

# TITLOS PLC

(Incorporated in England and Wales under registered number 6810180)

Initial Principal Amount	Interest Rate	Expected Maturity Date	Final Maturity Date	Issue Price	Expected Moody's Rating
€5,100,000,000	6-month Euribor + 0.50 per cent.	20 September 2037	20 September 2039	107.54 per cent.	A1

## The Notes

On 26 February 2009 (or such other date as Titlos plc (the "**Issuer**"), the Manager and the Arranger agree (the "**Closing Date**")), the Issuer will issue the €5,100,000,000 Floating Rate Asset Backed Notes due September 2039 (the "**Notes**").

The principal asset from which the Issuer will make payments of interest on, and principal of, the Notes is the Hellenic Receivable (as defined in "*Transaction Overview—The Transaction Documents—Hellenic Receivable*" below), being an interest rate swap between the Issuer and the Hellenic Republic. Periodic payments received by the Issuer under the Hellenic Receivable will be swapped with National Bank of Greece S.A. ("**NBG**") as the initial Hedge Provider under a Hedge Agreement (as defined in "*Transaction Overview—The Transaction Documents—Hedge Agreement*" below), in return for payments to be applied by the Issuer in respect of interest and principal due to holders of the Notes and certain expenses and other obligations of the Issuer. The Issuer will enter into and obtain rights and assume obligations under the Hellenic Receivable pursuant to a novation agreement dated on or about the Closing Date between the Issuer, the Hellenic Republic and NBG.

The Issuer will pay interest semi-annually in arrear on the 20th day of each March and September (subject to adjustment for non-business days) commencing on the Interest Payment Date falling in September 2009. The interest rate on the Notes from time to time will be determined by reference to the Euro Interbank Offered Rate for 6-month euro deposits in each case plus a margin of 0.50 per cent. per annum. Principal of the Notes will be payable in semi-annual instalments on the 20th day of each March and September (subject to adjustment for business days) in the amounts specified in this Prospectus commencing on the Interest Payment Date falling in September 2009 and will be payable in full in certain mandatory redemption circumstances. The Notes may be redeemed on any Re-novation Date (as defined in Condition 5(b) (*Mandatory Redemption in Part or pursuant to a Re-novation*)) or on any Optional Redemption Date (as defined in Condition 5(d) (*Optional Early Redemption in Full*)).

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States or any other relevant jurisdiction. The Notes are being offered solely outside the United States to non-U.S. Persons in offshore transactions (as defined in Regulation S under the Securities Act ("**Regulation S**")) in reliance on Regulation S.

## Ratings

On issue, the Notes are expected to be rated "A1" by Moody's Investors Service Limited ("**Moody's**" and the "**Rating Agency**") as specified above. 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 the Rating Agency.

## Application to the Commission de Surveillance du Secteur Financier and the Luxembourg Stock Exchange

This prospectus ("**Prospectus**") constitutes a prospectus for the purposes of Article 5 of Directive 2003/71/EC (the "**Prospectus Directive**") and the Luxembourg law on prospectuses for securities of 10 July 2005 implementing the Prospectus Directive in Luxembourg (the "**Luxembourg Law**"). Application has been made to the Commission de Surveillance du Secteur Financier, in its capacity as competent authority under the Luxembourg Law, for the approval of this Prospectus as a prospectus for the purposes of the Prospectus Directive. Application has also been made to the Luxembourg Stock Exchange (the "**Luxembourg Stock Exchange**") for the Notes to be listed on the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments.

## Risk Factors

A "*Risk Factors*" section is included in this Prospectus. Prospective Noteholders should be aware of the aspects of the issues that are summarised in that section.

*Arranger*

**Goldman Sachs International**

*Manager*

**National Bank of Greece S.A.**

**This Prospectus is dated 26 February 2009**

The Issuer (the "**Responsible Person**") accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Notes will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Notes will not be obligations of, and will not be guaranteed by, the Cash Manager, the Trustee (each as defined under "*Transaction Overview*" below), Goldman Sachs International (the "**Arranger**"), National Bank of Greece S.A. (the "**Manager**") or any Transaction Party (as defined below) other than the Issuer.

The information contained in this Prospectus with respect to the Arranger and each Transaction Party (other than the Issuer) relates to and has been obtained from each of them, from someone on behalf of them or is publicly available information. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of each the Arranger or Transaction Party (other than the Issuer) since the date of this Prospectus, or that the information contained or referred to in this Prospectus is correct as of any time subsequent to its date. The Noteholders will not have any right to proceed directly against the Arranger or any Transaction Party (other than the Issuer) in respect of their respective obligations under any of the agreements to which they are a party.

The Notes will be represented by the Global Note and will be in fully registered form.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer or the Manager or the Arranger to subscribe for or purchase any of the Notes. No action has been taken by the Issuer or the Manager or the Arranger other than as set out in the cover page of this Prospectus that would permit a public offering of the Notes or the distribution of this Prospectus in any country or jurisdiction where action for that purpose is required. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Arranger and the Manager to inform themselves about, and to observe, such restrictions. For a description of certain further restrictions on offers and sales of Notes and distribution of this Prospectus see "*Note Purchase*" below.

No person has been authorised to give any information or to make any representation concerning the issue of the Notes other than those contained in this Prospectus. Nevertheless, if any such information is given by any broker, seller or any other person, it must not be relied upon as having been authorised by the Issuer, the Arranger or the Manager. Neither the delivery of this Prospectus nor any offer, sale or solicitation made in connection herewith shall, in any circumstances, imply that the information contained herein is correct at any time subsequent to the date of this Prospectus.

An investment in the Notes is 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 from such an investment.

In connection with the issue of the Notes, NBG (the "**Stabilising Manager**") (or persons acting on behalf of the Stabilising Manager) may over-allot Notes (provided that the aggregate principal amount of Notes allotted does not exceed 105 per cent. of the aggregate principal amount of the Notes) or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Stabilisation action or over allotment must be conducted by the Stabilising Manager (or persons acting on behalf of any Stabilising Manager) in accordance with all applicable

laws and rules. Any loss or profit sustained as a consequence of any such over-allotment or stabilising shall be for the account of the Stabilising Manager.

References in this Prospectus to "£", "pounds", "pounds sterling" or "sterling" are to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland. References in this Prospectus to "€" or "euro" are references to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty of Rome of 25 March 1957, as amended from time to time.

The Notes will be represented by the Global Note which are expected to be deposited with a common depositary (the "Common Depositary") for Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream, Luxembourg") on the Closing Date upon which the Notes are issued.

Capitalised terms used in this Prospectus, unless otherwise indicated, have the meanings set out in this Prospectus. An index of defined terms used in this Prospectus appears on page 86.

### **Third Party Information**

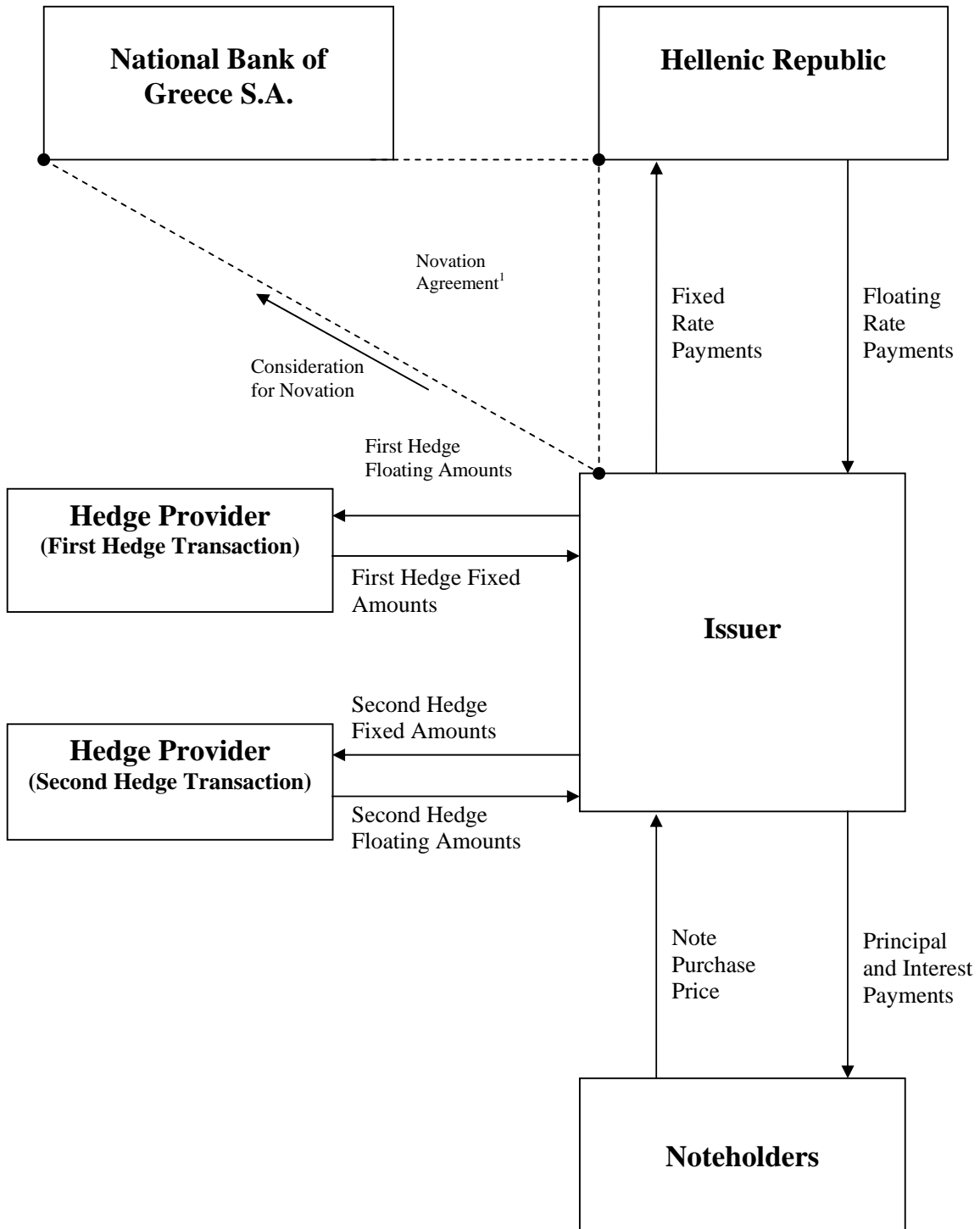
The information contained in this Prospectus with respect to the Arranger, the Manager, the Cash Manager, the Account Bank, the Hedge Provider and the Trustee, relates to and has been obtained from each of them, someone on behalf of them or is publicly available information.

The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of the Arranger, the Manager, the Cash Manager, the Account Bank, the Hedge Provider, the Trustee or any other party to the Transaction Documents since the date stated in respect of the relevant information in this Prospectus, or that the information contained or referred to in this Prospectus is correct as of any time subsequent to this date.

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**STRUCTURAL DIAGRAM OF THE SECURITISATION TRANSACTION**



<sup>1</sup> Under the terms of the Novation Agreement, an interest rate swap transaction with the Hellenic Republic will be novated from NBG to the Issuer.

## TRANSACTION OVERVIEW

*The following overview does not purport to be complete and is taken from, and qualified in its entirety by, the more detailed information contained elsewhere in this Prospectus.*

### TRANSACTION OVERVIEW

Upon or before the issuance of the Notes, NBG will novate its interest rate swap transaction entered into with the Hellenic Republic dated 31 December 2008 to the Issuer pursuant to a novation agreement entered into between the Hellenic Republic, NBG and the Issuer. Following the novation, the Issuer will be entitled to receive all payments to be made by the Hellenic Republic and may be required to make payments to the Hellenic Republic under the Hellenic Receivable (see "*Novation Agreement*" below).

The Issuer will exchange payments received by it under the Hellenic Receivable with the Hedge Provider in return for payments to be applied by the Issuer in payment of interest and principal due to Noteholders and certain expenses and other obligations of the Issuer.

Security for the Notes will be provided over, among other things, the Issuer's rights under the Hellenic Receivable and the Hedge Agreement. The Issuer's obligation to pay interest on, and principal of, the Notes will be funded primarily from the payments it receives under the terms of the Hellenic Receivable and the Hedge Agreement. The information set out below is a summary of the principal features of the issue of the Notes.

### THE PARTIES

<b>Issuer</b>	Titlos plc, a special purpose vehicle, established under the laws of England and Wales as a public limited liability company.
<b>NBG</b>	National Bank of Greece S.A., a credit institution incorporated in the Hellenic Republic, whose registered office is at 86 Eolou Street, 102 34 Athens, Greece.
<b>Hedge Provider</b>	NBG will be the initial Hedge Provider under the terms of the Hedge Agreement.
<b>Subordinated Loan Provider</b>	National Bank of Greece S.A., London Branch acting through its office at 75 King William Street, London EC4N 7BE (" <b>NBGUK</b> ").
<b>Share Trustee</b>	The entire issued share capital of the Issuer is held by Wilmington Trust SP Services (London) Limited (the " <b>Share Trustee</b> ") (except for one share held by Martin McDermott as nominee of the Share Trustee) under the terms of a trust established under English law by a declaration of trust dated 19 February 2009 (the

"**Charitable Share Trust**") for the benefit of certain charitable purposes.

**Corporate Services Provider**

Wilmington Trust SP Services (London) Limited (the "**Corporate Services Provider**") will be appointed under the terms of the corporate services agreement (the "**Corporate Services Agreement**") to be entered into on or about the Closing Date between the Issuer and the Corporate Services Provider.

**Cash Manager**

NBG will be appointed as cash manager (in such capacity, the "**Cash Manager**") under the terms of the cash management agreement to be entered into on or about the Closing Date between the Issuer, the Cash Manager, the Account Bank and the Trustee (the "**Cash Management Agreement**"), among other things, to manage all cash transactions as agent of the Issuer (see "*The Cash Manager*" below).

**Trustee**

Citicorp Trustee Company Limited will be appointed as note trustee for the Noteholders pursuant to a trust deed (the "**Trust Deed**") and as security trustee for the Secured Creditors (as defined in Condition 2(b) (*Security*)) pursuant to a deed of charge (the "**Deed of Charge**") (in each such capacity, the "**Trustee**"), each of which documents are to be entered into on or about the Closing Date between the Issuer and the Trustee. The Trustee will hold the security granted by the Issuer under or pursuant to the Deed of Charge for the benefit of, among others, the Noteholders.

**Principal Paying Agent and Agent Bank**

Citibank, N.A., London Branch will be appointed as principal paying agent (in such capacity, the "**Principal Paying Agent**") and agent bank (in such capacity, the "**Agent Bank**") in respect of the Notes under the terms of the paying agency agreement to be entered into on or about the Closing Date between the Issuer, the Principal Paying Agent, the Agent Bank, the Registrar and the Trustee (the "**Paying Agency Agreement**").

**Calculation Agent**

Pursuant to the terms of the Novation Agreement, NBG will act as calculation agent (the "**Calculation Agent**") for the Hellenic Republic and the Issuer under the terms of the Hellenic Receivable.

The Hedge Provider will also act as calculation agent under the Hedge Transactions.

**Listing Agent**

Dexia Banque Internationale à Luxembourg, société anonyme.

**Registrar**

Citibank, N.A., London Branch will also be appointed as registrar (in such capacity, the "**Registrar**") under the terms of the Paying Agency Agreement.

**Account Bank**

NBGUK will be appointed as account bank in the United Kingdom (the "**Account Bank**") under the

terms of the bank agreement to be entered into on the Closing Date between the Issuer, the Trustee, NBG, the Cash Manager and the Account Bank (the "**Bank Agreement**").

**Auditor**

Deloitte LLP has been appointed as auditor to the Issuer.

**Transaction Parties**

The Issuer, the Manager, NBG, the Corporate Services Provider, the Cash Manager, the Trustee, the Account Bank, the Hedge Provider, the Hellenic Republic, the Calculation Agent, the Subordinated Loan Provider, the Principal Paying Agent, the Registrar and the Agent Bank (each a "**Transaction Party**" and together the "**Transaction Parties**").

**THE NOTES**

The Notes will be issued on the terms and conditions set forth in, and have the benefit of, the Trust Deed and will be secured pursuant to the Deed of Charge. The holders of the Notes will be referred to as the "**Noteholders**".

**Initial Principal Amount**

€5,100,000,000.

**Rating**

It is expected that the Notes will have a rating at the time of issuance of A1 by Moody's.

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

**Status**

The Notes constitute secured, limited recourse obligations of the Issuer which will at all times rank *pari passu* among themselves. It is intended that the Notes will be eligible collateral for repurchase agreement transactions with the European Central Bank (the "**ECB**") by eligible counterparties pursuant to the Eurosystem's monetary policy based on the ECB's criteria as at the date of this Prospectus.

**Distributions**

Prior to the delivery of an Enforcement Notice or the Security granted by the Issuer otherwise becoming enforceable, interest and principal on the Notes will be payable from the Available Funds in accordance with the Pre-Enforcement Priority of Payments as referred to in Condition 2(c) (*Priority of Payments Prior to Enforcement*).

On and after the delivery of an Enforcement Notice, or the Security granted by the Issuer otherwise becoming enforceable, any proceeds available for distribution will be applied by the Trustee in accordance with the Post-Enforcement Priority of Payments as referred to in Condition 2(d) (*Priority of Payments Post-Enforcement*).



<b>Interest</b>	The Issuer will pay interest semi-annually in arrear on each Interest Payment Date commencing on the Interest Payment Date falling in September 2009.
<b>Rate of Interest</b>	The interest rate on the Notes from time to time will be determined by reference to the Euro Interbank Offered Rate (" <b>Euribor</b> ") for 6-month euro deposits (determined pursuant to the provisions of the Second Hedge Transaction) (" <b>Note Euribor</b> ") plus a margin of 0.50 per cent. per annum (as more fully described in the Conditions).
<b>Interest Payment Dates</b>	<p>The 20<sup>th</sup> day of September 2009 and thereafter the 20th day of March and September of each year (in each case subject to the modified following business day convention as more fully described in the Conditions) to and including the Expected Maturity Date. An Interest Payment Date will also occur on any Optional Redemption Date or Re-novation Date (as applicable) (each such date, an "<b>Interest Payment Date</b>").</p> <p>An interest period in relation to the Notes is the period from (and including) an Interest Payment Date (or the Closing Date) to (but excluding) the next (or first) Interest Payment Date (an "<b>Interest Period</b>").</p>
<b>Interest Determination Date</b>	The rate of interest payable from time to time in respect of the Notes will be determined on a day which is two TARGET Business Days before the first day of the Interest Period to which the rate of interest shall apply (each, an " <b>Interest Determination Date</b> ").
<b>Principal</b>	<p>The Notes will be redeemed in part on each Interest Payment Date in accordance with a principal amortisation schedule (the "<b>Amortisation Schedule</b>") and at their then Principal Amount Outstanding on the Re-novation Date, the Expected Maturity Date or the Final Maturity Date (as applicable) as more fully described in the Conditions. The Amortisation Schedule is set out in the Conditions.</p> <p>The Notes may also be redeemed in full at the option of the Issuer in certain other circumstances (See "<b>Optional Redemption</b>" below).</p>
<b>Expected Maturity Date</b>	The Interest Payment Date falling in September 2037 (the " <b>Expected Maturity Date</b> ").
<b>Final Maturity Date</b>	20 September 2039 (subject to the modified following business day convention as more fully described in the Conditions) (the " <b>Final Maturity Date</b> ").
<b>Redemption for tax reasons</b>	Provided that it has sufficient funds to redeem the Notes and make payment in full of all obligations ranking <i>pari passu</i> or in priority to the Notes under the Pre-Enforcement Priority of Payments, the Issuer will redeem all (but not some only) of the Notes at their Principal Amount Outstanding plus accrued but unpaid

interest in the event of certain tax changes (see further Condition 5(e) (*Redemption for Tax Reasons*)).

**Optional Redemption**

Provided that it has sufficient funds to redeem the Notes and make payment in full of all obligations ranking *pari passu* or in priority to the Notes under the Pre-Enforcement Priority of Payments, the Issuer may redeem all (but not some only) of the Notes on any Optional Redemption Date designated by it (see further Condition 5(d) (*Optional Early Redemption in Full*)).

**Events of Default**

The Events of Default are set out in Condition 9 (*Events of Default*) and include, without limitation, unremedied defaults by the Issuer relating to the payment of principal or interest on the Notes, insolvency of the Issuer and, in certain circumstances, the occurrence of the Early Termination Date (under and as defined in the Hellenic Receivable).

Upon the occurrence of an Event of Default, the Trustee may at its discretion, and will, if so directed by an Extraordinary Resolution or in writing by Noteholders holding Notes with a Principal Amount Outstanding of 25 per cent or more of the Principal Amount Outstanding of all of the Notes (in each case subject to being indemnified and/or secured to its satisfaction), deliver an Enforcement Notice to the Issuer declaring the Notes to be immediately due and payable.

**Withholding Tax or Deductions for Taxes**

All payments of interest and principal with respect to the Notes will be subject to any applicable withholding taxes or deduction for or on account of any tax and neither the Issuer nor any other person will be obliged to pay additional amounts in relation thereto. The applicability of any withholding taxes is discussed further under "*United Kingdom Taxation*", "*Greek Taxation*" and "*Luxembourg Taxation*" below.

**United Kingdom Taxation**

See "*United Kingdom Taxation*" below.

**Luxembourg Taxation**

See "*Luxembourg Taxation*" below.

**Greek Taxation**

See "*Greek Taxation*" below.

**Conditions**

References to the Conditions (or any Condition) are to the terms and conditions of the Notes as scheduled to the Trust Deed, as those terms and conditions may be modified from time to time in accordance with the Trust Deed.

See "*Terms and Conditions of the Notes*" below.

**Security**

The Deed of Charge and any other document purporting to create security entered into from time to time by the Issuer in favour of the Trustee.

**Secured Parties**

The Noteholders, the Hedge Provider, the Hellenic Republic, NBG, the Account Bank, the Principal Paying Agent, the Agent Bank, the Registrar, the Cash Manager, the Corporate Services Provider, the Subordinated Loan Provider, the Trustee and any Appointee.

**Charged Property**

Under the Deed of Charge, the Issuer will grant to the Trustee, among other things, (a) an assignment by way of first fixed security of the Issuer's rights in and to the Hellenic Receivable and the Hedge Agreement and (b) a first fixed charge over the Transaction Account and (c) a first floating charge over the whole of the Issuer's undertaking, property, assets, rights and revenues to the extent that the same are not or do not remain effectively encumbered by way of fixed security as described in sub-paragraph (a) and (b) above.

