, in its capacity as principal paying agent under the Agency Agreement.



**Principal Receipts** means any amounts of principal in respect of the Purchased Loans.

**Priority of Payments** means the priority of payment set out in Schedule 2 to the Cash Management Agreement.

**Property** means, in respect of a Loan, the property or properties securing such Loan and which is, under the terms of the relevant Loan Documentation to be subject to a Mortgage or a Pre-Notation in favour of the Seller.

**Prospectus** means the prospectus of the Issuer dated 20 May 2009 comprising a prospectus with regard to the Issuer and the Notes for the purposes of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (the **Prospectus Directive**).

**Prudent Lender** means a prudent lender underwriting and subscribing bond loans issued by Greek companies secured by Related Security or underwriting and originating loans issued to Greek companies secured by Related Security.

**Purchased Bonds** means Bonds which shall be purchased from time to time by the Issuer pursuant to the Greek Transfer and Assignment Agreements.

**Purchased Loans** means Purchased Bonds and Purchased Term Loans.

**Purchased Term Loans** means Term Loans which shall be purchased from time to time by the Issuer pursuant to the Greek Transfer and Assignment Agreements.

**Purchaser** means Alpha Bank.

**Rate of Interest** has the meaning given to that term in Condition 4(c).

**Rating** means the then current rating of each class of Notes given by the relevant Rating Agency and **Ratings** means all of such Ratings.

**Rating Agency** means Moody's.

**Receiver** means any person appointed as such pursuant to the Deed of Charge.

**Reference Banks** has the meaning given to that term in Condition 4(c)(v)(F).

**Regulatory Event** means the occurrence of the event set out in Condition 6(d).

**Related Security** means all the related security securing payments of any present and future obligations under the Loans pursuant to the relevant Loan Documentation (including Guarantees, pledges of all types, assignment of receivables by way of security, Mortgages, Pre-Notations, rights under any insurance arrangements by which the Loans are insured and any other Ancillary Rights).

**Relevant Date** has, in relation to the Notes, the meaning given to that term in Condition 7.

**Relevant Margin** means has the meaning ascribed to it in Condition 4.

**Replacement Bond** means each Bond to be sold by the Seller to the Issuer after the Closing Date under Clause 10.7 of the Master Transfer Agreement.

**Replacement Loan** means any Replacement Term Loan or Replacement Bond.

**Replacement Term Loan** means any Term Loan to be sold by the Seller to the Issuer after the Closing Date in accordance with the Master Transfer Agreement.

**Repurchase Date** means the date on which:

- (a) a Retired Loan or Retired Loans are to be repurchased by the Seller from the Issuer; or
- (b) a Defaulted Loan or Defaulted Loans are to be repurchased by the Seller from the Issuer pursuant to the Seller Defaulted Loan Call Option,

in accordance with the terms of the Master Transfer Agreement.

**Required Reserve Fund Amount** means €65,840,000.

**Reserve Account Agreement** means the bank account agreement to be entered into between the Issuer, the Greek Account Bank, the Trustee and the Cash Manager on or about the Closing Date pursuant to which the Greek Account Bank will open and maintain the Reserve Account.

**Reserve Account Balance** means the credit balance (if any) from time to time of the Reserve Account.

**Reserve Account** means the designated bank account opened by the Issuer on or about the Closing Date with the Greek Account Bank under the Reserve Account Agreement.

**Retired Bond** has the meaning given to that term in Clause 9.7 of the Master Transfer Agreement.

**Retired Loan** means any Retired Term Loan or Retired Bond.

**Retired Term Loan** has the meaning given to that term in Clause 9.7 of the Master Transfer Agreement.

**Revolving Period** means the period from (and including) the Closing Date to (but excluding) the date on which the Amortisation Period commences.

**Secured Liabilities** means the aggregate of all moneys and other liabilities, whether actual or contingent, from time to time due or owing by the Issuer to the Secured Parties under the Transaction Documents.

**Secured Parties** means the Noteholders, the Other Secured Creditors, and any other party so designated by the Issuer and the Trustee.

**Securities Act** means the United States Securities Act of 1933, as amended.

**Security Interest** means any mortgage, mortgage pre-notation, pledge (including any pledge operating by law), lien, charge, assignment, hypothecation or security interest or other agreement or arrangement having the effect of conferring security.

**Security** means the security created pursuant to Clause 3 (Security and Declaration of Trust) of the Deed of Charge, the Greek Pledge Agreement and the security created by operation of law pursuant to Paragraph 18, Article 10 of Law 3156.