**Limited Recourse**

The Notes will be limited recourse obligations of the Issuer. All payments of principal and interest to be made by the Issuer under the Notes and all payments to be made by the Issuer under the other Transaction Documents will be payable only from the sums paid to, or net proceeds recovered by or on behalf of, the Issuer or the Trustee in respect of the Charged Property and in accordance with the applicable Priority of Payments and there will be no other assets of the Issuer available for any further payments. The Trustee and the other Secured Creditors will be entitled to look solely to such sums and proceeds and the rights of the Issuer in respect of the relevant Charged Property for payments to be made by the Issuer. Having enforced the Security and distributed the net proceeds thereof in accordance with the terms of the Deed of Charge, neither the Trustee nor any other Secured Creditor may take any further steps against the Issuer to recover any unpaid sum and the Issuer's liability for any such sum will be extinguished.

**Form, Denomination,  
Registration and Transfer of  
the Notes**

The Notes will be denominated in euro. The Notes will be represented by a global note in fully registered form (the "**Global Note**"). The Notes will be issued in minimum denominations of €50,000.

Save in certain limited circumstances, definitive note certificates in certificated, fully registered form will not be issued in exchange for beneficial interests in Notes represented by the Global Note. See "*The Notes and the Global Note—Exchange for individual certificates*" below.

The Global Note is expected to be deposited with, and registered in the name of a nominee of the Common Depositary for Euroclear and Clearstream, Luxembourg on or about the Closing Date.

The Notes may not be offered, sold or transferred at any time to a U.S. Person or a person in the United States.

While Notes are represented by the Global Note, each payment on those Notes will be made via the Principal Paying Agent to the relevant registered holder (or its nominee). After receipt of such a payment, it is expected that such holder should credit the relevant participants' accounts in the relevant Clearing System in proportion to those participants' holdings as shown on the records of that Clearing System, in accordance with that Clearing System's rules and procedures.

For so long as the Notes are represented by the Global Note and registered in the name of a holder (or its nominee), interests in such Notes may only be held through and will be transferable in accordance with the records maintained by and the rules and procedures for the time being of the relevant Clearing System. Transfers of interests in Notes represented by the Global Note are subject to certain restrictions described herein.

#### **Governing Law**

Transaction Documents and the Notes will be governed by English law and each party thereto has, for the benefit of the Trustee, submitted to the non-exclusive jurisdiction of the English courts for all purposes in connection with such documents.

#### **Listing and Admission to Trading**

Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the Official List and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange. The estimated total expenses related to the listing of the Notes on the Official List of the Luxembourg Stock Exchange and the admission to trading on its regulated market is €9,100.

#### **Closing Date**

26 February 2009 (or such other date as the Issuer, the Manager and the Arranger may agree).

### **THE TRANSACTION DOCUMENTS**

#### **Novation Agreement**

On 31 December 2008, the Hellenic Republic and NBG entered into an interest rate swap transaction governed by an International Swaps and Derivatives Association, Inc. ("**ISDA**") (Multicurrency – Cross Border) 1992 Master Agreement dated as of 25 July 2005.

Upon or prior to issuance of the Notes, NBG will novate that interest rate swap transaction to the Issuer pursuant to a novation agreement dated on or about the Closing Date between the Hellenic Republic, NBG and the Issuer (the "**Novation Agreement**").

On the Closing Date, the Issuer will pay, or cause to be paid, to NBG €5,484,540,000 in consideration for such

novation. The Issuer will also pay Deferred Consideration to NBG in accordance with the applicable Priority of Payments.

### **Re-novation Agreement**

Pursuant to a novation agreement dated on or about the Closing Date between the Hellenic Republic, NBG and the Issuer (the "**Re-novation Agreement**"), NBG will acquire the right, but not the obligation, to have the Hellenic Receivable novated to it (the "**Re-novation Option**") subject to:

- (a) NBG giving the Hellenic Republic and the Issuer not less than 12 days' advance written notice of the date upon which such re-novation is to occur (the "**Re-novation Date**"); and
- (b) NBG paying (by 10 a.m. London time on the Re-novation Date) a re-novation fee to the Issuer which is an amount in euro which, when aggregated with any payment due to the Issuer on the Renovation Date under the Hellenic Receivable and/or the Hedge Agreement and any Retained Posted Collateral under the Hedge Agreement is sufficient to enable the Issuer: (1) to credit the Profit Ledger with €2,500; (2) without double counting, to pay all amounts due in respect of principal on the Subordinated Loan in accordance with the applicable Priority of Payments; and (3) without double counting, to pay in full all amounts payable by the Issuer which rank senior to the crediting of the Profit Ledger or, if payments of principal in respect of Tranche B of the Subordinated Loan are then less senior in the applicable Priority of Payments, which rank senior to the payment of principal in respect of Tranche B of the Subordinated Loan in the applicable Priority of Payments, in each case on the Re-novation Date.

If NBG delivers notice of the re-novation to the Issuer and the Hellenic Republic in accordance with the terms of the Re-novation Agreement, NBG will be obliged to pay the re-novation fee to the Issuer on the Re-novation Date by 10 a.m. London time on the Re-novation Date.

### **Hellenic Receivable**

The interest rate swap transaction entered into between the Hellenic Republic and the Issuer pursuant to the Novation Agreement will be governed by an ISDA (Multicurrency – Cross Border) 1992 Master Agreement together with a schedule thereto (and collectively, together with the confirmation (as constituted by the Novation Agreement) thereunder documenting such interest rate swap transaction, the "**Hellenic Receivable**").

Pursuant to the Hellenic Receivable:

- (a) the Issuer will make annual fixed amount payments to the Hellenic Republic; and
- (b) the Hellenic Republic will make semi-annual floating amount payments to the Issuer determined by reference to 6-month Euribor plus a margin.

See "*The Hellenic Receivable*" below.

## **Hedge Transactions**

Scheduled principal and interest payments on the Notes will be funded by payments received by the Issuer under the Hellenic Receivable and the Hedge Transactions. References to the "**Hedge Transactions**" are references to the First Hedge Transaction and the Second Hedge Transaction described below.

Any periodic payments due to the Issuer pursuant to the Hellenic Receivable will be calculated by reference to 6-month Euribor and will be payable semi-annually.

In order to mitigate the potential discrepancy between (1) the variable amounts due to the Issuer under the Hellenic Receivable and (2) the Issuer's scheduled obligations to pay, *inter alia*, principal on the Notes and make fixed payments under the Second Hedge Transaction, the Issuer will enter into an interest rate swap transaction (the "**First Hedge Transaction**") with NBG as the initial Hedge Provider.

Pursuant to the First Hedge Transaction:

- (a) on each Issuer First Hedge Payment Date, the Issuer will make semi-annual floating amount payments to the Hedge Provider determined by reference to 6-month Euribor plus a margin; and
- (b) on each Hedge Provider First Hedge Payment Date, the Hedge Provider will make annual fixed amount payments to the Issuer which when aggregated with the Issuer's receipts under the Hellenic Receivable (and after taking into account the Issuer's payment obligations under the First Hedge Transaction), are intended to be sufficient to meet the Issuer's obligations: (1) to maintain the Expenses Reserve Fund at the Expenses Reserve Fund Required Amount; (2) to make the scheduled annual payments due by the Issuer under the Hellenic Receivable (if then due and payable thereunder); (3) to finance interest payments on the Notes (through the Second Hedge Transaction (as described below)); and (4) to make scheduled principal payments under the Notes.

The amount of the interest payments in respect of the Notes will be calculated by reference to Euribor plus a margin and will be payable semi-annually.

In order to mitigate the potential discrepancy between (1) the variable amounts payable by the Issuer in respect of interest on the Notes and (2) the fixed amounts received by the Issuer under the First Hedge Transaction in order to finance interest payments under Notes, the Issuer will enter into an interest rate swap transaction (the "**Second Hedge Transaction**") with NBG as the initial Hedge Provider.

Pursuant to the Second Hedge Transaction, on each Second Hedge Payment Date:

- (a) the Issuer will make semi-annual fixed amount payments to the Hedge Provider; and
- (b) the Hedge Provider will make semi-annual floating amount payments to the Issuer calculated by reference to Euribor for 6-month euro deposits plus a margin.

Under the Second Hedge Transaction the fixed and floating amounts payable for any period will be calculated by reference to an amortising notional schedule which will match the Amortisation Schedule applicable to the Notes for the same period.

#### **Hedge Agreement**

The Hedge Transactions will be governed by an ISDA (Multicurrency – Cross Border) 1992 Master Agreement together with a schedule thereto and a credit support annex (which collectively, together with the confirmations thereunder documenting such Hedge Transactions, are referred to as the "**Hedge Agreement**" which term includes any replacement hedge agreement entered into by the Issuer and a replacement or successor Hedge Provider).

#### **Corporate Services Agreement**

Pursuant to the terms of the Corporate Services Agreement, the Corporate Services Provider will agree to provide certain administrative services to the Issuer. The Issuer will pay a fee to the Corporate Services Provider for the provision of such services. No termination of the appointment of the Corporate Services Provider shall take effect until a successor corporate services provider has been appointed by the Issuer.

#### **Cash Management Agreement**

The Cash Manager will be obliged to report on a regular basis to the Issuer and the Rating Agency on the performance and status of the Hellenic Receivable, the Notes and other matters relating to its administrative functions as described herein.

The Issuer is obliged to establish and maintain a system of cash ledgers (each, a "**Ledger**" and, together, the

"**Ledgers**") to record, allocate and disburse its funds for particular purposes. The Cash Manager will, pursuant to the terms of the Cash Management Agreement, maintain such Ledgers on the Issuer's behalf. The amounts standing to the credit, at any time, of the Ledgers will, together, represent all sums standing to the credit of the Transaction Account, or invested in Authorised Investments and otherwise held as posted collateral pursuant to the Cash Management Agreement.

Pursuant to the Cash Management Agreement, the Cash Manager will also manage the Issuer's payments under the Priorities of Payments.

The Cash Manager will not be responsible for the payment by the Issuer of any amounts under the Transaction Documents, including the payment of principal or interest on the Notes.

### **Bank Agreement**

Pursuant to the terms of the Bank Agreement, the Issuer will maintain a cash account with the Account Bank, being the Transaction Account (as defined and further described under "*Credit Structure—Transaction Account*"). The Cash Manager will operate the Transaction Account on behalf of the Issuer in accordance with the terms of the Bank Agreement and the Cash Management Agreement.

### **Subordinated Loan Agreement**

The Issuer, the Trustee and the Subordinated Loan Provider will enter into a subordinated loan facility agreement (the "**Subordinated Loan Agreement**") pursuant to which the Subordinated Loan Provider will provide the Issuer with a subordinated loan (the "**Subordinated Loan**") which will be drawn by the Issuer on the Closing Date and will be used by the Issuer to fund certain fees, costs and expenses of the Issuer in connection with the issue of the Notes and to establish the Expenses Reserve Fund (as defined below). The Subordinated Loan will be provided in two tranches, the first tranche (in respect of the Expenses Reserve Fund) being "**Tranche A**" in an amount of €175,000 and the second tranche (in respect of start-up costs) being "**Tranche B**" in an amount of €600,000.

### **Transaction Documents**

The Bank Agreement, the Cash Management Agreement, the Paying Agency Agreement, the Corporate Services Agreement, the Hedge Agreement, the Trust Deed, the Notes, the Deed of Charge, the Novation Agreement, the Hellenic Receivable, the Renovation Agreement, the Common Terms, the Master Definitions Schedule, the Subordinated Loan Agreement and the Subscription Agreement (together, the "**Transaction Documents**").



## RISK FACTORS

The following is a summary of certain aspects of the issue of the Notes about which prospective Noteholders should be aware. The summary is not intended to be exhaustive and prospective Noteholders should read the detailed information set out elsewhere in this Prospectus.

### 1. RISKS RELATED TO THE NOTES

#### **Integral multiples of less than €50,000**

Although the Notes have minimum denominations of €50,000 (a "**Minimum Specified Denomination**"), it is possible that the Notes may be traded in the clearing systems in amounts in excess of €50,000 that are not integral multiples of €50,000. In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the Minimum Specified Denomination may not receive a definitive note in respect of such holding (should definitive notes be printed) and may need to purchase a principal amount of Notes such that its holding is at least the Minimum Specified Denomination.

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

#### **Book-Entry Interests**

Unless and until individual note certificates are issued, persons acquiring the Notes will not be the legal owners or holders of such Notes but will have rights in their capacity as participants in accordance with the rules and procedures of the relevant clearing system and, in the case of indirect participants, their agreements with direct participants (such rights, "**Book-Entry Interests**"). After payment to the Common Depository, the Issuer will have no responsibility or liability for the payment of interest, principal or other amounts to Euroclear or Clearstream, Luxembourg, the Common Depository or to holders of Book-Entry Interests. A common nominee for Euroclear and Clearstream, Luxembourg will be the registered holder and legal owner of such Notes for so long as such Notes are represented by a Global Certificate. Accordingly, each person owning a Book-Entry Interest must rely on the relevant procedures of the Common Depository, Euroclear and Clearstream, Luxembourg and, if such person is an indirect participant in such entities, on the procedures of the direct participant through which such person holds its interest, to exercise any rights of Noteholders under the Trust Deed.

So long as the Notes are in global form, payments of principal and interest on, and other amounts due in respect of, the Notes will be made to the common nominee for Euroclear and Clearstream, Luxembourg. Upon receipt of any payment, Euroclear and Clearstream, Luxembourg will promptly credit direct participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests, as shown on their records. The Issuer expects that payments by direct participants or indirect participants to owners of interests in Book-Entry Interests held through such participants or indirect participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in 'street name', and will be the responsibility of such direct participants or indirect participants. None of the Issuer, the Trustee, or the Principal Paying Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, the Book-Entry Interests or for maintaining, supervising or reviewing any records relating to such Book-Entry Interests.

Unlike holders of individual note certificates, holders of the Book-Entry Interests will not have direct rights under the Trust Deed to act upon solicitations of consents or requests by the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg (as the case may be) and, if applicable, direct participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default, holders of Book-Entry Interests will be restricted to acting through Euroclear or Clearstream, Luxembourg (as the case may be) unless and until individual note certificates are issued. There can be no assurance that

the procedures to be implemented by Euroclear or Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed. See "*Transaction Overview—The Notes—Form, Denomination, Registration and Transfer of the Notes*" above.

### **General legal investment considerations**

The investment activities of certain investors are subject to legal investment laws and regulations, or to review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions that may apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

### **Noteholders cannot rely on any person other than the Issuer to make payments on the Notes**

The Notes represent obligations of the Issuer alone. They do not constitute obligations or responsibilities of, or guarantees by, any other person (including, but not limited to, the Manager, the Arranger and the other Transaction Parties (except the Issuer) or any of their respective affiliates).

The Issuer has a limited amount of resources available to it to make payments on the Notes. The Issuer will rely solely on receipts and recoveries in respect of the Hellenic Receivable, the Hedge Agreement and the Expenses Reserve Fund and other claims of the Issuer under the Transaction Documents to enable it to make payments in respect of the Notes.

The Notes are limited recourse obligations of the Issuer and if at any time following enforcement of the security and the application of any enforcement proceeds in accordance with the Post-Enforcement Priority of Payments, the proceeds of such enforcement are insufficient, after payment of all other claims ranking in priority in accordance with the Post-Enforcement Priority of Payments, to pay in full any amount then due and payable under the Notes then the amount remaining to be paid under the Notes shall cease to be due and payable by the Issuer. If the resources described above cannot provide the Issuer with sufficient funds to enable it to make required payments on the Notes, Noteholders may incur a loss of interest and/or principal that would otherwise be due and payable on the Notes.

### **Restrictions on exercise of certain rights by Secured Creditors**

The Deed of Charge will contain provisions to the effect that only the Trustee may enforce the security granted by the Issuer under the Deed of Charge and the other Secured Creditors will be prohibited from taking any action (including the taking of any steps or legal proceedings for the winding up, liquidation or administration) against the Issuer for any amounts owed to them unless (a) an Enforcement Notice has been served or the Trustee fails (when required to do so) to serve an Enforcement Notice and (b) the Trustee fails (when required to do so) to enforce the security. Even in such circumstances, each Secured Creditor (including the Noteholders) will be prohibited from taking any steps or legal proceedings for the winding up, liquidation or administration of the Issuer, except as permitted by the terms and conditions of the Notes, the Trust Deed and the Deed of Charge.

### **Neither Noteholders nor the Issuer have recourse to NBG, NBGUK or its subsidiaries or affiliates**

The Notes are not obligations of, or the responsibility of, or guaranteed by NBG, NBGUK or any subsidiary or affiliate of NBG or NBGUK, and none of NBG, NBGUK or any subsidiary or affiliate of NBG or NBGUK has responsibility for this Prospectus or its contents. Any information concerning NBG or NBGUK in this Prospectus comprises only publicly available information issued by or on behalf of NBG and NBGUK. The Issuer and the Trustee will have no recourse to NBG or NBGUK or any subsidiary or affiliate of NBG or NBGUK in respect of the Notes or this Prospectus. The Notes will be obligations solely of the Issuer.

### **Absence of secondary market; lack of liquidity**

There is not, at present, an active and liquid secondary market for the Notes, and there can be no assurance that a secondary market for the Notes will develop. The Notes have not been, and will not be, registered under the Securities Act or any other applicable securities laws and are subject to certain restrictions on the resale and other transfer thereof as set forth under "*Note Purchase*". If a secondary market does develop, it may not continue for the life of the Notes or it may not provide holders of the Notes with liquidity of investment with the result that a holder of the Notes may not be able to find a buyer to buy its Notes readily or at prices that will enable the holder of the Notes to realise a desired yield.

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date hereof), whereby there is a significant lack of liquidity in the secondary market for instruments similar to the Notes. The Issuer cannot predict when these circumstances will change or, if and when they do, whether conditions of general market liquidity for the Notes and instruments similar to the Notes will return in the future. As a result of the current liquidity crisis, there exist significant additional risks to the Issuer and the investors which may affect the returns on the Notes to investors.

In addition, the current liquidity crisis has stalled the primary market for a number of financial products including instruments similar to the Notes and there is no assurance that conditions in the wholesale funding markets will not deteriorate further. Furthermore, even if the current liquidity crisis alleviates for certain sectors of the global credit markets, there can be no assurance that the market for securities similar to the Notes will recover at the same time or to the same degree as such other recovering global credit market sectors or at all.

### **The Issuer relies on third parties, and Noteholders may be adversely affected if any third party fails to perform its obligations and/or cannot be replaced**

The Issuer is party to contracts with a number of third parties who have agreed to perform services in relation to the Notes. For example, pursuant to the Cash Management Agreement and the Hedge Agreement, the Cash Manager and the Hedge Provider, as the case may be, have agreed to provide the Issuer (in the case of the Cash Manager) with certain administration and cash management services and (in the case of the Hedge Provider) certain hedges against certain interest rate fluctuations and other payments the Issuer is required to make. Noteholders may be adversely affected if any such third party or any of their successors fails to perform its obligations under any respective agreement to which it is a party. In addition, Noteholders may be adversely affected if the appointment of a third party is terminated and no replacement can be found. In this context, if a substitute is not found, delays may occur in the collection of payments on the Hellenic Receivable and this could ultimately adversely affect payments on the Notes.

### **Reliance and Conflicts of Interest**

On or around the Closing Date, NBG will be appointed as the Hedge Provider, the Cash Manager, the Calculation Agent and the Manager. NBGUK will act as Account Bank and the Subordinated Loan Provider. Certain of the duties and determinations that NBG and/or NBGUK will be required to carry out in one capacity may have adverse consequences for NBG and/or NBGUK in its other capacities.

On the Closing Date, NBG will subscribe for 100 per cent. of the Notes to be issued by the Issuer. For so long as these Notes are held by NBG, it will be entitled to all of the rights to which the holders of such Notes are entitled (including, without limitation, voting rights). So long as NBG continues to hold the Notes, in the exercise of the rights to which it is entitled under the Notes, it may be in its interests to minimise any adverse impact or potential adverse impact on itself in its other capacities.

### **Noteholders may be subject to interest rate risks**

Scheduled principal and interest payments on the Notes will be funded by payments received by the Issuer under the Hellenic Receivable and the Hedge Transactions. Any periodic payments due to the Issuer pursuant to the Hellenic Receivable will be calculated, in part, by reference to 6-month Euribor (which is a variable rate) and will be payable semi-annually. In order to mitigate the potential discrepancy between

(1) the variable amounts due to the Issuer under the Hellenic Receivable and (2) the Issuer's scheduled obligations to pay principal on the Notes and certain other amounts, the Issuer will enter into the First Hedge Transaction.

The amount of interest payments in respect of the Notes will be calculated by reference to a 6-month Euribor (which is a variable rate) and will be payable semi-annually. In order to mitigate the potential discrepancy between (1) the variable amounts payable by the Issuer in respect of interest on the Notes and (2) the fixed amounts received by the Issuer under the First Hedge Transaction to finance interest payments under Notes, the Issuer will enter into the Second Hedge Transaction.

See "*Credit Structure—Hedge Transactions*".

The Hedge Provider is obliged only to make payments under each Hedge Transaction as long as the Issuer makes timely payments under such Hedge Transaction. If the Hedge Provider is not obliged to make payments of, or if it defaults in its obligations to make payments of, amounts equal to the full amount scheduled to be paid to the Issuer on the dates for payment specified under the Hedge Transactions or a Hedge Transaction is otherwise terminated, the Issuer will be exposed to changes in or differences between the relevant interest rates and/or fixed amounts. In any of these events, unless a replacement Hedge Transaction is entered into, the Issuer may have insufficient funds to make payments due on the Notes.

#### **The Notes will not be listed on their issue date**

On the Closing Date, the Notes will not be listed on any stock exchange and will not be admitted to trading on any regulated market.

Application has been made by the Issuer to the Luxembourg Stock Exchange for the Notes to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange. It is expected that the listing of the Notes on the Official List of the Luxembourg Stock Exchange and their admission to trading to the regulated market of the Luxembourg Stock Exchange will be granted on 27 February 2009.

#### **Hedge termination payments may adversely affect the funds available to make payments on the Notes**

If a Hedge Transaction terminates, the Issuer may be obliged to pay a swap termination payment to the Hedge Provider. The amount of the applicable Hedge Transaction termination payment is expected to be based on the cost of entering into a replacement swap transaction.

Except where termination of the Hedge Transaction is as a result of a Hedge Provider default or a downgrade of the Hedge Provider in circumstances where the Hedge Transaction is not replaced, the Issuer's obligation to make any hedge termination payment due by the Issuer under the Hedge Agreement will rank senior to payments due on the Notes. Any additional amounts required to be paid by the Issuer following termination of the Hedge Transaction (including any extra costs incurred (for example, from entering into other hedging transactions) if the Issuer cannot immediately enter into a replacement swap) will also rank senior to payments due on the Notes.

See "*Credit Structure—Hedge Transactions*" and "*Credit Structure—Pre-Enforcement Priority of Payments*".

The Issuer cannot give Noteholders any assurance that it will have the funds available to make any hedge termination payment under the Hedge Agreement or to make subsequent payments to Noteholders in respect of the Notes. Nor can the Issuer give any assurance that it will be able to enter into a replacement hedge, or if one is entered into, that the credit rating of the replacement Hedge Provider (notwithstanding the terms of the Transaction Documents) will be sufficiently high to prevent a revision, suspension or withdrawal of the then current ratings of the Notes by the Rating Agency.

**Hellenic Receivable termination payments may adversely affect the funds available to make payments on the Notes**

If the Hellenic Receivable terminates, the Issuer may be obliged to pay a swap termination payment to the Hellenic Republic. The amount of the applicable Hellenic Receivable termination payment is expected to be based on the cost of entering into a replacement swap transaction.

Except where termination of the Hellenic Receivable results from a Hellenic Republic default, the Issuer's obligation to make any swap termination payment due by the Issuer under the Hellenic Receivable will rank senior to payments due on the Notes.

*See "Credit Structure—Pre-Enforcement Priority of Payments" and "The Hellenic Receivable".*

The Issuer cannot give Noteholders any assurance that it will have the funds available to make any swap termination payment under the Hellenic Receivable or to make subsequent payments to Noteholders in respect of the Notes.

**The Trustee may agree to modifications to the Transaction Documents without Noteholders' prior consent, which may adversely affect Noteholders' interests**

Pursuant to the Trust Deed, the Trustee may agree, without the consent of the Noteholders, to any modification to the Transaction Documents except a Basic Terms Modification (as defined in *"Terms and Conditions of the Notes"* below) which in the sole opinion of the Trustee (i) is not materially prejudicial to the interests of the Noteholders, or (ii) is made to correct a manifest error or is of a formal, minor or technical nature. The Trustee in determining whether the exercise of its discretion will not be materially prejudicial to Noteholders' interests may, amongst other things, take account of a confirmation from the Rating Agency that the then current rating by it of the Notes would not be adversely affected by such exercise.

**The ratings assigned to the Notes may be downgraded, suspended or withdrawn after purchasing the Notes, which may lower the market value of the Notes**

The ratings assigned to the Notes address the expected loss posed to investors as of the Final Maturity Date. The expected rating of the Notes is set out in *"Transaction Overview—The Notes—Rating"*. 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 the Rating Agency. In particular, the Rating Agency may downgrade its rating if, in the sole judgment of the Rating Agency, the credit quality of the Notes has declined or is in question. If any rating assigned to the Notes is downgraded, suspended or withdrawn, the market value of the Notes may be reduced.

The Rating Agency may downgrade, suspend or withdraw its rating with respect to the Hedge Provider. The Issuer expects under the terms of the Hedge Agreement that in such circumstances the Hedge Provider will be obliged to use reasonable efforts to novate the Hedge Transactions to a replacement Hedge Provider or post collateral to the Issuer or enter into other suitable arrangements. However, there can be no assurance that the Hedge Provider will be able to find a replacement counterparty to enable it to novate the Hedge Transactions or that the Hedge Provider will be able to post collateral to the Issuer and/or enter into other suitable arrangements in this event or that the ratings of the Notes will not be downgraded, suspended or withdrawn in this event. If any rating assigned to the Notes is downgraded, suspended or withdrawn, then the market value of the Notes may be reduced.

**The credit ratings assigned to the Notes are not guarantees that Noteholders will receive all Payments owed to them under the Notes**

Each credit rating assigned to the Notes reflects the Rating Agency's assessment only of the likelihood of the timely payment of interest and the ultimate payment of principal in full on the Notes on a date that is not later than the date of the final redemption of the Notes (as per Condition 5(a) (*Final Redemption*)) not that it will be paid when expected or scheduled, and may not reflect the potential impact of all risks related to the transaction structure, the other risk factors discussed in this Prospectus, or any other factors that may

affect the value of the Notes. These ratings are based on the Rating Agency's view of, *inter alia*, the reliability of the payments on the Hellenic Receivable and the creditworthiness of the Hedge Provider. A rating does not impose or extend any actual or contingent liability for the Rating Agency to the Noteholders or any other party or create any legal relations between the Rating Agency and the Noteholders or any other party.

The ratings do not address the following:

- (i) the likelihood that the principal or interest on the Notes will be redeemed or paid, as expected, on any date of redemption of the Notes under Condition 5 (*Redemption and Purchase*);
- (ii) the possibility of the imposition of United Kingdom or any other withholding tax;
- (iii) the marketability of the Notes, or any market price for the Notes; or
- (iv) whether an investment in the Notes is a suitable investment for Noteholders.

A rating is not a recommendation to purchase, hold or sell any of the Notes.

#### **No assurance of ECB eligibility**

The Eurosystem has established eligibility criteria for the use of certain assets as collateral for its credit operations, including at the level of individual counterparties, to ensure adequate risk protection of the Eurosystem in line with Article 18.1 of the Protocol on the Statute of the European System of Central Banks and of the ECB. The Notes cannot be submitted to the ECB for a determination of eligibility until after the Closing Date. Accordingly, no assurances can be given that the Notes will be accepted as eligible assets for Eurosystem monetary policy operations or if the Notes are accepted as eligible notes for Eurosystem monetary policy operations that this will remain the case for the life of the Notes. It should be noted, in particular, that if the Notes are accepted by the ECB and subsequently the rating of the Notes declines below A3, then the Notes will no longer be eligible assets for Eurosystem monetary policy operations.

#### **Late payments to Noteholders**

If any amount in respect of a Note is not paid when due but is paid within the applicable grace period set out in Condition 9(a)(i), Noteholders shall not be entitled to any interest or other payment in respect of such delay.

## **2. RISKS RELATED TO THE HELLENIC RECEIVABLE**

#### **Credit Risk on the Hellenic Republic**

The ability of the Issuer to make payments in respect of interest, principal and any other amounts due under the Notes depends ultimately upon the due performance by the Hellenic Republic of its obligations under the Hellenic Receivable. Any failure on the part of the Hellenic Republic to pay amounts under the Hellenic Receivable as and when such payments become due could result in a default by the Issuer in payment of interest, principal or other amounts under the Notes.

In the event that the rating of the Hellenic Republic is downgraded by any rating agency, there is no requirement for the Hellenic Republic to post collateral or obtain a guarantee or co-obligor in respect of its obligations in respect of the Hellenic Receivable or to novate its rights and obligations under the Hellenic Receivable to a third party. As a result, any downgrading of the Hellenic Republic may also result in a downgrading of the rating of the Notes notwithstanding that there may not have been any default by the Hellenic Republic under the terms of the Hellenic Receivable.

## **Sovereign Immunity of the Hellenic Republic**

The Hellenic Republic has irrevocably waived any sovereign immunity from jurisdiction and execution or attachment of judgment to the extent permitted by applicable law. Notwithstanding the foregoing, under the laws of the Hellenic Republic, a final judgment against the Hellenic Republic will be recognised in Greece, but certain assets and other property of the Hellenic Republic may be considered to be immune from execution and attachment or similar process and therefore this waiver given by the Hellenic Republic does not mean that the Trustee or holder of any Notes will be able to enforce any judgment against such assets and property of the Hellenic Republic either in the Hellenic Republic or against any diplomatic assets and other property outside the Hellenic Republic. Therefore, any judgment obtained against the Hellenic Republic may not be capable of enforcement against such assets and property.

## **Commercial and Legal Aspects of the Transaction**

No investigations, searches or other enquiries have been made by or on behalf of the Issuer, the Trustee, the Manager or the Arranger, in respect of the Hellenic Republic or the Hellenic Receivable and no representations or warranties are being given or have been given by or on behalf of the Issuer, the Trustee, the Manager or the Arranger in respect thereof. Any prospective Noteholders should take their own tax, legal, accounting and other relevant advice as to the structure and viability of their investment.

### **3. INSOLVENCY CONSIDERATIONS RELATING TO THE ISSUER**

#### **Insolvency Act 2000**

The Insolvency Act 2000 allows certain "small" companies to seek protection from their creditors for a period of 28 days for the purposes of putting together a company voluntary arrangement with the option for creditors to extend the moratorium for a further two months. The moratorium provisions apply to limited liability partnerships, subject to certain modifications.

Although the Issuer could at a particular time be determined to meet the definition of a "small" company, it is expected to fall within one of the exceptions that would exempt it from the moratorium provisions. However, there is no guidance as to how the legislation will be interpreted and the Secretary of State for Trade and Industry may by regulation modify the exceptions. No assurance can be given that any modification of the exceptions will not be detrimental to the interests of Noteholders. If it is determined that the Issuer is a "small" company and that the Issuer does not fall within one of these exceptions, then certain actions in respect of the Issuer may, for a period, be prohibited by the imposition of a moratorium.

#### **Enterprise Act 2002**

On 15 September 2003, the corporate insolvency provisions of the Enterprise Act 2002 came into force, amending certain provisions of the Insolvency Act 1986 (the "**Insolvency Act**"). One of the effects of the reforms is to restrict the right of the holder of a floating charge to appoint an administrative receiver (unless an exception applies) and instead give primacy to collective insolvency procedures (in particular, administration).

The Insolvency Act, however, contains provisions that continue to allow for the appointment of an administrative receiver in relation to certain transactions in the capital markets. These provisions will apply to the Issuer and the Issuer is expected to incur a debt of at least £50 million through the issue of a capital market investment. However, the Secretary of State may, by secondary legislation, modify the capital market exception and/or provide that the exception shall cease to have effect. No assurance can be given that any such modification or provision in respect of the capital market exception, or its ceasing to be applicable to the transactions described in this Prospectus, will not be detrimental to the interests of the Noteholders.

In addition to the introduction of a prohibition on the appointment of an administrative receiver as set out above, section 176A of the Insolvency Act provides that any receiver (including an administrative receiver), liquidator or administrator of a company is required to make a "prescribed part" of the company's "net property" available for the satisfaction of unsecured debts in priority to the claims of the

floating charge holder. The company's "net property" is defined as the amount of the chargor's property which would be available for satisfaction of debts due to the holder(s) of any debentures secured by a floating charge and so refers to any floating charge realisations less any amounts payable to the preferential creditors or in respect of the expenses of the liquidation or administration. The "prescribed part" has subsequently been defined to be an amount equal to 50 per cent. of the first £10,000 of floating charge realisations plus 20 per cent. of the floating charge realisations thereafter, provided that such amount may not exceed £600,000.

This obligation does not apply if the net property is less than a prescribed minimum and the relevant officeholder is of the view that the cost of making a distribution to unsecured creditors would be disproportionate to the benefits. The relevant officeholder may also apply to court for an order that the provisions of section 176A of the Insolvency Act should not apply on the basis that the cost of making a distribution would be disproportionate to the benefits.

Floating charge realisations upon the enforcement of the Security may be reduced by the operation of these "ring fencing" provisions up to a maximum of £600,000.

### **Fixed charges may take effect under English law as floating charges**

Pursuant to the terms of the Deed of Charge, the Issuer will, among other things, purport to grant fixed charges in favour of the Trustee to be held for the Noteholders in respect of the Hellenic Receivable.

The law in England and Wales relating to the characterisation of fixed charges is not settled. The fixed charges purported to be granted by the Issuer (other than by way of assignment in security) may take effect under English law as floating charges only, if, for example, it is determined that the Trustee does not exert sufficient control over the Charged Property for the security to be said to "fix" over those assets. If the charges take effect as floating charges instead of fixed charges, then, as a matter of law, certain claims would have priority over the claims of the Trustee in respect of the floating charge assets. In particular, the expenses of any winding up or administration, and the claims of any preferential creditors, would rank ahead of the claims of the Trustee in this regard. The Enterprise Act 2002 abolished the preferential status of certain Crown debts (including the claims of the United Kingdom tax authorities). However, certain employee claims (in respect of contributions to pension schemes and wages) still have preferential status. In this regard, it should be noted that the Issuer has agreed in the Transaction Documents not to have any employees.

In addition, any administrative receiver, administrator or liquidator appointed in respect of the Issuer will be required to set aside the prescribed percentage or percentages of the floating charge realisations in respect of the floating charges contained in the Deed of Charge (as described in more detail above under "*—Enterprise Act 2002*" above).

### **Greek Insolvency Proceedings**

Greek law 3458/2006 incorporated Directive 2001/24/EC of the European Parliament and of the Council of April 2001 on the reorganisation and winding up of credit institutions (the "**Credit Institutions Insolvency Directive**") into Greek law in May 2006. The Credit Institutions Insolvency Directive applies to credit institutions and their branches set up in Member States of the European Union other than those in which they have their head offices, as defined in Directive 2006/48/EC, subject to the conditions and exemptions laid down in the Credit Institutions Insolvency Directive and would, therefore, apply to NBG in the event of its winding-up. Only the administrative or judicial authorities of the home Member State of a credit institution which are responsible for winding up such credit institutions are empowered to decide on the opening of winding up proceedings concerning a credit institution, including in relation to its branches established in other Member States.

In addition, under the Credit Institutions Insolvency Directive, a decision to open winding up proceedings taken by the administrative or judicial authority of the home Member State is required to be recognised, without further formality, within the territory of all other Member States of the European Union and to be effective there when the decision is effective in the Member State in which the proceedings are opened. A credit institution is required to be wound up in accordance with the laws, regulations and procedures



applicable in its home Member State insofar as the Credit Institutions Insolvency Directive does not provide otherwise. Any insolvency proceedings commenced against NBG would therefore (insofar as it concerns the jurisdiction of courts of the Member States of the European Union and insofar as the Credit Institutions Insolvency Directive does not provide otherwise) have to be commenced in Greece, and would be subject to the substantive provisions of Greek insolvency law, including any provisions contained in Greek legislation pertaining to the right of an insolvency official to challenge contracts entered into before insolvency or to terminate contracts subsisting at the time of the insolvency of a Greek credit institution subject to the proviso that the rules relating to the detrimental transaction shall not apply if the transaction is subject to the law of another Member State and would not be challengeable under that law. It is expected that Greek counsel will provide an opinion that the novation of the Hellenic Receivable under the terms of the Novation Agreement may not be contested or challenged under Greek insolvency law.

#### **4. RISKS RELATED TO LEGAL, REGULATORY AND TAXATION REGIMES**

##### **European Union 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 made by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State or certain limited types of entity established in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

On 13 November 2008, the European Commission proposed certain changes to the above provisions which would, if implemented, cause them to apply in a wider range of circumstances.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State or certain other entities established in that other Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, none of the Issuer, the Principal Paying Agent or any other person would be obliged to pay additional amounts to the Noteholders or to otherwise compensate Noteholders for the reduction in the amounts that they will receive as a result of the imposition of such withholding tax. However, the Issuer is required to maintain the Principal Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the directive (if there is such a Member State).

##### **General regulatory considerations**

No assurance can be given that regulatory changes by any regulatory authority will not arise. Any such action or developments or compliance costs may have an adverse effect on NBG, NBGUK, the Issuer, the Trustee and their respective businesses and operations. This may adversely affect the ability of the Issuer to make payments to Noteholders.

##### **Noteholders may be adversely affected by a change of law or regulation**

The structure of the issue of the Notes and the ratings that are to be assigned to them are based on English and Greek law (including tax law), regulation and administrative process in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to English and Greek law (including tax law), administrative process or regulation after the date of this Prospectus, nor can any

assurance be given as to whether any such change could adversely affect the Issuer's ability to make payments in respect of the Notes.

**Risks related to Withholding Tax under the Notes**

In the event that withholding taxes are imposed in respect of payments to Noteholders of amounts due pursuant to the Notes, neither the Issuer nor the Principal Paying Agent nor any other person is obliged to gross-up or otherwise compensate Noteholders for the lesser amounts the Noteholders will receive as a result of the imposition of withholding taxes. The imposition of such withholding taxes in respect of payments under the Notes would entitle (but not oblige) the Issuer to redeem the Notes at their Principal Amount Outstanding (plus accrued interest). The applicability of any withholding taxes is discussed further under the heading "*United Kingdom Taxation*", "*Greek Taxation*" and "*Luxembourg Taxation*" below.

**Risks related to Withholding Tax under the Hedge Transactions**

In the event that any withholding or deduction for or on account of taxes is imposed on payments under the Hedge Agreement, the Hedge Provider will not be required to gross-up payments to the Issuer in respect of the amount of tax so withheld or deducted and the Issuer will not be obliged to gross-up its payments to the Hedge Provider. In the event any such withholding or deduction is so imposed on or applicable to payments to the Hedge Provider under the Hedge Agreement and such a requirement cannot be avoided by the Hedge Provider using all reasonable efforts, the Hedge Provider will have the right to terminate the Hedge Transactions. Upon any such termination, the Issuer may be obliged to pay a swap termination payment to the Hedge Provider and the Issuer cannot give any assurance that it will have funds available to make any such hedge termination payment or to make subsequent payments to Noteholders in respect of the Notes. See "*Risks related to the Notes—Hedge termination payments may adversely affect the funds available to make payments on the Notes*" above.

## CREDIT STRUCTURE

The structure of the credit arrangements relating to the issue of the Notes may be summarised as follows:

### **Receipts in respect of the Hellenic Receivable**

The Issuer will be required to record all payments and receipts (if any) in respect of the Hellenic Receivable.

The Cash Manager will, at the start of the day on each Interest Payment Date credit the Available Funds Ledger with an amount equal to the amount received in respect of the Hellenic Receivable on that Interest Payment Date.

### **Available Funds**

The Cash Manager will determine the amount of Available Funds (as defined below) for each Interest Payment Date.

"**Available Funds**" for any Interest Payment Date will include the aggregate of the following amounts (which will be recorded in a ledger of the Transaction Account designated the available funds ledger (the "**Available Funds Ledger**") in accordance with the provisions of the Cash Management Agreement:

- (i) on the first Interest Payment Date, the remaining balance (if any) of the amount drawn down under Tranche B of the Subordinated Loan after payment of the fees, costs and expenses of the Issuer in connection with the issue of the Notes which amount will be transferred to the Available Funds Ledger on such Interest Payment Date;
- (ii) if the Hellenic Receivable is to be re-novated to NBG on such Interest Payment Date, the amount paid to the Issuer pursuant to such re-novation in the period from (but excluding) the immediately preceding Interest Payment Date to (and including) that Interest Payment Date;
- (iii) any amounts received by the Issuer from the Hellenic Republic in respect of the Hellenic Receivable in the period from (but excluding) the immediately preceding Interest Payment Date to (and including) that Interest Payment Date and not previously applied as Available Funds;
- (iv) any amount received by the Issuer in respect of Authorised Investments from (but excluding) the immediately preceding Interest Payment Date to (and including) that Interest Payment Date (other than in respect of any amounts received representing income on collateral transferred to the Issuer under the Hedge Agreement);
- (v) the whole of the Expenses Reserve Fund transferred to the Available Funds Ledger on such Interest Payment Date;
- (vi) any amounts received by the Issuer from the Hedge Provider in respect of the Hedge Agreement (save as provided below, excluding any termination payment in respect of the Hedge Agreement and transfers of collateral pursuant to the credit support annex to the Hedge Agreement in each case, whensoever received) in the period from (but excluding) the immediately preceding Interest Payment Date to (and including) that Interest Payment Date and not previously applied as Available Funds; and
- (vii) any swap replacement premium received by the Issuer from a replacement hedge provider, if a Hedge Provider Subordinated Payment is then due to the replaced Hedge Provider.

### **Additional Amounts to be treated as Available Funds**

On any date the Issuer shall apply any termination payment received from the Hedge Provider in respect of the Hedge Agreement:

- (i) if such date is an Interest Payment Date and to the extent of any Unpaid Hedge Agreement Scheduled Amount only, as Available Funds on such Interest Payment Date;
- (ii) on any relevant date (other than a Re-novation Date or any other date upon which the Notes are to be redeemed in full), towards payment to a replacement Hedge Provider in consideration for such replacement Hedge Provider entering into a suitable replacement Hedge Agreement with the Issuer (and to such extent, not as Available Funds), and
- (iii) on any Interest Payment Date after any such payment to a replacement Hedge Provider under (ii) above or upon which the Notes are to be redeemed in full, as Available Funds on such Interest Payment Date.

Save as provided below, prior to the designation of an early termination date under the Hedge Agreement:

- (i) Posted Collateral shall not constitute Available Funds and shall not be applied in accordance with the applicable Priority of Payments; and
- (ii) Posted Collateral (or the equivalent thereof) shall only be applied in direct payment or transfer in satisfaction of the obligations of the Issuer to transfer equivalent credit support to the Hedge Provider subject to and in accordance with the credit support annex of the Hedge Agreement.

Under the Hedge Agreement, if on any date an Unpaid Hedge Agreement Scheduled Amount exists, the Issuer shall be entitled to elect (and to the extent it applies such collateral as Available Funds, shall be automatically deemed to have elected) to transfer an amount of Posted Collateral (or the euro equivalent or euro cash proceeds thereof) in an amount not exceeding such Unpaid Hedge Agreement Scheduled Amount to the Hedge Provider on that date and to net such return of collateral against such Unpaid Hedge Agreement Scheduled Amount. Such amount of Posted Collateral (or the euro equivalent or euro cash proceeds thereof) shall be treated as a payment (or as the case may be, partial payment) by the Hedge Provider of its obligations under the Hedge Agreement in respect of such Unpaid Hedge Agreement Scheduled Amount liability and applied as Available Funds as provided above.

Following the designation of an early termination date under the Hedge Agreement:

- (i) where the Posted Collateral is not in the form of euro cash, the Issuer shall realise such collateral as euro cash amounts; and apply such Posted Collateral to meet the termination payment obligation (if any) of the Issuer under the Hedge Agreement in connection with such early termination; and
- (ii) after satisfaction of such obligation, treat the remaining Posted Collateral (if any) as a termination payment received from the Hedge Provider in respect of the Hedge Agreement.

**"Posted Collateral"** means any cash collateral or securities collateral (or the equivalent thereof together with any interest or income on or distributions in respect thereof) transferred by the Hedge Provider to the Issuer under the credit support annex to the Hedge Agreement (and not previously returned or repaid to the Hedge Provider).

**"Unpaid Hedge Agreement Scheduled Amount"** means, on any date, (1) if the Hedge Agreement is outstanding and no Early Termination Date (as defined therein) has been effectively designated in respect thereof (other than in connection with a Re-novation Date), the net amount (if any, and excluding any transfers then due under the Credit Support Annex of the Hedge Agreement) payable to the Issuer on such date but which is not paid to the Issuer before 16:00 London time on such date and (2) if an Early Termination Date has been designated (other than in connection with a Re-novation Date) in respect of the Hedge Agreement or if the Hedge Agreement has been terminated and a replacement Hedge Agreement has not been entered into, the net amount (if any and excluding any transfers that may or may have been due under the Credit Support Annex of the Hedge Agreement) that would have been payable to the Issuer on such date but for the designation of an Early Termination Date and/or the termination of the Hedge Agreement.