**Seller Call Option Date** has the meaning ascribed to it in Clause 11.1 of the Master Transfer Agreement.

**Seller Call Option** means the option granted by the Issuer to the Seller to purchase the Purchased Loans comprised in the Portfolio pursuant to Clause 11 of the Master Transfer Agreement.

**Seller Call Option Price** means the price which shall be paid by the Seller to the Issuer if the Seller will exercise the Seller Call Option pursuant to Clause 11 of the Master Transfer Agreement.

**Seller Defaulted Loan Call Option** means the option granted by the Issuer to the Seller to purchase the Purchased Loans comprised in the Portfolio which have become Defaulted Loans pursuant to Clause 11.8 of the Master Transfer Agreement.

**Seller Defaulted Loan Call Option Price** means the price which shall be paid by the Seller to the Issuer if the Seller will exercise a Seller Defaulted Loan Call Option in respect of one or more Defaulted Loan(s) pursuant to Clause 11.10 of the Master Transfer Agreement.

**Seller** means Alpha Bank in its capacity as originator of the Loans.

**Servicer Report Distribution Date** means 17 January and 17 July of each year, or if such a day is a Saturday or a Sunday, or is not an Athens Business Day, then on the immediately succeeding Athens Business Day, when the Servicer will distribute the Servicer Report.

**Servicer Report** means a report to be prepared by the Servicer in accordance with Clause 10.2 of the Servicing Agreement substantially in the form of Schedule 3 to the Servicing Agreement or in such other form as may be agreed, from time to time, between the Servicer, the Issuer, the Cash Manager, the Trustee and the Swap Provider and consistent with the criteria of the Rating Agency.

**Servicer** means Alpha Bank in its capacity as servicer under the Servicing Agreement.

**Servicing Agreement** means the Servicing Agreement entered into between the Issuer, the Trustee and the Servicer on or prior to the Closing Date.

**Servicing Guidelines** means Alpha Bank's guidelines in respect of its corporate portfolio.

**Start-Up Expenses** means the initial expenses of the Issuer in connection with the purchase of the Initial Pool and the issue of the Notes (including, but not limited to, the fees payable to the Arranger and the fees and commissions payable to the Trustee, the Rating Agency, the Corporate Services Provider and legal counsel of the Arranger and the Trustee).

**Subordinated Expenses Loan Agreement** means the subordinated expenses loan agreement entered into between the Subordinated Loan Provider, the Trustee and the Issuer.

**Subordinated Expenses Loan** means the subordinated expenses loan made by the Subordinated Loan Provider to the Issuer pursuant to the Subordinated Expenses Loan Agreement.

**Subordinated Loan Agreements** means each of the Subordinated Expenses Loan Agreement and the Subordinated Reserve Loan Agreement.

**Subordinated Loan** means each of the Subordinated Expenses Loan and the Subordinated Reserve Loan.

**Subordinated Loan Provider** means Alpha Bank in its capacity as lender under the Subordinated Loan Agreements.

**Subordinated Reserve Loan Agreement** means the subordinated reserve loan agreement entered into between the Subordinated Loan Provider and the Issuer.

**Subordinated Reserve Loan** means the subordinated reserve loan made by the Subordinated Loan Provider to the Issuer pursuant to the Subordinated Reserve Loan Agreement.

**Subscription Agreement** means the subscription agreement in respect of the Notes dated on or about the Closing Date and made between the Issuer, Alpha Bank as Purchaser and the Arrangers.

**Swap Agreement** means the 1992 ISDA Master Agreement (Multicurrency-Cross Border) to be entered into between the Issuer, the Swap Provider and the Trustee dated on or prior to the Closing Date as amended and supplemented from time to time by each of the confirmations evidencing the Swap Transaction entered into thereunder.

**Swap Agreement Termination Event** means the occurrence of an Event of Default (as defined in the Swap Agreement) in accordance with the terms of the Swap Agreement.

**Swap Collateral** means any collateral provided by the Swap Provider under the Swap Agreement that is not applied in accordance with the terms of such Swap Agreement following an event of default thereunder.

**Swap Income** means, on any Determination Date and in respect of an Interest Period, any net amount to be received by the Issuer from the Swap Provider under the Swap Agreement (which net amount excludes (a) any collateral provided by the Swap Provider under the Swap Agreement other than collateral amounts applied in satisfaction of termination payments due to the Issuer following the designation of an early termination date under the Swap Agreement by way of netting and (b) any premium paid by a replacement Swap Provider when entering into a replacement swap with the Issuer but only to the extent of the amount of such premium applied to make a termination payment to the previous Swap Provider) during the Interest Period ending immediately following such Determination Date.