The following shall not be credited to the Available Funds Ledger:

- (i) any swap replacement premium received by the Issuer from a replacement Hedge Provider to the extent that it is or is to be used to make a termination payment due to the replaced Hedge Provider under the Hedge Agreement (other than a Hedge Provider Subordinated Payment); and
- (ii) any Hellenic Receivable Tax Credit Amount (as defined below) received by the Issuer since the preceding Interest Payment Date which amount shall be paid directly to the Hellenic Republic on the Interest Payment Date next following receipt thereof.

### **Expenses Reserve Fund**

On the Closing Date, the Issuer will apply Tranche A of the Subordinated Loan in an amount equal to €175,000 to establish a cash reserve (the "**Expenses Reserve Fund**") and will credit such amount to a ledger of the Transaction Account (the "**Expenses Reserve Ledger**") established by the Issuer. Prior to the service of an Enforcement Notice or the Security otherwise becoming enforceable, on each Interest Payment Date (other than the Expected Maturity Date, any Optional Redemption Date or Re-novation Date), to the extent that the Available Funds are sufficient, an amount will be transferred, in accordance with item (ii) of the Pre-Enforcement Priority of Payments, from the Available Funds Ledger back to the Expenses Reserve Ledger up to €175,000 (the "**Expenses Reserve Fund Required Amount**"). The Expenses Reserve Fund Required Amount will be zero on the Optional Redemption Date, Re-novation Date and Expected Maturity Date (provided that the Principal Amount Outstanding of the Notes has been paid in full on such date).

The Cash Manager will on each Interest Payment Date transfer to the Available Funds Ledger the Expenses Reserve Fund standing to the credit of the Expenses Reserve Ledger so as to form part of the Available Funds and be applied in accordance with the Pre-Enforcement Priority of Payments on that Interest Payment Date.

On any Business Day that is not an Interest Payment Date the Cash Manager may also apply amounts standing to the credit of the Expenses Reserve Ledger to pay expenses of the Issuer due and payable to third parties on such date, including, without limitation, the Issuer's primary liability or possible primary liability for corporation tax to the extent that there are insufficient funds thereafter standing to the credit of the Profit Ledger.

### **Pre-Enforcement Priority of Payments**

On each Interest Payment Date prior to the delivery of an Enforcement Notice (as defined in the Conditions) by the Trustee or the Security granted by the Issuer becoming otherwise enforceable, the Available Funds on such Interest Payment Date will be applied to discharge the following payments and provisions in accordance with the following order of priority (the "**Pre-Enforcement Priority of Payments**"):

- (i) first, when due, the remuneration payable to the Trustee or any Appointee and any costs, charges, liabilities and expenses incurred by the Trustee or any Appointee under the provisions of or in connection with the Trust Deed, the Deed of Charge or any other Transaction Document together with any applicable interest as provided for in the Trust Deed or the Deed of Charge, plus value added tax, if any;
- (ii) *second*, except upon the Interest Payment Date when the Notes are redeemed in full, to increase the balance of the Expenses Reserve Fund (by crediting the Expenses Reserve Ledger) until it reaches the Expenses Reserve Fund Required Amount;
- (iii) *third*, to pay amounts including audit fees, rating agency fees, legal fees, company secretarial expenses and costs and expenses incurred in connection with the appointment of any substitute service-provider (plus value added tax, if any), which are payable by the Issuer to third parties and incurred without breach by the Issuer pursuant to the Trust Deed, the Deed of Charge, or the Cash Management Agreement and not provided for payment elsewhere;

- (iv) *fourth*, to pay *pari passu* and *pro rata* amounts due to the Principal Paying Agent (other than in respect of amounts due on the Notes), the Registrar and the Agent Bank under the Paying Agency Agreement;
- (v) *fifth*, to pay *pari passu* and *pro rata*:
  - (1) except to the extent already paid to the Cash Manager since the preceding Interest Payment Date or, in the case of the first Interest Payment Date, since the Closing Date): (A) the cash management fee, payable under the Cash Management Agreement to the Cash Manager such fee being €5,000 per annum divided by two; (B) any costs and expenses incurred by the Cash Manager; and (C) value added tax, if any, payable by the Issuer in accordance with the Cash Management Agreement;
  - (2) (A) the annual corporate services fee due and payable pursuant to the Corporate Services Agreement to the Corporate Services Provider divided by two, (B) any costs and expenses incurred by the Corporate Services Provider and payable by the Issuer in accordance with the Corporate Services Agreement and (C) value added tax, if any, payable in accordance with the Corporate Services Agreement; and
  - (3) amounts due to the Account Bank under the Bank Agreement;
- (vi) *sixth*, to pay amounts payable (if any and other than with respect to any Hellenic Republic Subordinated Payment) to the Hellenic Republic under the Hellenic Receivable;
- (vii) *seventh*, to pay all amounts payable (if any and other than with respect to any Hedge Provider Subordinated Payment) to the Hedge Provider;
- (viii) *eighth*, in paying *pari passu* and *pro rata* all amounts of interest due and payable in respect of the Notes;
- (ix) *ninth*, in paying *pari passu* and *pro rata* all amounts of principal then due and payable in respect of the Notes;
- (x) *tenth*, in or towards payment of any Hellenic Republic Subordinated Payment payable to the Hellenic Republic;
- (xi) *eleventh*, in or towards payment of any Hedge Provider Subordinated Payment payable to the Hedge Provider;
- (xii) *twelfth*, to pay all accrued and due interest under the Subordinated Loan as at such Interest Payment Date;
- (xiii) *thirteenth*, to credit to the Profit Ledger an amount of €2,500 in the case of each Interest Payment Date;
- (xiv) *fourteenth*, in or towards repayment of principal in respect of Tranche A of the Subordinated Loan;
- (xv) *fifteenth*, in or towards payment of principal in respect of Tranche B of the Subordinated Loan; and
- (xvi) *sixteenth*, to pay the balance due to NBG (or its permitted assignee) in respect of Deferred Consideration under the Novation Agreement.

If, following an Interest Payment Date prior to the service of an Enforcement Notice by the Trustee or the Security otherwise becoming enforceable, the Issuer receives amounts from the Hellenic Republic or the Hedge Provider which would have comprised Available Funds if they had been paid to the Issuer on such Interest Payment Date, the Cash Manager will apply such amounts on the date received in accordance with

the Pre-Enforcement Priority of Payments as if such amounts were Available Funds and the date of receipt were an Interest Payment Date but only to the extent that the relevant payments to be made according to the Pre-Enforcement Priority of Payments have not already been discharged on such Interest Payment Date.

### **Transaction Account**

All amounts received from the Hellenic Republic in respect of the Hellenic Receivable will be paid directly into an account (the "**Transaction Account**") held in the name of the Issuer at the Account Bank pursuant to the Bank Agreement. All other amounts received by the Issuer will also be credited to the Transaction Account.

### **Authorised Investments**

Monies from time to time standing to the credit of the Transaction Account or which are otherwise to be credited to the Transaction Account may be invested by the Issuer (or, subject to it having all necessary authorisations to do so, by the Cash Manager on behalf of the Issuer) in any Authorised Investment.

"**Authorised Investment**" means:

- (a) any euro denominated demand or time deposit, certificate of deposit, long term debt obligation or short-term debt obligation (including commercial paper) provided that in all cases such investment is rated at least P-1 or Aaa (as applicable) by Moody's, has a remaining period to maturity of 30 days or less and matures on or before the next following Interest Payment Date and the unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposit is made are rated at least P-1 (in the case of short-term obligations) or Aaa (in the case of long-term obligations) by Moody's; and
- (b) any euro denominated government or public security, provided that such investment has a remaining period to maturity of 30 days or less and matures on or before the next following Interest Payment Date and which is rated Aaa by Moody's.

### **Deferred Consideration**

Under the Novation Agreement, the Issuer will be required to pay to NBG (and the Trustee will be required to pay to NBG upon application of the relevant funds of the Issuer following enforcement by the Trustee in accordance with the Conditions) by way of deferred consideration (the "**Deferred Consideration**") the aggregate of the following amounts:

- (a) on each Interest Payment Date, prior to the delivery of an Enforcement Notice or the Security granted by the Issuer becoming otherwise becoming enforceable the amount available at item (xvi) of the Pre-Enforcement Priority of Payment; and
- (b) on any date upon which payments are made in accordance with the Post-Enforcement Priority of Payments, the amount available at item (xii) of the Post-Enforcement Priority of Payments.

NBG shall be entitled to sell, assign, transfer or grant security over its rights to receive the Deferred Consideration, subject to the restrictions set out in the Novation Agreement.

### **Profit Ledger**

On each Interest Payment Date, to the extent of available funds, an amount, being, in respect of each Interest Payment Date, €2,500, will be credited to a ledger of the Transaction Account (the "**Profit Ledger**") in accordance with the Pre-Enforcement Priority of Payments. Subject to the enforcement of the Notes in accordance with Condition 10 (*Enforcement*), the amount standing to the credit of the Profit Ledger is expected to be paid to the Share Trustee net of UK corporation tax by way of dividend.

## **Subordinated Loan Agreement**

Under the Subordinated Loan Agreement, NGBUK, in its capacity as Subordinated Loan Provider, will provide the Issuer with a subordinated loan to be drawn by the Issuer on the Closing Date in two tranches (the first tranche being "**Tranche A**" and the second tranche being "**Tranche B**"). Tranche A will be applied by the Issuer to establish the Expenses Reserve Fund and Tranche B will be applied to fund the fees, costs and expenses of the Issuer in connection with the issuance of the Notes. Any amounts drawn under Tranche B of the Subordinated Loan which are not used to fund the fees, costs and expenses of the Issuer in connection with the issuance of the Notes will be credited to the Available Funds Ledger on the first Interest Payment Date so as to form part of the Available Funds on such Interest Payment Date.

The rate of interest applicable under the Subordinated Loan shall be Euribor for the relevant Subordinated Loan Interest Period (as defined below) plus a margin of 1 per cent. per annum or such lesser margin as may be agreed between the Issuer and the Subordinated Loan Provider from time to time and the amount of interest payable under the Subordinated Loan Agreement shall be treated as accruing on a day-to-day basis. The interest periods under the Subordinated Loan Agreement (the "**Subordinated Loan Interest Periods**") shall correspond with the Interest Periods. The principal amounts advanced under the Subordinated Loan will be repayable by the Issuer on each Interest Payment Date in accordance with the Pre-Enforcement Priority of Payments. The Subordinated Loan will become immediately due and payable following delivery of an Enforcement Notice, but in that event, payment to the Subordinated Loan Provider under the Subordinated Loan will only be paid in accordance with the Post-Enforcement Priority of Payments.

## **Hedge Transactions**

Scheduled principal and interest payments on the Notes will be funded primarily by payments received by the Issuer under the Hellenic Receivable and the Hedge Transactions. References to the "**Hedge Transactions**" are references to the First Hedge Transaction and the Second Hedge Transaction described below.

Any periodic payments due to the Issuer pursuant to the Hellenic Receivable will be calculated by reference to 6-month Euribor (determined in accordance with the Hellenic Receivable) and will be payable semi-annually.

In order to mitigate the potential discrepancy between (1) the variable amounts due to the Issuer under the Hellenic Receivable and (2) the Issuer's scheduled obligations to pay, *inter alia*, principal on the Notes and to make certain other payments under the Second Hedge Transaction, the Issuer will enter into the First Hedge Transaction with NBG as the initial Hedge Provider.

Pursuant to the First Hedge Transaction:

- (a) on each Issuer First Hedge Payment Date, the Issuer will make semi-annual floating amount payments to the Hedge Provider determined by reference to 6-month Euribor plus a margin; and
- (b) on each Hedge Provider First Hedge Payment Date, the Hedge Provider will make annual fixed amount payments to the Issuer which when aggregated with the Issuer's receipts under the Hellenic Receivable (and after taking into account the Issuer's payment obligations under the First Hedge Transaction), are intended to be sufficient to meet the Issuer's obligations: (1) to maintain the Expenses Reserve Fund at the Expenses Reserve Fund Required Amount; (2) to make the scheduled annual payment due by the Issuer under the Hellenic Receivable (if then due and payable); (3) to finance interest payments on the Notes (through the Second Hedge Transaction (as described below)); and (4) to make scheduled principal payments under the Notes.

"**Issuer First Hedge Payment Dates**" means 20 September 2009 and each 20 March and 20 September thereafter of each year during the term of the transaction (subject to adjustment in each case, if such date is not a Business Day, in accordance with the modified following business day convention provided for in the Hedge Agreement).



**"Hedge Provider First Hedge Payment Dates"** means 20 September 2009 and each 20 September thereafter of each year during the term of the transaction (subject to adjustment in each case, if such date is not a Business Day, in accordance with the modified following business day convention provided for in the Hedge Agreement).

The amount of interest payments in respect of the Notes will be calculated by reference to Note Euribor and will be payable semi-annually.

In order to mitigate the potential discrepancy between (1) the variable amounts payable by the Issuer in respect of interest on the Notes and (2) the fixed amounts received by the Issuer under the First Hedge Transaction in order to finance interest payments under the Notes, the Issuer will enter into the Second Hedge Transaction with NBG as the initial Hedge Provider.

Pursuant to the Second Hedge Transaction, on each Second Hedge Payment Date:

- (a) the Issuer will make semi-annual fixed amount payments to the Hedge Provider; and
- (b) the Hedge Provider will make semi-annual floating amount payments to the Issuer calculated by reference to 6-month Euribor (determined in accordance with the Hedge Agreement) plus a margin.

**"Second Hedge Payment Dates"** mean each Interest Payment Date (other than an Optional Redemption Date or a Re-novation Date) during the term of the Second Hedge Transaction.

Under the Second Hedge Transaction, the fixed and floating amounts payable for any period will be calculated by reference to an amortising notional schedule which will match the Amortisation Schedule applicable to the Notes for the same period.

The payment obligations of the Issuer and the Hedge Provider under the Hedge Transactions will be subject to netting with the exception of any collateral required to be posted in accordance with the terms of the Hedge Agreement and, in respect of any relevant date, will result in a single net payment being payable by one party to the other.

### **Hedge Agreement**

The Hedge Transactions will be governed by an ISDA (Multicurrency – Cross Border) 1992 Master Agreement together with a schedule thereto and a credit support annex (which collectively, together with the confirmations thereunder documenting such Hedge Transactions, are referred to as the **"Hedge Agreement"** which term includes any replacement hedge agreement entered into by the Issuer and a replacement or successor Hedge Provider).

### **Termination of Hedge Transactions**

The Hedge Transactions are each scheduled to terminate on the Interest Payment Date falling in September 2037.

Hedge Transactions under the Hedge Agreement may be subject to early termination by the Hedge Provider in certain circumstances, including but not limited to:

- (i) the Issuer being in default by reason of failure by the Issuer to make payments;
- (ii) certain insolvency-related events affecting the Issuer;
- (iii) any provisions of the Transaction Documents or the Terms and Conditions of the Notes being amended and/or supplemented without the consent of the Hedge Provider where such amendment and/or supplement is reasonably expected to result in the Hedge Provider being materially adversely affected as a result of such amendment and/or supplement;

- (iv) a change in law resulting in the illegality of the obligations to be performed by the Hedge Provider under the Hedge Transaction;
- (v) any action is taken by a taxing authority or there is a change in law or a change in the application of the relevant law which results or will result in the Hedge Provider being required to receive a lesser amount in respect of payments under a Hedge Transaction as a result of a withholding or deduction for or on account of tax, subject to the terms of the relevant Hedge Agreement and as described in greater detail in "*—Withholding Tax*" below; or
- (vi) the acceleration of the Notes and/or the enforcement of the Security.

The Hedge Agreement will be automatically subject to early termination on a Re-novation Date.

Hedge Transactions under the Hedge Agreement may be subject to early termination by the Issuer in certain circumstances, including but not limited to:

- (i) the Hedge Provider being in default by reason of failure by such Hedge Provider to make payments;
- (ii) the Hedge Provider being otherwise in breach of the relevant Hedge Agreement or having made certain misrepresentations;
- (iii) the rating of a Hedge Provider being downgraded below the relevant rating(s) specified in the relevant Hedge Agreement and the requisite remedial steps not being taken by the Hedge Provider as described in more detail in "*—Rating Downgrade or Withdrawal of the Hedge Provider*" below;
- (iv) certain insolvency-related or corporate reorganisation events affecting the Hedge Provider;
- (v) any action being taken by a taxing authority or there being a change of relevant law or a merger of the Hedge Provider which results or will result in the Issuer receiving a payment from which an amount is required to be deducted or withheld for or on account of tax; or
- (vi) a change in law resulting in the illegality of the obligations to be performed by it under the Hedge Transaction.

Prior to designating an early termination date, the Issuer must have provided the Rating Agency with prior written notice of such designation.

If either Hedge Transaction is subject to early termination both Hedge Transactions will terminate together at such time.

Upon termination of a Hedge Transaction, depending on replacement values, the Hedge Provider may be liable to make a termination payment to the Issuer or vice versa in accordance with the terms of the relevant Hedge Agreement. Except as described above, the Hedge Provider is not bound to make any other payments. In particular, the Hedge Provider will not make or guarantee any payments in respect of the Notes.

#### **Rating Downgrade or Withdrawal of the Hedge Provider**

In the event that the rating of the Hedge Provider is downgraded below the relevant rating(s) specified in the relevant Hedge Agreement, then the Issuer has the right, subject to certain conditions, to terminate the Hedge Agreement unless the Hedge Provider, within the time period specified in the Hedge Agreement and at its own cost, takes certain remedial steps which may include:

- (i) providing collateral for its obligations in accordance with the terms of the Hedge Agreement; or

- (ii) obtaining a guarantee of, or a co-obligor for its obligations under the Hedge Transactions from a third party whose ratings are equal to or higher than the ratings specified in the Hedge Agreement, where the terms of the Hedge Agreement so provide; or
- (iii) novating all of its rights and obligations under the Hedge Transactions to a third party provided that such third party's ratings are equal to or higher than the ratings specified in the Hedge Agreement; or
- (iv) obtaining a confirmation from Moody's that the then current rating applicable to the Notes will not be downgraded, suspended or withdrawn as a result of the downgrading of the Hedge Provider's debt obligations.

### **Credit Support Annex**

The Hedge Provider will enter into a 1995 (Bilateral Form – Transfer) ISDA Credit Support Annex with the Issuer (the "**Credit Support Annex**") on or prior to the Closing Date in support of the Hedge Provider's obligations under the Hedge Agreement.

Pursuant and subject to the terms of the Credit Support Annex, the Hedge Provider may be obliged to make transfers of cash or securities by way of collateral to the Issuer in support of the Hedge Provider's obligations under the Hedge Agreement. From time to time the Issuer may be obliged to return all or part of such collateral (or the equivalent thereof) in accordance with the terms of the Credit Support Annex.

Where the Hedge Provider provides collateral in accordance with the terms of the Hedge Agreement, as the case may be, such collateral will, upon receipt by the Issuer, be credited to a separate ledger created to record the amount of collateral received under the Hedge Agreement and transferred (if in euro cash form) to the Transaction Account.

See "*Additional Amounts to be treated as Available Funds*" with respect to the treatment of any collateral provided by the Hedge Provider or interest accruing thereon.

### **Transfers of Hedge Agreement**

Notwithstanding a transfer to avoid a withholding tax as described in "*—Withholding Tax*" below and/or pursuant to, with respect to the Hedge Provider, a consolidation or amalgamation with, or merger with or into, or transfer of all or substantially all its assets to, another entity or where the Issuer is a defaulting party under the Hedge Agreement, the Hedge Provider may, subject to the conditions set out in the Hedge Agreement, novate its rights and obligations in respect of the Hedge Transactions to another entity, provided that, among other things, the transferee contracts with the Issuer on terms that:

- (i) have the same effect as the terms of the Hedge Agreement in respect of all payment and delivery obligations (whether absolute or contingent and assuming the satisfaction of each applicable condition precedent) after the effective date of such transfer; and
- (ii) insofar as they do not relate to payment or delivery obligations, are, in all material respects, no less beneficial for the Issuer than the terms of the Hedge Agreement immediately before such transfer.

Any replacement Hedge Agreement is expected to be on substantially similar terms to the initial Hedge Agreement but may vary due to, amongst other things, changes to then applicable rating agency criteria.

### **Withholding Tax**

Under current UK law, the Issuer will not be obliged to withhold tax from any scheduled swap payment by it under any Hedge Transaction. If the Issuer becomes obliged to withhold tax from any swap payment due by it under a Hedge Transaction, such tax shall be withheld and paid over to the relevant authorities and the Issuer will not be obliged to gross-up its payment to the Hedge Provider.

Under current Greek law, the Hedge Provider should not be obliged to withhold tax from any scheduled swap payment by it under any Hedge Transaction, subject to and in accordance with the provisions of and the process laid down in the convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income entered into between the United Kingdom and the Hellenic Republic in 1953 (the "**Tax Treaty**"). If the Hedge Provider becomes obliged to withhold tax from any swap payment due by it under a Hedge Transaction, such tax shall be withheld and paid over to the relevant authorities and the Hedge Provider will not be obliged to gross-up its payment to the Issuer.

If at any time the Hedge Provider becomes aware that it will be obliged to receive an amount under a Hedge Transaction net of withholding or deduction or that it will be required by any relevant taxing authority or court of competent jurisdiction by operation of law to withhold or account for or deduct any amount in respect of tax, the Hedge Provider will inform the Issuer and the Trustee. As a condition to being entitled to terminate the relevant Hedge Transaction in the first of such circumstances, the Hedge Provider will use all reasonable efforts (provided that using such requirement will not require it to incur any cost or loss (including additional capital cost), excluding immaterial, incidental expenses) to arrange the substitution of an affiliate incorporated in another jurisdiction to act as the hedge provider under the Hedge Agreement or to change the office through which it acts under the Hedge Agreement so as to avoid such withholding or deduction. If any such withholding or deduction cannot be avoided by the Hedge Provider using all reasonable efforts to avoid such withholding or deduction (as described above), the Hedge Provider may terminate the relevant Hedge Transaction.

## **THE HELLENIC REPUBLIC**

The Hellenic Republic is a member state of the European Union and a member of the Eurozone. As at the date of this Prospectus, the Hellenic Republic has securities admitted to trading on the regulated market of the Luxembourg Stock Exchange.

## THE HELLENIC RECEIVABLE

### Novation Agreement

On 31 December 2008 the Hellenic Republic and NBG entered into an interest rate swap transaction governed by an ISDA (Multicurrency – Cross Border) 1992 Master Agreement dated as of 25 July 2005.

Upon or prior to issuance of the Notes, NBG will novate that interest rate swap transaction to the Issuer pursuant to a novation agreement dated on or about the Closing Date between the Hellenic Republic, NBG and the Issuer (the "**Novation Agreement**").

On the Closing Date, the Issuer will pay to NBG €5,484,540,000 in consideration for such novation.

The Issuer will also pay Deferred Consideration to NBG in accordance with the applicable Priority of Payments.

Pursuant to the Novation Agreement, the Issuer and the Hellenic Republic appoint NBG as calculation agent under the Hellenic Receivable, provided that if an insolvency event occurs with respect to NBG and it ceases to perform its functions as calculation agent under the Hellenic Receivable the Issuer and the Hellenic Republic may appoint a replacement entity to perform that role. In the absence of such appointment, the Hellenic Republic shall be the calculation agent.

### Re-novation Agreement

On or about the Closing Date, the Issuer will enter into a novation agreement with the Hellenic Republic and NBG (the "**Re-novation Agreement**").

Pursuant to the Re-novation Agreement, NBG will have the right, but not the obligation, to have the Hellenic Receivable novated to it (the "**Re-novation Option**") subject to:

- (a) NBG giving the Hellenic Republic and the Issuer not less than 12 days' advance written notice of the date upon which such re-novation is to occur (the "**Re-novation Date**"); and
- (b) NBG paying (by 10 am London time on the Re-novation Date) a re-novation fee to the Issuer which is an amount in euro which, when aggregated with any payment due to the Issuer on the Re-novation Date under the Hellenic Receivable and/or the Hedge Agreement and any Retained Posted Collateral under the Hedge Agreement is sufficient to enable the Issuer: (1) to credit the Profit Ledger with €2,500; (2) without double counting, to pay all amounts due in respect of principal on the Subordinated Loan in accordance with the applicable Priority of Payments; and (3) without double counting, to pay in full all amounts payable by the Issuer which rank senior to the crediting of the Profit Ledger or, if payments of principal in respect of Tranche B of the Subordinated Loan are then less senior in the applicable Priority of Payments, which rank senior to the payment of principal in respect of Tranche B of the Subordinated Loan in the applicable Priority of Payments, in each case on the Re-novation Date.

"**Retained Posted Collateral**" means the Credit Support Balance (as defined in the Hedge Agreement) retained by the Issuer under the Hedge Agreement as at the close of business on the second Business Day preceding the Re-novation Date.

If NGB delivers notice of the re-novation to the Issuer and the Hellenic Republic in accordance with the terms of the Re-novation Agreement, it will be obliged to pay the re-novation fee to the Issuer on Re-novation Date (by 10 am London time on the Re-novation Date).

### Hellenic Receivable

The interest rate swap transaction entered into between the Hellenic Republic and the Issuer pursuant to the Novation Agreement will be governed by an ISDA (Multicurrency – Cross Border) 1992 Master Agreement together with a schedule thereto (and collectively, together with the confirmation thereunder

(as constituted by the Novation Agreement) documenting such interest rate swap transaction, the "**Hellenic Receivable**").

The Hellenic Receivable will be governed by English Law.

Pursuant to the Hellenic Receivable;

- (a) on each Hellenic Receivable Annual Payment Date, the Issuer will make fixed amount payments to the Hellenic Republic equal to the product of: (1) a fixed rate of 4.50 per cent. and (2) a notional amount of €5,500,000,000; and
- (b) on each Hellenic Receivable Semi-Annual Payment Date, the Hellenic Republic will make floating amount payments to the Issuer equal to the product of: (1) the sum of 6-month Euribor plus a margin of 6.6025 per cent.; (2) a notional amount of €5,500,000,000; and (3) the number of days in the relevant semi-annual period divided by 360. The first semi-annual calculation period applicable to such floating amount payments will commence on and include 20 March 2009.

The payment obligations of the Issuer and the Hellenic Republic under (a) and (b) above are subject to netting, and, in respect of any relevant date, will result in a single net payment being payable by one party to the other.

"**Hellenic Receivable Annual Payment Dates**" means 20 September of each year during the term of the transaction; and

"**Hellenic Receivable Semi-Annual Payment Dates**" means 20 September 2009 and each 20 March and 20 September thereafter of each year during the term of the transaction (subject to adjustment in each case, if such date is not a Business Day, in accordance with the modified following business day convention provided for in the Hellenic Receivable).

The securitised asset (being the Hellenic Receivable) backing the issue of Notes has characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes.

#### **Termination of the Hellenic Receivable**

The Hellenic Receivable is scheduled to terminate on 20 September 2037 (subject to adjustment for the applicable business day convention provided for in the Hellenic Receivable).

In addition to such scheduled termination, the Hellenic Receivable may be subject to early termination by the Hellenic Republic in certain circumstances, including but not limited to:

- (i) the Issuer being in default by reason of failure by the Issuer to make payments;
- (ii) the Issuer having made certain misrepresentations under the Hellenic Receivable;
- (iii) the Issuer defaulting in its obligations in connection with or repudiating any separate derivative agreement which it may enter or may have entered into with the Hellenic Republic;
- (iv) certain insolvency-related events affecting the Issuer;
- (v) the Issuer merging with another entity and the surviving entity failing to assume the obligations of the Issuer under the Hellenic Receivable;
- (vi) a change in law resulting in the illegality of the obligations to be performed by the Issuer or the Hellenic Republic under the Hellenic Receivable;
- (vii) any action being taken by a taxing authority or there being a change in law or a change in the application of the relevant law which result or will result in the Hellenic Republic being required to pay an additional amount or receive a lesser amount in respect of payments under the Hellenic

Receivable as a result of a withholding or deduction for or on account of any tax, subject to the terms of the Hellenic Receivable and as described in greater detail in "*Withholding Tax*" below;

- (viii) the Hellenic Republic being required to pay an additional amount or receive a lesser amount in respect of payments under the Hellenic Receivable as a result of the Issuer merging with another entity; or
- (ix) the Issuer merging with another entity and the creditworthiness of the resulting entity being materially weaker than that of the Issuer.

The Hellenic Receivable may be terminated by the Issuer in certain circumstances, including but not limited to:

- (i) the Hellenic Republic being in default by reason of failure by the Hellenic Republic to make payments in respect of the Hellenic Receivable;
- (ii) the Hellenic Republic being otherwise in breach of the Hellenic Receivable or having made certain misrepresentations;
- (iii) the Hellenic Republic defaulting in its obligations in connection with or repudiating any separate derivative agreement which it has entered into with the Issuer;
- (iv) the Hellenic Republic defaulting under an agreement relating to its external indebtedness in an aggregate amount of not less than €20,000,000 or its equivalent in another currency;
- (v) the Hellenic Republic declaring a general moratorium in respect of its external indebtedness or announcing its inability to pay its external indebtedness as it matures; or
- (vi) a change in law resulting in the illegality of the obligations to be performed by the Hellenic Republic or the Issuer under the Hellenic Receivable

Upon termination of the Hellenic Receivable, depending on replacement values, the Hellenic Republic may be liable to make a termination payment to the Issuer or vice versa in accordance with the terms of the Hellenic Receivable. Except as described above, the Hellenic Republic is not bound to make any other payments. In particular, the Hellenic Republic will not make or guarantee any payments in respect of the Notes.

### **Transfers of Hellenic Receivable**

Each party to the Hellenic Receivable will not be entitled to assign or transfer any rights, interests or obligations under the Hellenic Receivable without the consent of the other party other than pursuant to the Transaction Documents and/or in connection with a consolidation or amalgamation with or merger with or into another entity (or similar circumstances).

### **Withholding Tax**

Under current UK law, the Issuer will not be obliged to withhold tax from any scheduled swap payment by it under the Hellenic Receivable. If the Issuer becomes obliged to withhold tax from any swap payment due by it under the Hellenic Receivable, such tax shall be withheld and paid over to the relevant authorities and the Issuer will not be obliged to gross-up its payment to the Hellenic Republic.

Under current Greek law, the Hellenic Republic will not be obliged to withhold tax from any scheduled swap payment by it to the Issuer under the Hellenic Receivable subject to and in accordance with the provisions of and the process laid down in the Tax Treaty. If the Hellenic Republic becomes obliged to withhold tax from any swap payment due by it to the Issuer under the Hellenic Receivable, such tax shall be withheld and paid over to the relevant authorities and the Hellenic Republic will be obliged to gross-up its payment to the Issuer.



If the Hellenic Republic is required to pay any additional amount in accordance with the Hellenic Receivable as a result of any withholding or deduction required by law and to the extent that the Issuer obtains any tax credit, allowance, set-off or repayment from the tax authorities of any jurisdiction relating (in the determination of Cash Manager on behalf of the Issuer) to any deduction or withholding giving rise to such payment, the Issuer shall pay directly to the Hellenic Republic, on the Interest Payment Date immediately following receipt of such credit, so much of the cash benefit (determined in the manner described in the Hellenic Receivable) (the "**Hellenic Receivable Tax Credit Amount**") relating thereto as will leave the Issuer (in the determination of the Cash Manager on behalf of the Issuer) in substantially the same (but in any event no worse) after tax position as the Issuer would have been in if no such payment by the Hellenic Receivable had been required.

## CASH MANAGEMENT

### Cash Management and termination of appointment of Cash Manager

Under the Cash Management Agreement, NBG will also be appointed to act as Cash Manager to undertake certain duties (the "**Cash Management Services**") on behalf of the Issuer. The Cash Management Services will include the administration of the Issuer's assets, the making of the calculations and payments required by the Cash Management Agreement and the Deed of Charge and the preparation of semi-annual reports delivered to the Issuer, the Rating Agency and, following the delivery of an Enforcement Notice, the Trustee in accordance with the Cash Management Agreement.

For the purpose of the administration of the Hellenic Receivable, the Cash Manager will be authorised to operate the Transaction Account for the purpose of the Cash Management Agreement. The duties of the Cash Manager will include, *inter alia*:

- (a) operating the Transaction Account in such a manner as to enable the Issuer to perform its financial obligations pursuant to the Notes and the Transaction Documents;
- (b) providing the Issuer and, following the delivery of an Enforcement Notice, the Trustee with certain cash management, calculation, notification and reporting information in relation to the Transaction Account;
- (c) taking the necessary action and giving the necessary notices to ensure that the Transaction Account is credited with the appropriate amounts in accordance with the Cash Management Agreement;
- (d) taking all necessary action to ensure that all payments are made out of the Transaction Account in accordance with the Cash Management Agreement and the Conditions;
- (e) maintaining adequate records to reflect all transactions carried out by or in respect of the Transaction Account.

Pursuant to the Cash Management Agreement, the appointment of the Cash Manager may be terminated by either the Trustee or the Issuer if the Cash Manager defaults in the performance and observance of any of its covenants in the Cash Management Agreement to an extent which taken in aggregate with all such other failures, is materially prejudicial to the interests of the Noteholders and (except where such default is incapable of remedy, when no such continuation and/or notice as is hereinafter mentioned will be required) such default is not remedied within 15 London business days of such default or if certain insolvency events occur in respect of it (provided that the Trustee will be entitled to assume that no default by the Cash Manager has occurred unless the Trustee is notified or has actual knowledge of such default). The appointment of the Cash Manager may also be terminated upon the Cash Manager giving to the Issuer and the Trustee not less than three months' prior written notice (or such shorter period as the Trustee may agree).

In the event that the Cash Manager no longer qualifies as a Qualified Institution, the Cash Management Agreement will provide that the Issuer shall replace the Cash Manager with a replacement cash manager that is a Qualified Institution. "**Qualified Institution**" means at any time an entity whose long term, unsecured, unsubordinated and unguaranteed debt is at that time rated at least Baa1 by the Rating Agency (or at least the equivalent rating from another internationally recognised rating agency at any time) provided that (i) such rating is notified to the Rating Agency and (ii) the Rating Agency has confirmed that the then current ratings of the Notes would not be adversely affected by such appointment), or whose obligations to the Issuer are guaranteed by an entity whose debt is so rated, unless, in each case, the Rating Agency confirms that, notwithstanding that such entity is not so rated and whose obligations are not so guaranteed, this would not cause it to downgrade the then current rating of the Notes.

The Issuer will on each Interest Payment Date pay to the Cash Manager for its services under the Cash Management Agreement a semi-annual cash management fee in an amount equal to €5,000 divided by two plus value added tax, if any.

### **Agent Bank and termination of appointment of Agent Bank**

Under the Paying Agency Agreement, Citibank, N.A., London Branch will be appointed to act as Agent Bank to undertake the following duties on behalf of the Issuer: (i) on each Interest Determination Date determine and notify the Rate of Interest applicable to the relevant Interest Period and the Interest Amount if any payable in respect of each Note; and (ii) publish the Rate of Interest and Interest Amounts for each Interest Period.

Pursuant to the Paying Agency Agreement the appointment of Citibank, N.A., London Branch as Agent Bank may be revoked by the Issuer (with the prior written approval of the Trustee) by not less than 30 days' notice to the Agent Bank or may be terminated by the resignation of the Agent Bank upon 30 days notice to the Issuer (with a copy to the Trustee and the Principal Paying Agent), subject in each case to certain other limitations, including that a successor agent bank has been duly appointed. The appointment of the Agent Bank will also be automatically terminated in the case of the occurrence of certain insolvency or credit events in respect of the Agent Bank.

The Issuer may (with the prior written approval of the Trustee) appoint a successor agent bank and give notice of such appointment, provided that if an Agent Bank gives notice of its resignation and no successor has been appointed by the tenth day prior to the expiration of the notice period, the Agent Bank may, following consultation with the Issuer and the prior written approval of the Trustee, itself appoint a successor.

### **Account Bank**

Under the terms of the Bank Agreement, NBGUK will be appointed to act as Account Bank to maintain the Transaction Account and to operate the Transaction Account in accordance with the directions of the Cash Manager pursuant to the terms of the Bank Agreement and the Cash Management Agreement.

Subject to the terms of the Bank Agreement, the Cash Manager may transfer the Transaction Account and appoint a new Account Bank. The Account Bank and any successor Account Bank must be a Qualifying Entity.

"**Qualifying Entity**" means at any time a person:

- (a) which is, at that time, a person authorised to take deposits under the Financial Services and Markets Act 2000;
- (b) which is at that time a bank within the meaning of that term in section 991 of the Income Tax Act 2007 and is a bank for the purposes of section 878 of that Act; and
- (c) whose short term unsecured, unsubordinated and unguaranteed debt is at that time rated at least P-1 by the Rating Agency (or at least the equivalent rating from another internationally recognised rating agency at any time, provided that (i) such rating is notified to the Rating Agency and (ii) the Rating Agency has confirmed that the then current ratings of the Notes would not be adversely affected), or whose obligations to the Issuer are guaranteed by an entity whose debt is so rated, unless, in each case, the Rating Agency confirms that, notwithstanding that the Transaction Account is to be maintained with an entity not so rated and whose obligations in respect of the Transaction Account are not so guaranteed, this would not cause it to downgrade the then current rating of the Notes.

**THE HEDGE PROVIDER, THE CALCULATION AGENT, THE CASH MANAGER,  
THE ACCOUNT BANK AND THE SUBORDINATED LOAN PROVIDER**

National Bank of Greece S.A. will be the Hedge Provider, the Calculation Agent and the Cash Manager.

National Bank of Greece S.A., London Branch will be the Account Bank and the Subordinated Loan Provider.

National Bank of Greece S.A. and its consolidated subsidiaries comprise a diversified financial services group engaged in a wide range of banking, financial services, insurance, stock-brokerage and finance-related activities throughout the Hellenic Republic and internationally.

National Bank of Greece S.A. was founded in 1841 and incorporated as a *société anonyme* pursuant to Greek law. The Bank is incorporated and domiciled in the Hellenic Republic and has been listed on the Athens Exchange since 1880. Until the establishment of the Bank of Greece – the central bank – in 1928, the Bank was also responsible for issuing currency.

The registered and head office of National Bank of Greece S.A. is at 86 Eolou Street, Athens, Greece. The London branch is situated at 75 King William Street, London EC4N 7BE.

The short-term unsecured and unguaranteed debt obligations of National Bank of Greece S.A. are currently rated A-2 by S&P, P-1 by Moody's and F2 by Fitch. The long-term senior unsecured and unguaranteed debt obligations of National Bank of Greece S.A. are currently rated BBB+ by Standard & Poor's Rating Services, a division of the McGraw Hill Companies, Inc. ("**S&P**"), Aa3 (outlook negative) by Moody's and A- by Fitch Ratings Limited ("**Fitch**").

## THE ISSUER

### Introduction

The Issuer was incorporated in England and Wales on 4 February 2009 with company number 6810180 as a public limited company under the Companies Act 1985. The Issuer has been established as a special purpose vehicle for the purpose of issuing asset backed securities and has no subsidiaries.

The authorised share capital of the Issuer comprises 50,000 ordinary shares of £1 each. The nominal value of the issued share capital of the Issuer is £50,000, each of which are paid up as to 25 pence. The paid-up share capital of the Issuer is, therefore, £12,500. The entire issued share capital of the Issuer (except for one share which is held by Martin McDermott as nominee of the Share Trustee) is held by the Share Trustee under the terms of the Charitable Share Trust. NBG does not own directly or indirectly any of the share capital of the Issuer.

Pursuant to the Corporate Services Agreement, the Corporate Services Provider will agree to provide certain administrative services to the Issuer. The Issuer will pay a fee to the Corporate Services Provider for the provision of such services. The Corporate Services Provider may retire at any time on giving not less than 90 days prior written notice to the Issuer.

The accounting reference date of the Issuer is 31 December. Deloitte LLP have agreed to act as auditors for the Issuer.

### Directors

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

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

The principal other activities of the directors of the Issuer comprise acting as directors of other special purpose vehicles and other companies.

The secretary of the Issuer is Wilmington Trust SP Services (London) Limited a company incorporated in England and Wales (registered number 02548079) whose business address is at Fifth Floor, 6 Broad Street Place, London EC2M 7JH.

The registered office of the Issuer is at Fifth Floor, 6 Broad Street Place, London EC2M 7JH. The contact telephone number of the Issuer's registered office is 02076141111.

The directors of Wilmington Trust SP Services (London) Limited and their principal activities are:

<i>Name</i>	<i>Address</i>	<i>Principal Activities</i>
Mark Filer	Fifth Floor, 6 Broad Street Place, London EC2M 7JH	Company Director
Martin McDermott	Fifth Floor, 6 Broad Street Place, London EC2M 7JH	Company Director
Jean-Christophe Schroeder	Fifth Floor, 6 Broad Street Place, London EC2M 7JH	Company Director
Nic Patch	Fifth Floor, 6 Broad Street Place, London EC2M 7JH	Company Director
William Farrell	Fifth Floor, 6 Broad Street Place, London EC2M 7JH	Banker
John Beeson	Fifth Floor, 6 Broad Street Place, London EC2M 7JH	Banker

### **Activities**

The Issuer's activities will be restricted by the Conditions and the Transaction Documents and will be limited to the issue of the Notes, entering into the Hellenic Receivable, entering into the Hedge Agreement (or any replacement Hedge Agreement) and the other Transaction Documents, the exercise of related rights and powers and other activities referred to herein or reasonably incidental thereto. Since its incorporation, the Issuer has not traded or engaged in any other material activities.

The Cash Manager will provide cash management and bond reporting services to the Issuer pursuant to the Cash Management Agreement. The Issuer or the Trustee may revoke the agency (and, simultaneously, the rights) of the Cash Manager upon the occurrence of certain events of default or insolvency or similar events in relation to the Cash Manager or, in certain circumstances, following an Event of Default (as defined in the Conditions) in relation to the Notes. Following such an event as aforesaid, the Issuer or the Trustee may, subject to certain conditions, appoint a substitute Cash Manager.

The Issuer will publish annual reports and accounts and will be registered as a data controller under the Data Protection Act 1998. The Issuer has not prepared audited financial statements as of the date of this Prospectus.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes are expected to amount to approximately €5,484,540,000.

The net proceeds of the issue of the Notes will be paid by the Issuer to NBG in consideration for the novation of the Hellenic Receivable on the Closing Date (see "*The Hellenic Receivable*" above).

## THE NOTES AND THE GLOBAL NOTE

The statements set out below include summaries of, and are subject to, the detailed provisions of the Trust Deed which will contain the form of the global note and the individual note certificates. Under the Paying Agency Agreement the Issuer will appoint Citibank, N.A., London Branch as Principal Paying Agent and Agent Bank.

Noteholders will be entitled to the benefit of, will be bound by and will be deemed to have notice of, all the provisions of the Trust Deed, the Deed of Charge, the Paying Agency Agreement and the other Transaction Documents. Noteholders can see copies of these agreements at the principal office for the time being of the Trustee (which is, as of the date of this Prospectus, Citicorp Trustee Company Limited, Citicorp Centre, Canada Square, Canary Wharf, London E14 5LB) and at the office for the time being of the Principal Paying Agent (which is, as of the date of this Prospectus, Citibank, N.A., London Branch, Citicorp Centre, Canada Square, Canary Wharf, London E14 5LB).

### Form of the Notes

The Notes will be sold in reliance on Regulation S under the Securities Act will be represented on issue by one global note in fully registered form (the "**Global Note**") which will be deposited with a Common Depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in the Global Note may be held only through Euroclear or Clearstream, Luxembourg or their participants at any time. See "*Book-Entry Clearance Procedures*".

Beneficial interests in the Global Note will be subject to certain restrictions on transfer set out therein and in the Paying Agency Agreement, and the Global Note will bear the applicable legends regarding the restrictions set out under "*Transfer Restrictions*".

Except in the limited circumstances described below, owners of beneficial interests in the Global Note will not be entitled to receive physical delivery of certificated notes. The Notes are not issued in bearer form.

### Amendments to Conditions

In addition, the Global Note will contain provisions that modify the Conditions as they apply to the Global Note. The following is a summary of certain of those provisions:

*Transfers:* For so long as any Notes are represented by a Global Note, interests in such Notes will be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as appropriate.

### Exchange for individual certificates

#### *Exchange*

The Global Note will be exchangeable, free of charge to the holder, in whole but not in part, for certificates in individual certificate form ("**Definitive Notes**") if:

- (a) either Euroclear or Clearstream, Luxembourg 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 has in fact done so and no successor clearing system acceptable to the Trustee is available; or
- (b) as a result of any amendment to, or change in (i) 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 (ii) the interpretation or administration of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the Notes in definitive form.



The registrar will not register the transfer of, or exchange of interests in, the Global Note for individual certificates for a period of 15 calendar days ending on the date for any payment of principal or interest in respect of the Notes.

#### *Delivery*

In such circumstances, the Global Note shall be exchanged in full for individual certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient individual certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant noteholders. A person having an interest in the Global Note must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual certificates.