**Swap Priority Amounts** means the Excess Swap Collateral, the Swap Tax Credit Amounts and the Swap Replacement Premium Amount.

**Swap Provider Ratings Downgrade** means the downgrading of the relevant ratings of the Swap Provider by a Rating Agency below the ratings specified in the Swap Agreement (in accordance with the criteria of the Rating Agency) for the Swap Provider and, as a result of the downgrade, the then current ratings of the Notes would or may, if applicable, be adversely affected.

**Swap Provider** means Alpha Bank acting through its office at 40 Stadiou Street GR-102 52 Athens, Greece in its capacity as swap counterparty to the Issuer under the Swap Agreement.

**Swap Replacement Premium Amount** means any premium received by the Issuer from a replacement swap provider, in the event of termination of the Swap Agreement between the Issuer and the Swap Provider, to the extent of such amount that is due as a termination payment to the Swap Provider whose Swap Agreement has terminated.

**Swap Transaction** means a Euro interest rate swap transaction as evidenced by a confirmation thereto.

**Syndicated Bond** means, in respect of a bond issued by a Borrower on a syndicated basis between the Seller and other companies and/or financial institutions, the participation thereof which was underwritten and subscribed by the Seller under the terms set out in relevant Bond Documents.

**TARGET2 Business Day** means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System settles payments in Euro.

**Tax Event** means the occurrence of the event set out in Condition 6(c).

**Tax or Taxes** means all present and future taxes, levies, imposts, duties, fees, charges, withholdings or deductions of whatever nature and wherever levied, charged or assessed, together with any interest thereon and any penalties in respect thereof.

**Taxes Act** means the Income and Corporation Taxes Act 1988.

**Temporary Class A Global Note** means the temporary global note representing the Class A Notes to be issued pursuant to Clause 4 of the Trust Deed in substantially the form set out in Part 1 of Schedule 1 to the Trust Deed.

**Temporary Class B Global Note** means the temporary global note representing the Class B Notes to be issued pursuant to Clause 4 of the Trust Deed in substantially the form set out in Part 1 of Schedule 1 to the Trust Deed.

**Temporary Global Notes** means the Temporary Class A Global Note and the Temporary Class B Global Note.

**Termination Event** means the occurrence of any of the events listed in Schedule 9 to the Master Transfer Agreement.

**Transaction Documents** means:

- (a) the Trust Deed (including the Notes of each Class and the Conditions);
- (b) the Deed of Charge;
- (c) the Agency Agreement;
- (d) the Subscription Agreement;
- (e) the Master Transfer Agreement and each Greek Transfer and Assignment Agreement;
- (f) the Servicing Agreement;
- (g) the Collection Account Agreement;
- (h) the Issuer Corporate Services Agreement;
- (i) the Holdco Corporate Services Agreement;
- (j) the Subordinated Loan Agreements;
- (k) the Bank Account Agreement;
- (l) the Reserve Account Agreement;
- (m) the Swap Agreement;
- (n) the Cash Management Agreement;
- (o) the Greek Pledge Agreement;
- (p) the Master Definitions Schedule; and
- (q) any other document designated as such by the Issuer and the Trustee.

**Transfer Business Day** means any day on which the Servicer is open for business in Athens and banks are generally open for business in London.

**Transfer Date** means, in respect of a Pool, the date of execution of the relevant Greek Transfer and Assignment Agreement, provided that in respect of the Initial Pool, the Closing Date will be the relevant Transfer Date.

**Trust Corporation** means a corporation entitled by rules made under the Public Trustee Act 1906 or entitled pursuant to any other comparable legislation applicable to a trustee in any other jurisdiction to carry out the functions of a custodian trustee.

**Trust Deed** means the trust deed constituting the Notes between the Issuer and the Trustee dated on or prior to the Closing Date.

**Trustee Acts** means the Trustee Act 1925 and the Trustee Act 2000.

**Trustee** means Citicorp Trustee Company Limited, whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, in its capacity as trustee under the Trust Deed and the Deed of Charge, which expression includes its successors as trustee or any further or other trustee(s) under the Trust Deed as trustee(s) for the Noteholders and as security trustee under the Deed of Charge.

**UK/Greece Double Tax Treaty** means a convention concluded on 25 June 1953 between the Government of the United Kingdom and the Government of Greece for the avoidance of double taxation and the prevention of fiscal evasion with respect of taxes on income, as amended.

**Value Added Tax** means the Tax charged pursuant to the Value Added Tax Act 1994 or the equivalent Tax charged outside the U.K.

**VAT** means Value Added Tax.

**Voting certificate** shall have the meaning given to that term in Schedule 3 of the Trust Deed.

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