#### **Legends and transfers**

The holder of an individual certificate may transfer the Notes represented thereby in whole or in part in the applicable minimum denomination by surrendering it at the specified office of the Registrar together with the completed form of transfer thereon. Upon the transfer, exchange or replacement of an individual certificate bearing the legend referred to under "*Transfer Restrictions*", or upon specific request for removal of the legend on an individual certificate, the Issuer will deliver only individual certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer and the Registrar such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set out therein are required to ensure compliance with the provisions of the Securities Act. Individual certificates for the relevant Notes will bear the same legend as the legend for the Global Note set out under "*Transfer Restrictions*".

## BOOK-ENTRY CLEARANCE PROCEDURES

*The information set out below has been obtained from the Clearing Systems (as defined herein) and the Issuer believes that such sources are reliable, but prospective investors are advised to make their own enquiries as to such procedures. The Issuer accepts responsibility for the accurate reproduction of such information from publicly available information. In particular, such information is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Manager, the Arranger, the Issuer, the Trustee, the Principal Paying Agent, the Agent Bank, the Hedge Provider or the Account Bank (or any affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct and indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.*

### **Euroclear and Clearstream, Luxembourg**

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book-entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in the Global Note directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations that are accountholders therein.

### **Book-Entry Ownership**

Each Global Note will have an ISIN and a Common Code and will be registered in the name of a nominee of a Common Depository on behalf of, Euroclear and Clearstream, Luxembourg.

### **Payments and Relationship of Participants with Clearing Systems**

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Note must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the holder of such Global Note and in relation to all other rights arising under the Global Note, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be. The Issuer expects that, upon receipt of any payment in respect of Notes represented by the Global Note, the Common Depository by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Global Note as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Global Note held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Note in respect of each amount so paid. None of the Manager, the Arranger, the Issuer, the Trustee, the Principal Paying Agent, the Agent Bank, the Hedge Provider or the Account Bank

will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Global Note or for maintaining, supervising or reviewing any records relating to such ownership interests.

### **Settlement and Transfer of Notes**

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant and Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Note held within a Clearing System are exchanged for Individual Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

### **Trading between Euroclear and/or Clearstream, Luxembourg Participants**

Secondary market sales of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional Eurobonds.

## TERMS AND CONDITIONS OF THE NOTES

*If Notes in definitive form were to be issued, the terms and conditions (subject to amendment and completion) set out on each Note would be as set out below. While the Notes remain in global form, the same terms and conditions govern such Notes, except to the extent that they are appropriate only to Notes in definitive form. These terms and conditions are subject to the detailed provisions of the Trust Deed, the Deed of Charge and the other Transaction Documents.*

The €5,100,000,000 Floating Rate Asset Backed Notes due September 2039 (the "**Notes**") will be issued by Titlos plc (the "**Issuer**") on 26 February 2009 (the "**Closing Date**").

Any reference to the holders thereof shall be a reference to the "**Noteholders**".

The Notes will be constituted by a trust deed (as amended or supplemented from time to time, the "**Trust Deed**") to be dated on or about the Closing Date between the Issuer and Citicorp Trustee Company Limited as trustee (the "**Trustee**", which expression includes all persons for the time being trustee or trustees appointed pursuant to the Trust Deed) for the holders for the time being of the Notes and are subject to a paying agency agreement dated on or about the Closing Date (the "**Paying Agency Agreement**", which expression includes any modification thereto) between, among others, the Issuer, Citibank, N.A., London Branch as agent bank (in such capacity, the "**Agent Bank**" which expression includes any successor agent bank appointed from time to time in connection with the Notes), principal paying agent (in such capacity, the "**Principal Paying Agent**" which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), and registrar for the Notes (in such capacity, the "**Registrar**" which expression includes any successor registrar appointed from time to time in connection with the Notes) and the Trustee. The security for the Notes is created pursuant to, and on the terms set out in, a deed of charge (as amended or supplemented from time to time, the "**Deed of Charge**") to be dated on or about the Closing Date between, among others, the Issuer and the Trustee.

Copies of the Trust Deed, the Paying Agency Agreement, the Deed of Charge and the other Transaction Documents are available for inspection by the Noteholders upon reasonable notice during normal business hours at the principal office for the time being of the Trustee, being at the Closing Date at Citicorp Centre, Canada Square, Canary Wharf, London E14 5LB and at the specified offices for the time being of the Principal Paying Agent.

The statements in these conditions relating to the Notes (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Deed of Charge, the Paying Agency Agreement and the other Transaction Documents. 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 Paying Agency Agreement, the Deed of Charge and each other Transaction Document.

Capitalised words and expressions which are used in these Conditions, shall, unless otherwise defined below, have the same meanings as those given in the master definitions schedule (the "**Master Definitions Schedule**") dated on or about the Closing Date and signed for the purposes of identification by the Trustee and the following capitalised words and expressions shall have the following meanings:

"**Account Bank**" means National Bank of Greece, S.A., London Branch and/or any successor or substitute account bank appointed pursuant to the terms of the Bank Agreement.

"**Affiliate**" means, in relation to any person, any other person who, directly or indirectly is in control of, or controlled by, or is under common control with, such person (and for the purposes of this definition, "control" of a person means the power, direct or indirect (i) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of such person or (ii) to direct or cause the direction of the management and policies of such person, whether by contract or otherwise).

"**Amortisation Schedule**" means the amortisation schedule in respect of the Notes set out below:

<b>Interest Payment Date occurring in:</b>	<b>Principal Amount Outstanding at end of Interest Payment Date (€)</b>	<b>Scheduled Principal Payment (€)</b>
September 2009	5,065,241,701.91	34,758,298.09
March 2010	5,017,475,966.43	47,765,735.49
September 2010	4,968,699,121.85	48,776,844.58
March 2011	4,918,889,764.94	49,809,356.91
September 2011	4,867,745,606.83	51,144,158.11
March 2012	4,815,799,257.46	51,946,349.37
September 2012	4,762,168,457.77	53,630,799.70
March 2013	4,708,285,902.98	53,882,554.78
September 2013	4,652,354,242.23	55,931,660.75
March 2014	4,596,159,903.23	56,194,339.01
September 2014	4,537,192,730.24	58,967,172.98
March 2015	4,479,223,691.00	57,969,039.25
September 2015	4,418,058,369.24	61,165,321.75
March 2016	4,356,593,002.76	61,465,366.49
September 2016	4,293,480,699.99	63,112,302.77
March 2017	4,229,731,435.70	63,749,264.29
September 2017	4,163,558,374.33	66,173,061.37
March 2018	4,097,074,014.39	66,484,359.94
September 2018	4,028,061,991.33	69,012,023.06
March 2019	3,958,725,191.94	69,336,799.39
September 2019	3,886,752,407.23	71,972,784.71
March 2020	3,814,040,311.63	72,712,095.60
September 2020	3,738,562,233.63	75,478,078.00
March 2021	3,662,713,236.03	75,848,997.60
September 2021	3,585,258,660.49	77,454,575.54
March 2022	3,506,164,520.01	79,094,140.48
September 2022	3,424,951,364.12	81,213,155.89
March 2023	3,342,918,015.13	82,033,348.99
September 2023	3,257,766,525.72	85,151,489.40
March 2024	3,171,740,004.30	86,026,521.42
September 2024	3,082,925,185.63	88,814,818.67
March 2025	2,993,691,578.28	89,233,607.35
September 2025	2,900,057,701.04	93,633,877.24
March 2026	2,808,004,886.80	92,052,814.23
September 2026	2,710,879,936.30	97,124,950.51
March 2027	2,613,276,873.74	97,603,062.56
September 2027	2,513,607,741.37	99,669,132.36
March 2028	2,411,828,804.47	101,778,936.91
September 2028	2,306,751,354.12	105,077,450.34
March 2029	2,201,177,909.43	105,573,444.69
September 2029	2,091,592,382.47	109,585,526.97

<b>Interest Payment Date occurring in:</b>	<b>Principal Amount Outstanding at end of Interest Payment Date (€)</b>	<b>Scheduled Principal Payment (€)</b>
March 2030	1,981,489,459.39	110,102,923.08
September 2030	1,867,202,445.79	114,287,013.60
March 2031	1,752,375,716.11	114,826,729.68
September 2031	1,631,888,060.10	120,487,656.01
March 2032	1,511,444,807.12	120,443,252.98
September 2032	1,388,452,001.27	122,992,805.85
March 2033	1,262,855,673.41	125,596,327.86
September 2033	1,133,895,052.83	128,960,620.58
March 2034	1,003,630,900.46	130,264,152.37
September 2034	868,417,029.13	135,213,871.33
March 2035	732,564,092.97	135,852,936.16
September 2035	591,549,202.19	141,014,890.77
March 2036	449,083,969.13	142,465,233.07
September 2036	300,401,790.42	148,682,178.71
March 2037	154,226,325.63	146,175,464.78
September 2037	0.00	154,226,325.63

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

"**Arranger**" means Goldman Sachs International.

"**Authorised Investment**" means:

- (a) any euro denominated demand or time deposit, certificate of deposit, long term debt obligation or short-term debt obligation (including commercial paper) provided that in all cases such investment is rated at least P-1 or Aaa (as applicable) by Moody's, has a remaining period to maturity of 30 days or less and matures on or before the next following Interest Payment Date and the unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposit is made are rated at least P-1 (in the case of short-term obligations) or Aaa (in the case of long-term obligations) by Moody's; and
- (b) any euro denominated government or public security, provided that such investment has a remaining period to maturity of 30 days or less and matures on or before the next following Interest Payment Date and which is rated Aaa by Moody's.

"**Available Funds**" will, for any Interest Payment Date, include the aggregate of the following amounts (which will be recorded in a ledger designated the Available Funds Ledger):

- (a) on the first Interest Payment Date, the remaining balance (if any) of the amount drawn down under Tranche B of the Subordinated Loan after payment of the fees, costs and expenses of the Issuer in connection with the issue of the Notes, which amount will be transferred to the Available Funds Ledger on such Interest Payment Date;
- (b) if the Hellenic Receivable is to be re-novated to NBG on such Interest Payment Date, the amount paid to the Issuer pursuant to such re-novation in the period from (but excluding) the immediately preceding Interest Payment Date to (and including) that Interest Payment Date;

- (c) any amounts received by the Issuer from the Hellenic Republic in respect of the Hellenic Receivable in the period from (but excluding) the immediately preceding Interest Payment Date to (and including) that Interest Payment Date and not previously applied as Available Funds;
- (d) any amount received by the Issuer in respect of Authorised Investments from (but excluding) the immediately preceding Interest Payment Date to (and including) that Interest Payment Date (other than in respect of any amounts received representing income on collateral transferred to the Issuer under the Hedge Agreement);
- (e) the whole of the Expenses Reserve Fund transferred to the Available Funds Ledger on such Interest Payment Date;
- (f) any amounts received by the Issuer from the Hedge Provider in respect of the Hedge Agreement (save to the limited extent as provided in the Cash Management Agreement and the Deed of Charge excluding any termination payment in respect of the Hedge Agreement and transfers of collateral pursuant to the credit support annex to the Hedge Agreement in each case, whensoever received) in the period from (but excluding) the immediately preceding Interest Payment Date to (and including) that Interest Payment Date and not previously applied as Available Funds; and
- (g) any swap replacement premium received by the Issuer from a replacement hedge provider, if a Hedge Provider Subordinated Payment is then due to the replaced Hedge Provider.

The following shall not be credited to the Available Funds Ledger:

- (i) any swap replacement premium received by the Issuer from a replacement Hedge Provider to the extent that it is or is to be used to make a termination payment due to the replaced Hedge Provider under the Hedge Agreement (other than a Hedge Provider Subordinated Payment); and
- (ii) any Hellenic Receivable Tax Credit Amount (as defined below) received by the Issuer since the preceding Interest Payment Date which amount shall be paid directly to the Hellenic Republic on the Interest Payment Date next following receipt thereof.

"**Available Funds Ledger**" means the Ledger of such name created by the Cash Manager pursuant to the terms of the Cash Management Agreement.

"**Bank Agreement**" means the bank agreement dated on or about the Closing Date and made by the Issuer, the Account Bank, NBG, the Cash Manager and the Trustee as amended or supplemented from time to time.

"**Basic Terms Modification**" means a modification of certain terms applicable to the Notes including, *inter alia*, the date of maturity of the Notes or a modification which would have the effect of changing any day for payment of interest in respect of the Notes, changes to the amount of principal payable in respect of the Notes, the alteration of the Rate of Interest applicable in respect of the Notes or the alteration of the majority required to pass an Extraordinary Resolution, the alteration of the currency of payment of the Notes or any alteration of the priority of redemption of the Notes.

"**Business Day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and which is a TARGET Business Day.

"**Calculation Agent**" means NBG in its capacity as calculation agent under the Hellenic Receivable and/or any successor or substitute calculation agent appointed pursuant to the terms of the Hellenic Receivable from time to time.

"**Cash Management Agreement**" means the cash management agreement dated on or about the Closing Date and made by the Issuer, the Cash Manager, NBG, the Account Bank and the Trustee as amended or supplemented from time to time.

"**Cash Manager**" means NBG and/or any successor or substitute cash manager appointed pursuant to the terms of the Cash Management Agreement.

"**Common Terms**" means the common terms dated on or about the Closing Date and signed for the purposes of identification by the Trustee.

"**Corporate Services Agreement**" means the corporate services agreement dated on or about the Closing Date and made by the Issuer and the Corporate Services Provider as amended or supplemented from time to time.

"**Corporate Services Provider**" means Wilmington Trust SP Services (London) Limited and/or any successor or substitute corporate services provider appointed pursuant to the terms of the Corporate Services Agreement.

"**Deferred Consideration**" means an amount calculated as being the aggregate of the following amounts:

- (a) on each Interest Payment Date, prior to the delivery of an Enforcement Notice or the Security created by the Issuer becoming otherwise enforceable, the amount available at item (xvi) of the Pre-Enforcement Priority of Payment; and
- (b) on any date upon which payments are made in accordance with the Post-Enforcement Priority of Payments, the amount available at item (xii) of the Post-Enforcement Priority of Payments.

"**Enforcement Notice**" means a notice given by the Trustee to the Issuer under Condition 9(a) (*Events of Default*) of the Notes.

"**Expected Maturity Date**" means the Interest Payment Date falling in September 2037.

"**Expenses Reserve Fund**" means at any time the credit balance on the Expenses Reserve Ledger at such time.

"**Expenses Reserve Fund Required Amount**" means an amount equal to €175,000 provided that the Expenses Reserve Fund Required Amount will be zero on any of the Re-novation Date, the Optional Redemption Date or the Expected Maturity Date (provided that the Principal Amount Outstanding of the Notes has been paid in full on such date).

"**Expenses Reserve Ledger**" means the ledger of the Transaction Account established as such by the Cash Manager on behalf of the Issuer.

"**Extraordinary Resolution**" means a resolution passed at a meeting of the Noteholders, duly convened and held in accordance with the Trust Deed by a majority at each such meeting consisting of not less than 75 per cent. 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 75 per cent. of the votes cast on such poll.

"**Final Maturity Date**" means 20 September 2039 (or if such day is not a Business Day, the following Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding Business Day).

"**Hedge Agreement**" means the ISDA (Multicurrency – Cross Border) 1992 Master Agreement dated the Closing Date between the Issuer and NBG, together with the schedule thereto and a credit support annex and confirmations thereunder, as may be amended, restated, novated, varied or supplemented from time to time or any replacement ISDA (Multicurrency – Cross Border) 1992 Master Agreement, entered into by the Issuer and a replacement Hedge Provider, which governs the transactions entered into by the Issuer to hedge its mismatch risk between its payment rights under the Hellenic Receivable and its payment obligations under the Transaction Documents.

"**Hedge Provider**" means NBG and any successor, assignee or replacement, for the time being acting in its capacity as Hedge Provider pursuant to the Hedge Agreement.



**"Hedge Provider Subordinated Payment"** means amounts payable by the Issuer to the Hedge Provider in connection with the termination of the Hedge Agreement where:

- (a) the Hedge Provider is a Defaulting Party (as such term is defined in the Hedge Agreement); or
- (b) where the Hedge Provider is the sole Affected Party (as such term is defined in the Hedge Agreement) with respect to an event under Section 5(b)(iii) (*Tax Event Upon Merger*) of the Hedge Agreement or an **"Additional Termination Event"** (as such term is defined in the Hedge Agreement) as a result of a ratings downgrade of the Hedge Provider,

other than amounts attributable to the return of collateral (and income thereon).

**"Hedge Replacement Premium"** means in respect of the Hedge Provider, any premium or other amount received by the Issuer from a replacement Hedge Provider providing a replacement hedge transaction.

**"Hellenic Receivable"** means the ISDA (Multicurrency – Cross Border) 1992 Master Agreement together with a schedule thereto between the Issuer and the Hellenic Republic and dated on or about the Closing Date and the transaction thereunder evidenced by the confirmation (constituted under the Novation Agreement) entered into between the Issuer and the Hellenic Republic, as amended or supplemented from time to time.

**"Hellenic Receivable Tax Credit Amount"** means, in the event the Hellenic Republic is required to pay an additional amount as a result of any withholding or deduction required by law in accordance with section 2(d)(i)(4) of the Hellenic Receivable and the Issuer obtains during any Interest Period any tax credit, allowance, set-off or repayment from the tax authorities of any jurisdiction relating (in the determination of Cash Manager on behalf of the Issuer) to any deduction or withholding giving rise to such payment, an amount to be paid by the Issuer to the Hellenic Republic on the following Interest Payment Date, such as will leave the Issuer (in the determination of the Cash Manager on behalf of the Issuer) in substantially the same (but in any event no worse) after tax position as the Issuer would have been in if no such payment of an additional amount by the Hellenic Republic had been required.

**"Hellenic Republic Subordinated Payment"** means amounts payable by the Issuer to the Hellenic Republic in connection with the termination of the Hellenic Receivable (other than any Hellenic Receivable Tax Credit Amount due to the Hellenic Republic) where the Hellenic Republic is a Defaulting Party (as such term is defined in respect of the Hellenic Receivable).

**"Independent Director"** means a duly appointed member of the board of directors of the relevant entity who should not have been, at the time of such appointment, or at any time in the preceding five years, (i) a direct or indirect legal or beneficial owner in such entity or any of its affiliates (excluding *de minimis* ownership interests), (ii) a creditor, supplier, employee, officer, director, family member, manager, or contractor of such entity or its affiliates, or (iii) a person who controls (whether directly, indirectly, or otherwise) such entity or its affiliates or any creditor, supplier, employee, officer, director, manager, or contractor of such entity or its affiliates.

**"Interest Amount"** means, in respect of all of the Notes and any Interest Period, the euro amount determined by applying the relevant Rate of Interest in respect of the Notes to the Principal Amount Outstanding of the Notes (after taking into account any principal payment due on the Notes on the Interest Payment Date immediately following the relevant Interest Determination Date) and multiplying such sum by the actual number of days elapsed in the Interest Period and divided by 360 and in respect of a Note and any Interest Period, the proportion of the Interest Amount calculated in respect of all of the Notes which is equal to the proportion that the Principal Amount Outstanding of such Note bears to the Principal Amount Outstanding of all of the Notes (rounded down to the nearest cent).

**"Interest Determination Date"** means a day which is two TARGET Business Days before the first day of the Interest Period to which the Rate of Interest shall apply.

**"Interest Payment Date"** means 20 September 2009 and thereafter on the 20th day of March and September in each year (or if such day is not a Business Day, the following Business Day unless that day

falls in the next calendar month, in which case that date will be the first preceding Business Day) to and including the Expected Maturity Date. An Interest Payment Date will also occur on any Optional Redemption Date or Re-novation Date (as applicable).

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

**"Manager"** means NBG.

**"NBG"** means National Bank of Greece S.A.

**"NBGUK"** means National Bank of Greece S.A., London Branch.

**"Note Principal Payment Determination Date"** means, in respect of an Interest Payment Date, the day which is two Business Days prior to such Interest Payment Date.

**"Novation Agreement"** means the novation agreement dated on or about the Closing Date between the Hellenic Republic, the Issuer and NBG as amended or supplemented from time to time;

**"Optional Redemption Date"** has the meaning given to it in Condition 5(d)(i) and Condition 5(d)(ii).

**"Post-Enforcement Priority of Payments"** means the following priority of payments:

- (i) *first*, to pay any remuneration then due to the Trustee, any receiver or administrator appointed by the Trustee or any other Appointee of the Trustee and all amounts due in respect of legal fees and other costs, charges, liabilities, losses, damages, proceedings, claims and demands then incurred by the Trustee, such receiver or administrator or such Appointee together with interest thereon (plus value added tax, if any);
- (ii) *second*, to pay *pari passu* and *pro rata* the fees, costs, expenses and liabilities due to the Principal Paying Agent, the Registrar and the Agent Bank together with value added tax (if any) chargeable thereon.
- (iii) *third*, pay, *pari passu* and *pro rata*:
  - (1) the fees, costs, expenses and liabilities due to the Corporate Services Provider together with value added tax (if any) chargeable thereon;
  - (2) the fees, costs, expenses and liabilities due to the Cash Manager together with value added tax (if any) chargeable thereon; and
  - (3) the fees, costs, expenses and liabilities due to the Account Bank together with value added tax (if any) chargeable thereon.
- (iv) *fourth*, to pay amounts payable (if any and other than with respect to Hellenic Republic Subordinated Payment) to the Hellenic Republic under the terms of the Hellenic Receivable;
- (v) *fifth*, to pay all amounts (if any and other than any Hedge Provider Subordinated Payment) payable to the Hedge Provider;
- (vi) *sixth*, in or towards payments *pari passu* and *pro rata* of interest due and payable in respect of the Notes;
- (vii) *seventh*, in or towards payments *pari passu* and *pro rata* of principal due and payable in respect of the Notes;
- (viii) *eighth*, in or towards payment of any Hellenic Republic Subordinated Payments payable to the Hellenic Republic;

- (ix) *ninth, pari passu and pro rata* in or towards payment of any Hedge Provider Subordinated Payment payable to the Hedge Provider;
- (x) *tenth*, to pay any amounts payable to NBGUK pursuant to the Subordinated Loan Agreement;
- (xi) *eleventh*, to credit to the Profit Ledger an amount of €2,500; and
- (xii) *twelfth*, to pay to NBG (or its permitted assignee) any amounts due in respect of Deferred Consideration.

**"Pre-Enforcement Priority of Payments"** means the following order of payments:

- (i) *first*, when due, the remuneration payable to the Trustee or any Appointee and any costs, charges, liabilities and expenses incurred by the Trustee or any Appointee under the provisions of or in connection with the Trust Deed, the Deed of Charge or any other Transaction Document together with any applicable interest as provided for in the Trust Deed or the Deed of Charge, plus value added tax, if any;
- (ii) *second*, except upon the Interest Payment Date when the Notes are redeemed in full, to increase the balance of the Reserve Fund (by crediting the Expenses Reserve Ledger) until it reaches the Expenses Reserve Fund Required Amount;
- (iii) *third*, to pay amounts including audit fees, rating agency fees, company secretarial expenses and costs and expenses incurred in connection with the appointment of any substitute service provider (plus value added tax, if any), which are payable by the Issuer to third parties and incurred without breach by the Issuer pursuant to the Trust Deed, the Deed of Charge or the Cash Management Agreement and not provided for payment elsewhere;
- (iv) *fourth*, to pay *pari passu and pro rata* amounts due to the Principal Paying Agent (other than in respect of amounts due on the Notes), the Registrar and the Agent Bank under the Paying Agency Agreement;
- (v) *fifth*, to pay *pari passu and pro rata*:
  - (1) except to the extent already paid to the Cash Manager since the preceding Interest Payment Date or, in the case of the first Interest Payment Date, since the Closing Date): (A) the cash management fee, payable under the Cash Management Agreement to the Cash Manager such fee being €5,000 per annum divided by two; (B) any costs and expenses incurred by the Cash Manager; and (C) value added tax, if any, payable by the Issuer in accordance with the Cash Management Agreement;
  - (2) (A) the annual corporate services fee due and payable pursuant to the Corporate Services Agreement to the Corporate Services Provider divided by two, (B) any costs and expenses incurred by the Corporate Services Provider and payable by the Issuer in accordance with the Corporate Services Agreement and (C) value added tax, if any, payable in accordance with the Corporate Services Agreement; and
  - (3) amounts due to the Account Bank under the Bank Agreement;
- (vi) *sixth*, to pay amounts payable (if any and other than with respect to any Hellenic Republic Subordinated Payment) to the Hellenic Republic under the terms of the Hellenic Receivable;
- (vii) *seventh*, to pay all amounts (if any and other than any Hedge Provider Subordinated Payment) payable to the Hedge Provider;
- (viii) *eighth*, in paying *pari passu and pro rata* all amounts of interest due and payable in respect of the Notes;

- (ix) *ninth*, in paying *pari passu* and *pro rata* all amounts of principal then due and payable in respect of the Notes;
- (x) *tenth*, in or towards payment of any Hellenic Republic Subordinated Payment payable to the Hellenic Republic;
- (xi) *eleventh*, in or towards payment of any Hedge Provider Subordinated Payment payable to the Hedge Provider;
- (xii) *twelfth*, to pay all accrued and due interest under the Subordinated Loan as at such Interest Payment Date;
- (xiii) *thirteenth*, to credit to the Profit Ledger an amount of €2,500 in the case of each Interest Payment Date;
- (xiv) *fourteenth*, in or towards repayment of principal in respect of Tranche A of the Subordinated Loan;
- (xv) *fifteenth*, in or towards payment of principal in respect of Tranche B of the Subordinated Loan; and
- (xvi) *sixteenth*, to pay the balance due to NBG (or its permitted assignee) in respect of Deferred Consideration under the Novation Agreement.

**"Principal Amount Outstanding"** means, in respect of a Note on any date, the initial principal amount of such Note less the aggregate amount of all Note Principal Payments in respect of such Note that have become due and payable on or prior to such date and have been paid.

**"Priority of Payments"** means the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments as applicable.

**"Provisions for Meetings of Noteholders"** means the provisions contained in schedule 3 to the Trust Deed.

**"Record Date"** means, in respect of any payment, 15 calendar days before the due date for such payment.

**"Relevant Margin"** means, in respect of the Notes, 0.50 per cent. per annum.

**"Re-novation Agreement"** means the novation agreement dated on or about the Closing Date between the Hellenic Republic, the Issuer and NBG as amended or supplemented from time to time pursuant to which NBG is entitled to exercise the Re-novation Option.

**"Re-novation Date"** means the date selected by NBG upon which an exercise of the Re-novation Option is to be effected unless the Issuer does not receive the Re-novation fee in full by 10 a.m. London time on such date.

**"Re-novation Fee"** means the euro amount payable by NBG under the Re-novation Agreement in connection with the exercise of the Re-novation Option.

**"Re-novation Option"** means the right of NBG, pursuant to the Re-novation Agreement, to have the interest rate swap transaction governed by the Hellenic Receivable novated to it.

**"Scheduled Principal Payment"** means the amount specified in the Amortisation Schedule in respect of such Interest Payment Date.

**"Second Hedge Transaction"** means the interest rate swap transaction with an amortising notional amount governed by the Hedge Agreement.

"**Secured Amounts**" means the monies, obligations and liabilities which the Issuer covenants and undertakes to pay, observe, satisfy, perform or discharge to the Secured Creditors in the manner provided in the Notes and the Transaction Documents.

"**Security**" means the Security Interests created in favour of the Trustee by, and contained in, or pursuant to the Deed of Charge in respect of, among other things, the Secured Amounts.

"**Security Interest**" means any mortgage, sub mortgage, standard security, charge, sub charge, assignment, assignation in security, pledge, lien, right of set off or other encumbrance or security interest whatsoever, howsoever created or arising.

"**Subordinated Loan Agreement**" means the subordinated loan facility agreement dated on or about the Closing Date and made by the Issuer, the Subordinated Loan Provider and the Trustee as amended or supplemented from time to time.

"**Subordinated Loan Provider**" means National Bank of Greece S.A., London Branch.

"**Subscription Agreement**" means the subscription agreement in respect of the Notes dated on or about the date of this Prospectus and made by the Issuer, the Arranger and the Manager.

"**TARGET2**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"**TARGET Business Day**" means a day on which the TARGET2 payment system is open.

"**Transaction Account**" means the bank account of the Issuer established at the Account Bank.

"**Transaction Documents**" means the Trust Deed, the Notes, the Deed of Charge, the Paying Agency Agreement, the Cash Management Agreement, the Novation Agreement, the Hellenic Receivable, the Renovation Agreement, the Subordinated Loan Agreement, the Hedge Agreement, the Corporate Services Agreement, the Common Terms, the Master Definitions Schedule, the Subscription Agreement and the Bank Agreement, and each a "**Transaction Document**".

"**Written Resolution**" means a resolution in writing signed by or on behalf of all holders of Notes who for the time being are entitled to receive notice of a meeting in accordance with the Provisions for Meetings of Noteholders, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes.

#### 1. **Form, Denomination and Title**

- (a) The Notes are each issued in fully registered form and may be held or traded in holdings in the minimum aggregate original principal amount of €50,000 and integral multiples of €1,000 in excess thereof.
- (b) The Principal Amount Outstanding of the Notes offered and sold outside the United States solely to non-U.S. Persons in offshore transactions (as defined in Regulation S ("**Regulation S**") under the Securities Act of 1933, as amended (the "**Securities Act**"), is represented initially by a global note in fully registered form (each a "**Global Note**"). References herein to the "**Notes**" shall include (i) in relation to any Notes represented by a Global Note, units in the applicable denomination and currency (which, in the case of the Notes is €1,000), (ii) Definitive Notes issued in exchange for a Global Note and (iii) any Global Note.
- (c) If (i) either Euroclear or Clearstream, Luxembourg 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 has in fact done so and no successor clearing system acceptable to the Trustee is available or (ii) as a result of any amendment to, or change in (A) 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 (B) the interpretation or administration of such laws or

regulations, which becomes effective on or after the Closing Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the Notes in definitive form, then the Issuer will, within 30 days of the occurrence of the relevant event, issue serially numbered Notes, where applicable, in definitive form in exchange for the whole outstanding interest in the Global Note.

(d) *The Register*

The Issuer will cause to be kept at the registered office of the Registrar and maintained by the Registrar the register (the "**Register**") on which shall be entered the names and addresses of the holders of the Notes and the particulars of such Notes held by them and all transfers and redemptions of such Notes. No transfer of such Notes will be valid unless and until entered on the Register.

With respect to the Notes, the person listed in the Register as the holder of any such Note will (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (subject to Condition 6(b) including the making of payments), as the absolute owner of such Note regardless of any notice of ownership, theft or loss, or of any trust or other interest therein or of any writing thereon or, if more than one person, the first named of such person will be treated as the absolute owner of such Note, and the expressions "**Noteholder**" and "**holder**" of a Note and related expressions shall be construed accordingly.

(e) *Transfers*

Subject to paragraphs (g) (*Closed Periods*) and (h) (*Regulations concerning Transfers and Registration*) below, a Note may be transferred upon surrender of the relevant Note certificate, with the endorsed form of transfer duly completed, at the registered office of the Registrar, together with such evidence as the Registrar may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; provided, however, that a Note may not be transferred unless the principal amount of Notes transferred and (where not all of the Notes held by a holder are being transferred) the principal amount of the balance of Notes not transferred are an authorised denomination or multiple thereof. Where not all the Notes represented by the surrendered Note certificate are the subject of the transfer, a new Note certificate in respect of the balance of the Notes will be issued to the transferor.

(f) *Registration and Delivery of Note Certificates*

Within five Business Days of the surrender of a Note certificate in accordance with paragraph (e) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Note certificate of a like principal amount to the Notes transferred to each relevant holder at its registered office or (at the request and risk of any such relevant holder) by uninsured first class mail (airmail if overseas) to the address specified for such purpose by such relevant holder.

(g) *Closed Periods*

Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes.

(h) *Regulations concerning Transfers and Registration*

All transfers of Notes and entries on the Register relating to the Notes will be made subject to any restrictions on transfers set forth on such Notes and the detailed regulations concerning transfers of such Notes contained in the Trust Deed and the legend appearing on the face of the Notes. In no event will a transfer of a beneficial interest in a Note be made absent compliance with the regulations referred to above, and any purported transfer in violation of such regulations shall be void *ab initio* and will not be honoured by the Issuer or the Trustee. The regulations referred to above may be changed by the Issuer where such change is not, in the opinion of the Trustee,

materially prejudicial to the holders of Notes with the prior written approval of the Trustee (such approval shall be given where the Trustee is satisfied that such change is necessary due to a change of law or regulation) and the Registrar.

## 2. Status, Security and Administration

### (a) Status

- (i) The Notes constitute direct, secured (as more particularly described in the Deed of Charge) and unconditional obligations of the Issuer and rank *pari passu* without preference or priority amongst themselves.
- (ii) Prior to the delivery of an Enforcement Notice, payment of interest on the Notes will be made in accordance with the order of priority set out in Condition 2(c) (*Priority of Payments Prior to Enforcement*) and mandatory payments of principal pursuant to Condition 5(b) (*Mandatory Redemption in Part or pursuant to a Re-novation*) and optional payments of principal pursuant to Condition 5(d) (*Optional Early Redemption in Full*) will be made in accordance with the order of priority set out in such Condition. After the delivery of an Enforcement Notice, payment of principal and interest on the Notes will be made in accordance with the order of priority set out in Condition 2(d) (*Priority of Payments Post-Enforcement*).
- (iii) The Trust Deed and the Deed of Charge contain provisions requiring the Trustee to have regard to the interests of the holders of the Notes equally as regards all powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise).
- (iv) So long as any of the Notes remain outstanding, the Trustee is not required to have regard to the interests of any person (other than the Noteholders) entitled to the benefit of the security constituted by the Deed of Charge.
- (v) The Trust Deed contains provisions to the effect that, so long as any of the Notes are outstanding and subject to Condition 2(a)(iii) the Trustee shall not be required, when exercising its powers, authorities and discretions, to have regard to the interests of, or act at the direction of, any persons having the benefit of the Security, other than the Noteholders in accordance with the Trust Deed, and, in relation to the exercise of such powers, authorities and discretions, the Trustee shall have no liability to such persons as a consequence of so acting.

### (b) Security

- (i) As security for the payment of all monies payable in respect of the Notes and otherwise under the Trust Deed (including the remuneration, expenses and any other claims of the Trustee and any Appointee appointed under the Deed of Charge) and in respect of certain amounts payable to NBG and the Hellenic Republic under the Novation Agreement and the Re-novation Agreement, the Subordinated Loan Provider under the Subordinated Loan Agreement, the Cash Manager under the Cash Management Agreement, the Principal Paying Agent, the Registrar and the Agent Bank under the Paying Agency Agreement, the Account Bank under the Bank Agreement, the Hellenic Republic under the Hellenic Receivable, the Hedge Provider under the Hedge Agreement and the Corporate Services Provider under the Corporate Services Agreement, the Issuer will enter into the Deed of Charge, creating the following security in favour of the Trustee for itself and on trust for the other persons expressed to be secured parties thereunder (such parties, the "**Secured Creditors**"):
  - (A) an assignment by way of first fixed security in favour of the Trustee of the benefit of the Issuer in the Hellenic Receivable and each of the Transaction Documents and any other contracts, agreements, deeds and documents, present



and future, to which the Issuer is or may become a party (other than the Trust Deed and the Deed of Charge);

- (B) a first fixed charge in favour of the Trustee over (A) the Issuer's interest in any bank accounts in which the Issuer has an interest and, in each case, all monies standing to the credit thereof and (B) any Authorised Investments in which the Issuer has an interest (including all monies, income and other distributions and proceeds payable in respect of such Authorised Investments from time to time) and the benefit of all covenants relating thereto, all rights for enforcing the same and all revenues deriving therefrom (which security may however take effect as a floating charge);
- (C) a first floating charge in favour of the Trustee (ranking after the security referred to in paragraphs (A) and (B) above) over the whole of the undertaking, property, assets and rights of the Issuer,

(such property, assets, rights, accounts, undertaking, together, the "**Charged Property**").

(c) *Priority of Payments Prior to Enforcement*

Prior to the delivery of an Enforcement Notice by the Trustee or the Security otherwise becoming enforceable, on each Interest Payment Date the Issuer is required to apply the Available Funds calculated as at that Interest Payment Date in or towards the satisfaction of the Pre-Enforcement Priority of Payments, in each case making an appropriate debit to the Available Funds Ledger.

If, following an Interest Payment Date and prior to the service of an Enforcement Notice by the Trustee or the Security otherwise becoming enforceable, the Issuer receives amounts from the Hellenic Republic or the Hedge Provider which would have comprised Available Funds if they have had been paid to the Issuer on such Interest Payment Date, the Cash Manager will apply such amounts on the date received in accordance with the Pre-Enforcement Priority of Payments as if such amounts were Available Funds and the date of receipt were an Interest Payment Date but only to the extent that the relevant payments to be made according to the Pre-Enforcement Priority of Payments have not already been discharged on such Interest Payment Date.

In the event that the Hedge Agreement terminates, a termination payment may be paid by the Hedge Provider to the Issuer. The Issuer will apply such termination payment towards payment to a replacement Hedge Provider in consideration for such replacement Hedge Provider entering into a suitable replacement Hedge Agreement with the Issuer. Such termination payments shall only form part of the Available Funds in limited circumstances provided for in the Cash Management Agreement and the Deed of Charge.

Any Hedge Replacement Premium to the extent of a termination payment due to the replaced Hedge Provider under the replaced Hedge Agreement that is not a Hedge Provider Subordinated Payment will be paid directly by the Issuer to the replaced Hedge Provider and not via the relevant Priority of Payments. Except as provided in the Cash Management Agreement and the Deed of Charge, any collateral provided by the Hedge Provider under the Hedge Agreement will be repaid directly or re-delivered to the Hedge Provider and not via the Priorities of Payments.

(d) *Priority of Payments Post-Enforcement*

After the delivery of an Enforcement Notice or the Security otherwise becoming enforceable by the Trustee pursuant to Condition 9(a) (*Events of Default*) declaring the Notes to be due and repayable, the Trustee shall, to the extent of the funds available to the Trustee from the Issuer and from the proceeds of enforcement of the Security (other than (i) any collateral posted under the Hedge Agreement (excluding collateral amounts applied in satisfaction of termination payments due to the Issuer following the designation of an early termination date under the Hedge Agreement by way of netting), (ii) in certain circumstances, Hedge Replacement Premium and amounts to be paid by the Issuer to a replacement Hedge Provider in connection with a



replacement Hedge Agreement and (iii) any Hellenic Receivable Tax Credit Amounts, each of which will be paid directly to the Hedge Provider or, as the case may be, a replacement Hedge Provider (in the case of (i) or (ii)) or the Hellenic Republic (in the case of (iii))) make payments in the order of priority of the Post-Enforcement Priority of Payments.

The Notes are subject to the Deed of Charge pursuant to which the claims and exercise of rights by the beneficiaries of the Security against the Issuer are regulated.

### 3. **Covenants**

Save with the prior written consent of the Trustee (but subject as provided in Condition 11 (*Meetings of Noteholders; Modifications; Consents; Waiver*)) or unless otherwise permitted under any of the Transaction Documents, the Issuer shall for so long as any Note remains outstanding:

#### (a) *Negative pledge*

not create or permit to subsist any mortgage, sub-mortgage, sub-security assignment, assignation in security charge, sub-charge, pledge, lien (unless arising by operation of law), hypothecation, or other security interest whatsoever upon the whole or any part of its assets, present or future (including any uncalled capital) or its undertaking;

#### (b) *Restrictions on activities*

(i) not engage in any activity which is not reasonably incidental to any of the activities which the Transaction Documents provide or envisage that the Issuer will engage in;

(ii) not open nor have any interest in any account whatsoever with any bank or other financial institution other than the Transaction Account, save where such account is immediately charged in favour of the Trustee so as to form part of the assets subject to the Security described in Condition 2 (*Status, Security and Administration*) and the Trustee receives from such other bank or financial institution an acknowledgement of the security rights and interests of the Trustee and an agreement that it will not exercise any right of set off it might otherwise have against the account in question;

(iii) not have any subsidiaries or employees or own, rent, lease or be in possession of any assets (including, without limitation, buildings, premises or equipment);

(iv) not act as a director of or hold any office in any company or other organisation; or

(v) not amend, supplement or otherwise modify its Memorandum or Articles of Association or other constitutive documents;

#### (c) *Dividends or distributions*

not pay any dividend or make any other distribution to its shareholders or issue any further shares except amounts paid from the Profit Ledger;

#### (d) *Borrowings*

not incur or permit to subsist any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or any obligation of any person;

#### (e) *Merger*

not consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person;

(f) *Disposal of assets*

not transfer, sell, lend, part with or otherwise dispose of or deal with, or grant any option over any present or future right to acquire, any of its assets or undertaking or any interest, estate, right, title or benefit therein;

(g) *Tax residence*

not do any act or thing, the effect of which would be to make the Issuer resident for tax purposes in any jurisdiction other than the United Kingdom;

(h) *Waiver or consent*

not permit any of the Transaction Documents or the priority of the Security interests created thereby to be amended, invalidated, rendered ineffective, terminated, postponed or discharged, or consent to any variation thereof, or exercise any powers of consent or waiver in relation thereto pursuant to the terms of the Trust Deed and these Conditions, or permit any party to any of the Transaction Documents or any other person whose obligations form part of the Security to be released from such obligations, or dispose of any part of the Security save as envisaged in the Transaction Documents; and

(i) *Independent Director*

at all times have at least one Independent Director.

In giving any consent to the foregoing, the Trustee may require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents or may impose such other conditions or requirements as the Trustee, acting in its absolute discretion may deem expedient in the interests of the Noteholders provided that the Rating Agency has confirmed that the then current rating applicable to the Notes will not be downgraded, suspended or withdrawn as a result of such modifications or additions.

#### 4. **Interest**

(a) *Period of Accrual*

Each Note bears interest from (and including) the date on which the Notes are issued. Each Note (or in the case of redemption of part only of a Note, that part of such Note) shall cease to bear interest from its due date for redemption unless, upon due presentation, payment of the relevant amount of principal is improperly withheld or refused or unless default is otherwise made in respect of the payment, in which event, interest will, subject to Condition 6(d) (*Late Payment*), continue to accrue as provided in the Trust Deed.

(b) *Interest Payment Dates*

Interest on the Notes is payable in euro, in each case in arrear on each Interest Payment Date.

(c) *Rate of Interest*

- (i) The "**Rate of Interest**" for the Notes for any Interest Period shall be the greater of: (A) zero and (B) the sum of the Relevant Margin and the Floating Rate for such period.

The "**Floating Rate**" for any Interest Period shall be the Floating Rate as defined in the Hedge Agreement (for the avoidance of doubt excluding any spread applicable thereunder) and as applicable for the equivalent period under the terms of the Second Hedge Transaction (or, if the Second Hedge Transaction has been terminated (and has not been replaced), as determined in accordance with the provisions of the Second Hedge Transaction as if such transaction were then continuing). The Issuer will procure that the

Agent Bank is notified (email: [rate.fixing@citi.com](mailto:rate.fixing@citi.com); fax number: +353 16222031) of the Floating Rate on each Interest Determination Date and the Agent Bank shall have no liability to any person in respect of the calculation of such Floating Rate. In the event that the Agent Bank does not receive such notification on the relevant Interest Determination Date, neither the Agent Bank nor the Trustee shall have any liability whatsoever to any person for a later notification or publication in respect of the relevant Rate of Interest or Interest Amount.

(d) *Determination of Rates of Interest and Calculation of Interest Amounts*

The Agent Bank will (but only to the extent it has been notified of the Floating Rate), on each Interest Determination Date, determine and notify the Issuer, the Cash Manager, the Trustee and the Principal Paying Agent of:

- (i) the Rate of Interest applicable to the relevant Interest Period; and
- (ii) the Interest Amount, if any, payable in respect of such Interest Period in respect of each Note.

(e) *Publication of Rate of Interest, Interest Amount and other Notices*

As soon as practicable after providing notification thereof, the Agent Bank (on behalf of the Issuer) will cause the Rate of Interest and the Interest Amounts for each Interest Period and the immediately succeeding Interest Payment Date to be notified to each stock exchange and competent authority (if any) on which the Notes are then listed and will cause notice thereof to be given in accordance with Condition 14 (*Notice to Noteholders*). The Interest Amounts and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the Interest Period.

(f) *Determination or Calculation by Trustee*

If the Agent Bank does not (or is not able to, as a result of not having been notified of the Floating Rate by the Issuer under Condition 4(c) (*Rate of Interest*)) at any time for any reason determine any Rate of Interest and/or calculate any Interest Amount in accordance with the foregoing paragraphs, the Trustee may (at the cost of the Issuer and without any liability accruing to the Trustee by so doing):

- (i) determine or procure the determination of the Rate of Interest not so determined at such rate 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
- (ii) calculate or procure the calculation of the Interest Amount,

and any such determination and/or calculation by, or procured by, the Trustee shall be notified (at the cost of the Issuer) in accordance with paragraphs (d) and (e) above and shall be deemed to have been made by the Agent Bank.

(g) *Notifications to be Final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition, whether by the Agent Bank or the Trustee shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Cash Manager, the Agent Bank or the Trustee and all Noteholders and (in such absence as aforesaid) no liability to the Trustee or the Noteholders shall attach to the Issuer, the Agent Bank or the Trustee in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder.

(h) *Agent Bank*

The Issuer shall ensure that, so long as the Notes remain outstanding, there shall at all times be an Agent Bank. In the event of the Agent Bank being unwilling to act as the Agent Bank, the Issuer shall appoint such other bank as may be approved by the Trustee to act as such in its place. The Agent Bank may not resign until a successor approved by the Trustee has been appointed.

5. **Redemption and Purchase**

(a) *Final Redemption*

Unless previously redeemed as provided in this Condition, the Issuer shall redeem the Notes at their Principal Amount Outstanding on the Interest Payment Date falling in September 2039.

The Issuer may not redeem Notes in whole or in part prior to the relevant Interest Payment Date indicated in this Condition 5(a) (*Final Redemption*) except as provided in paragraphs (b) (*Mandatory Redemption in Part or pursuant to a Re-novation*), (d) (*Optional Early Redemption in Full*) or (e) (*Redemption for Tax Reasons*), but without prejudice to Condition 9 (*Events of Default*).

(b) *Mandatory Redemption in Part or pursuant to a Re-novation*

(i) On each Interest Payment Date, other than the Interest Payment Date on which the Notes are to be redeemed under Condition 5(a) (*Final Redemption*) above or Condition 5(b)(ii) or Conditions 5(d) (*Optional Early Redemption in Full*) or 5(e) (*Redemption for Tax Reasons*), below, the Issuer shall redeem the Notes in an amount equal to the Scheduled Principal Payment).

(ii) Following receipt of notice from NBG pursuant to the Re-novation Agreement that it intends to exercise the Re-novation Option and its designation of a Re-novation Date accordingly, the Issuer will:

(A) give not more than 60 days' nor less than 10 days' advance written notice to the Trustee and, in accordance with Condition 14 (Notice to Noteholders), to the Noteholders of the Re-novation Date upon on which all (but not some only) of the Notes are intended to be redeemed under this Condition 5(b); and

(B) subject to (iii) below, on such Re-novation Date redeem all (but not some only) of the Notes at their Principal Amount Outstanding plus accrued but unpaid interest.

(iii) If the Issuer does not receive the Re-novation Fee in full by 10 a.m. London time on the Re-novation Date, the Issuer:

(A) shall not redeem the Notes in accordance with Condition 5(b)(ii)(B); and

(B) in the event that such redemption does not occur, shall give written notice thereof to the Trustee and, in accordance with Condition 14 (Notice to Noteholders) to the Noteholders),

and such designation of a Re-novation Date shall be void *ab initio*.

(iv) The Cash Manager is responsible, pursuant to the Cash Management Agreement, for determining the amount of the redemption funds and each determination so made shall (in the absence of negligence, wilful default, bad faith or manifest error) be final and binding on the Issuer, the Trustee and all Noteholders and no liability to the Noteholders shall attach to the Issuer, the Trustee or (in such absence as aforesaid) to the Cash Manager in connection therewith.

(c) *Calculation of Note Principal Payments, Principal Amount Outstanding and Pool Factor*

- (i) The principal amount so payable in respect of each Note (the "**Note Principal Payment**") on any Interest Payment Date under Condition 5(b)(i) above shall be a proportion of the amount calculated on the Note Principal Payment Determination Date immediately preceding that Interest Payment Date to be applied in redemption of Notes equal to the proportion that the Principal Amount Outstanding of such Note bears to the Principal Amount Outstanding of all Notes (rounded down to the nearest euro, as applicable); provided always that no such Note Principal Payment may exceed the Principal Amount Outstanding of the relevant Note.
- (ii) With respect to each Note on (or as soon as practicable after) each Note Principal Payment Determination Date, the Issuer shall determine (or cause the Cash Manager to determine):
  - (A) the amount of any Note Principal Payment due on the Interest Payment Date next following such Note Principal Payment Determination Date;
  - (B) the Principal Amount Outstanding of such Note on the Interest Payment Date next following such Note Principal Payment Determination Date (after deducting any Note Principal Payment due to be made in respect of that Note on that Interest Payment Date); and
  - (C) the fraction expressed as a decimal to the sixth point (the "**Pool Factor**"), of which the numerator is the Principal Amount Outstanding of the Notes (as referred to in (B) above) and the denominator is the principal amount of that Note on issue expressed as an entire integer.
- (iii) Each determination by or on behalf of the Issuer of any Note Principal Payment, the Principal Amount Outstanding of a Note and the Pool Factor shall in each case (in the absence of negligence, wilful default, bad faith or manifest error) be final and binding on all persons.
- (iv) With respect to the Notes the Issuer will cause each determination of a Note Principal Payment, Principal Amount Outstanding and Pool Factor to be notified in writing forthwith to the Trustee, the Principal Paying Agent, the Registrar, the Agent Bank and (for so long as the Notes are listed on or by one or more stock exchanges and/or competent authorities) the relevant stock exchanges and/or competent authorities, and will immediately cause notice of each determination of a Note Principal Payment, Principal Amount Outstanding and Pool Factor to be given in accordance with Condition 14 (*Notice to Noteholders*) by not later than one Business Day prior to the relevant Interest Payment Date. If no Note Principal Payment is due to be made on the Notes on any Interest Payment Date a notice to this effect will be given to the Noteholders.
- (v) If the Issuer does not at any time for any reason determine (or cause the Cash Manager to determine) with respect to the Notes, a Note Principal Payment, the Principal Amount Outstanding or the Pool Factor in accordance with the preceding provisions of this paragraph, such Note Principal Payment, Principal Amount Outstanding and Pool Factor may be determined by the Trustee, acting in its absolute discretion, in accordance with this paragraph and each such determination or calculation shall be deemed to have been made by the Issuer or the Cash Manager (as applicable).

(d) *Optional Early Redemption in Full*

Following:

- (i) the designation of an Early Termination Date under (and as defined in) the Hellenic Receivable, the Issuer:

- (A) provided that it has provided not less than 10 days' advance notice to the Trustee a certificate signed by at least one director of the Issuer to the effect that it will have sufficient funds, not subject to any interest of any other person (other than any security interest held by the Trustee in such funds for the benefit of the Secured Creditors), required to redeem the Notes and all liabilities ranking *pari passu* with or senior to the Notes (and, without double counting, ranking *pari passu* with or senior to all liabilities of the Issuer under each of the Hellenic Receivable and the Hedge Agreement) in accordance with the applicable Priority of Payments;
- (B) will give not more than 60 days' nor less than 10 days' advance written notice to the Trustee and, in accordance with Condition 14 (*Notice to Noteholders*), to the Noteholders of a Business Day upon which all (but not some only) of the Notes are to be redeemed under this Condition 5(d); and

will redeem the Notes on such date (an "**Optional Redemption Date**") and will pay any amounts payable in priority thereto or *pari passu* therewith under the applicable Priority of Payments; and

- (ii) the designation of an Early Termination Date under (and as defined in) the Hedge Agreement, the Issuer:

- (A) provided that it has provided not less than 10 days' advance notice to the Trustee a certificate signed by at least one director of the Issuer to the effect that:

- (I) it will have sufficient funds, not subject to any interest of any other person (other than any security interest held by the Trustee in such funds for the benefit of the Secured Creditors) required to redeem the Notes and all liabilities ranking *pari passu* with or senior to the Notes (and, without double counting, will pay any amounts ranking *pari passu* with or senior to all liabilities of the Issuer under each of the Hellenic Receivable and the Hedge Agreement) under the applicable Priority of Payments; and

- (II) it does not reasonably expect, in its sole opinion, to be able to replace the Hedge Provider under the Hedge Agreement in time to avoid a shortfall in its payment obligations under the Transaction Documents;

- (B) will give not more than 60 days' nor less than 10 days' advance written notice to the Trustee and, in accordance with Condition 14 (*Notice to Noteholders*), to the Noteholders of a Business Day upon which all (but not some only) of the Notes are to be redeemed under this Condition 5(d); and

will redeem the Notes on such date (an "**Optional Redemption Date**") and will pay any amounts payable in priority thereto or *pari passu* therewith in accordance with the applicable Priority of Payments.

(e) *Redemption for Tax Reasons*

If, on the next Interest Payment Date the Issuer would be required by reason of a change in law, or the interpretation or administration thereof to deduct or withhold from any payment of principal or interest on the Notes (other than in respect of default interest), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof or any authority thereof or therein, then, provided that it has sufficient funds, the Issuer may, having given not more than 60 nor less than 30 days' written notice to the Trustee and the Noteholders in accordance with Condition 14 (*Notice to Noteholders*), redeem all (but not some only) of the Notes on any Interest Payment Date at their Principal Amount Outstanding plus

any accrued but unpaid interest provided that, prior to giving any such notice, the Issuer shall have provided (at the Issuer's cost) to the Trustee:

- (i) a certificate signed by two directors of the Issuer to the effect that it will have the funds, not subject to the interest of any other person (other than any security interest held by the Trustee in such funds for the benefit of the Secured Creditors), required to redeem the Notes as aforesaid and any amounts payable in priority thereto or *pari passu* therewith under the applicable Priority of Payments,
- (ii) a legal opinion (in form and substance satisfactory to the Trustee) from a firm of lawyers (approved in writing by the Trustee) opining on the relevant change in tax law (or interpretation or administration thereof); and
- (iii) a certificate signed by two directors of the Issuer to the effect that the obligation to make a reduction or withholding, as set out in this Condition 5(e), cannot reasonably be avoided.

Any certificate and legal opinion given by or on behalf of the Issuer may be relied on by the Trustee and shall be conclusive and binding on the Noteholders and the Trustee shall have no liability for acting on such reliance.

(f) *Notice of Redemption*

Any such notice as is referred to in Conditions 5(d) (*Optional Early Redemption in Full*) or 5(e) (*Redemption for Tax Reasons*) shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the Notes at their Principal Amount Outstanding.

(g) *Cancellation*

All Notes redeemed in full will be cancelled upon redemption and may not be resold or re-issued.

6. **Payments**

(a) *Laws and Regulations*

Payments of principal and interest in respect of the Notes are subject in all cases to any fiscal or other laws and regulations applicable thereto. No commission or expenses shall be charged to the Noteholders in respect of such payments.

(b) *Payments*

Each payment in respect of a Note will be made to the person shown as the holder in the Register at the close of business on the Record Date. Subject to Condition 6(d), if payment of principal is improperly withheld or refused or default is otherwise made in respect of such payment, the interest which continues to accrue in respect of the relevant Note in accordance with the Trust Deed will be paid to the persons shown in the Register at the close of business on the Record Date and, in the case of final redemption of the Notes, against surrender of the relevant Note.

(c) *Change of Principal Paying Agent*

The initial Principal Paying Agent, the initial Registrar and their initial specified offices are set out at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of the Registrar or of the Principal Paying Agent and appoint an additional or other Registrar or Principal Paying Agent. The Issuer will at all times maintain (i) a Principal Paying Agent and a Registrar with a specified office in London (which may be the Principal Paying Agent) for so long as the Notes are listed on the Luxembourg Stock Exchange and (ii) a paying agent in an EU Member State that is not obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC

or any other directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive (to the extent that such an EU Member State exists). The Issuer will cause at least 14 days' notice of any change in or addition to the Registrar or the Principal Paying Agent or their specified offices to be given in accordance with Condition 14 (*Notice to Noteholders*).

(d) *Late Payment*

If the date for payment of any amount in respect of a Note is not a Business Day, Noteholders shall not be entitled to payment until the next following Business Day and shall not be entitled to further interest or other payment in respect of such delay. If any amount in respect of a Note is not paid when due but is paid within the applicable grace period set out in Condition 9(a)(i), Noteholders shall not be entitled to any interest or other payment in respect of such delay.

7. **Prescription**

Claims against the Issuer in respect of the Notes shall become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect thereof. In this Condition 7 (*Prescription*) the "**Relevant Date**" is the date on which a payment in respect thereof first becomes due or the date on which, the full amount of such monies having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14 (*Notice to Noteholders*).

8. **Taxation**

All payments in respect of the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer or the Principal Paying Agent (as applicable) is required by applicable law to make any payment in respect of the Notes subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event the Issuer or the Principal Paying Agent (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer nor the Principal Paying Agent will be obliged to make any additional payments to holders of Notes in respect of such withholding or deduction.

9. **Events of Default**

(a) The Trustee may, at the Trustee's discretion, or shall, if so requested in writing by the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Notes, or if so directed by or pursuant to an Extraordinary Resolution of the holders of the then outstanding Notes (subject in each case to the Trustee being indemnified and/or secured to its satisfaction), serve a notice (an "**Enforcement Notice**") on the Issuer declaring, in writing, the Notes to be due and repayable (whereupon the Security shall become enforceable) at any time after the happening of any of the following events (each, an "**Event of Default**"):

- (i) default being made for a period of five Business Days in the payment of any amount of principal due on the Notes or any of them, or for a period of five Business Days in the payment of any amount of interest on the Notes or any of them; or
- (ii) the Issuer failing duly to perform or observe any other obligation binding upon it under the Notes or any Transaction Document and, in any such case (except where the Trustee certifies that, in its sole opinion, such failure is incapable of remedy, in which case no notice will be required) such failure is continuing for a period of 30 days following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
- (iii) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in sub-paragraph (iv) below, ceasing or, through or consequent upon an



official action of the board of directors of the Issuer, threatens to cease to carry on business or a substantial (in the opinion of the Trustee) part of its business; or

- (iv) 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 either by the Trustee or by an Extraordinary Resolution of the Noteholders;
- (v) proceedings being otherwise initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including, but not limited to, application or pending application for an administration order or appointment of a liquidator or administrator) and such proceedings not, in the sole opinion of the Trustee, being disputed in good faith with a reasonable prospect of success, or an administration order being granted, or an administrative receiver or other receiver, liquidator, administrator or other similar official being appointed in relation to the Issuer or in relation to all or any part of the undertaking, property or assets of the Issuer, or an encumbrancer taking possession of all or any part of the undertaking, property or assets of the Issuer, or a distress or diligence or execution or other process being levied or enforced upon or sued out against all or any part of the undertaking, property or assets of the Issuer and such possession 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 proceedings relating to itself under applicable liquidation, insolvency, composition, reorganisation or other similar laws or making a conveyance or assignment for the benefit of its creditors generally; or
- (vi) the occurrence of an Early Termination Date under (and as defined in) the Hellenic Receivable provided that the Issuer has not provided notice of redemption (for any reason) in accordance with Condition 5(b) *Mandatory Redemption in Part or pursuant to a Re-novation* or Condition 5 (d) (*Optional Early Redemption in Full*),

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 sole opinion, materially prejudicial to the interests of the Noteholders.

- (b) Upon any declaration being made by the Trustee in accordance with paragraph (a) above that the Notes are due and repayable, the Notes shall immediately become due and repayable at their Principal Amount Outstanding together with accrued interest and the Security shall become enforceable as provided in the Trust Deed and the Deed of Charge.

## 10. **Enforcement**

At any time after the Notes become due and repayable, the Trustee may, at any time subject to and according to the terms of the Deed of Charge at its discretion and without further notice, take such proceedings against the Issuer or any other party to any of the Transaction Documents as the Trustee may think fit to enforce the provisions of the Notes or the Trust Deed or any other Transaction Document and, at any time after the Security has become enforceable, may, at its discretion and without further notice, take such steps as it may think fit to enforce the Security, but it shall not be bound to take any such proceedings or steps unless:

- (a) it shall have been requested by the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the then outstanding Notes or so directed by an Extraordinary Resolution of the Noteholders; and
- (b) it shall have been indemnified and/or secured to its satisfaction.

No Noteholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to do, fails to do so within a reasonable period and such failure is continuing.

11. **Meetings of Noteholders; Modifications; Consents; Waiver**

(a) *Convening*

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by an Extraordinary Resolution of the Noteholders of any modification of the Notes (including these Conditions as they relate to such Notes) or the provisions of any of the Transaction Documents.

(b) *Quorum*

The quorum at any meeting of the Noteholders for passing an Extraordinary Resolution shall be one or more persons holding or representing over 50 per cent. of the aggregate Principal Amount Outstanding of the Notes then outstanding, or, at any adjourned meeting, one or more persons holding or representing Notes whatever the aggregate Principal Amount Outstanding of the Notes held or represented by him or them except that, at any meeting the business of which includes the sanctioning of a Basic Terms Modification, the necessary quorum for passing an Extraordinary Resolution shall be one or more persons holding or representing not less than 75 per cent., or at any adjourned such meeting not less than 25 per cent., of the aggregate Principal Amount Outstanding of the Notes then outstanding. The quorum at any meeting of the Noteholders for all business other than voting on an Extraordinary Resolution shall be one or more persons holding or representing in the aggregate not less than 5 per cent. of the aggregate Principal Amount Outstanding of the Notes or, at any adjourned meeting, one or more persons being or representing the Noteholders, whatever the aggregate Principal Amount Outstanding of the Notes then outstanding so held.

(c) *Modification*

The Trustee may agree without the consent of the Noteholders or any other Secured Creditor:

- (i) to any modification (except a Basic Terms Modification) of, or to the waiver or authorisation of any breach or proposed breach of, the Notes (including these Conditions) or any of the Transaction Documents provided that the Trustee is of the opinion that such modification, waiver or authorisation will not be materially prejudicial to the interests of the Noteholders, or
- (ii) to any modification of the Notes (including these Conditions) or any of the Transaction Documents, which in the Trustee's sole 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 or any other Secured Creditor determine, acting in its absolute discretion, but only if and in so far in its sole opinion the interests of the Noteholders shall not be materially prejudiced thereby, that any Event of Default or any condition, event or act which, with the giving of notice and/or lapse of time and/or the issue of a certificate and/or the making of any determination, would constitute an Event of Default shall not, or shall not subject to specified conditions, be treated as such (but the Trustee may not make any such determination of any Event of Default or any such waiver or authorisation of any such breach or proposed breach of the Notes (including the Conditions) or any of the Transaction Documents in contravention of an express direction of the Noteholders given by Extraordinary Resolution or a request under Condition 9 (*Events of Default*)). Any such modification, waiver, authorisation or determination shall be binding on the Noteholders and any other Secured Creditor and, unless the Trustee agrees otherwise, shall be notified to the Noteholders in accordance with Condition 14 (*Notice to Noteholders*) as soon as practicable thereafter.

(d) *Substitution of Principal Debtor*

The Trustee may without the consent of the Noteholders or any other Secured Creditor, agree to the substitution in place of the Issuer (or of any previous substitute) of any person as the principal

debtor under the Trust Deed subject to the conditions set out in the Trust Deed having been satisfied. These conditions include, amongst others, (i) the Trustee being of the opinion, subject to receipt of such information and/or opinions and Rating Agency confirmation as the Trustee may require, that the substitution would not be materially prejudicial to the interests of the Noteholders and (ii) an unconditional and irrevocable guarantee in form and substance satisfactory to the Trustee shall have been given by the Issuer of the obligations of the substitute under the Trust Deed and the Notes.

(e) *Resolutions in Writing*

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

(f) *Trustee's Exercise of Discretion*

In determining whether a proposed action will not be materially prejudicial to the Noteholders or the other Secured Creditors, the Trustee may, among other things, have regard to whether the Rating Agency has confirmed to the Issuer that any proposed action will not result in the withdrawal, suspension or reduction of, or entail any other adverse action with respect to, the then current rating of the Notes. Notwithstanding the foregoing, a Rating Agency confirmation is an assessment of credit and does not address other matters that may be of relevance to Noteholders or any other party or create any legal relations between the Rating Agency and the Noteholders or any other party.

(g) *Trustee to have regard to Interests of Noteholders*

Where, in connection with the exercise or performance by each of them of any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents (including, without limitation, in relation to any modification, waiver, authorisation, determination or substitution as referred to above), the Trustee is required to have regard to the interests of the Noteholders, it shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders.

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

(a) The Trust Deed contains 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 indemnified and/or secured to its satisfaction and, for the avoidance of doubt, whenever the Trustee is under the provisions of the Trust Deed bound to act at the request or direction of the Noteholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or secured to its satisfaction. The Trustee and its related companies are entitled to enter into business transactions with, among others, the Issuer, the Cash Manager and/or related companies of any of them without accounting for any profit resulting therefrom. The Trustee will not be responsible for any loss, expense or liability which may be suffered as a result of, *inter alia*, any assets comprised in the Security, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by or to the order of the Cash Manager or any agent or related company of the Cash Manager or by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons on behalf of the Trustee.

(b) The Trustee will not be responsible for (a) supervising or monitoring the performance by the Issuer, the Cash Manager or any other party to the Transaction Documents of their respective

obligations under the Transaction Documents and the Trustee will be entitled to assume, until it has written notice to the contrary, that all such persons are properly performing their duties, or (b) considering the basis on which approvals or consents are granted by the Issuer or any other party to the Transaction Documents under the Transaction Documents. The Trustee will not be liable to any Noteholder or other Secured Creditor for any failure to make or to cause to be made on their behalf the searches, investigations and enquiries which would normally be made by a prudent chargee in relation to the Security and has no responsibility in relation to the legality, validity, sufficiency and enforceability of the Security and the Transaction Documents.

13. **Replacement of Note Certificates**

If any Note certificate is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Principal Paying Agent (located outside the United States). Replacement of any mutilated, defaced, lost, stolen or destroyed Note certificate 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. Mutilated or defaced Note certificates must be surrendered before new ones will be issued.

14. **Notice to Noteholders**

- (a) Any notice to the Noteholders shall be validly given by any of:
- (i) the information contained in such notice appearing on a page of the Reuters screen, or any other medium for electronic display of data as may be previously approved in writing by the Trustee (in each case a "**Relevant Screen**");
  - (ii) by publication in a leading newspaper published in Luxembourg (which is expected to be the Luxemburger Wort) or, if such newspaper shall cease to be published or timely publication therein shall not be practicable, in such English language newspaper or newspapers as the Trustee shall approve having a general circulation in Luxembourg;
  - (iii) whilst the Notes are in global form, if delivered to Euroclear and/or Clearstream, Luxembourg (as applicable) for communicating them to the Noteholders; or
  - (iv) whilst the Notes are in definitive form, if mailed to the Noteholders at their respective addresses in the Register.
- (b) The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Notes are for the time being listed or any other relevant authority.
- (c) Any notice under paragraph (a)(i) or (ii) above shall be deemed to have been given to the Noteholders 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 in all newspapers in which (or on the Relevant Screen on which) publication is required. Any notice under paragraph (a)(iii) above shall be deemed to have been given to the Noteholders on the third day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg. Any notice under paragraph (a)(iv) above shall be deemed to have been given on the third day after being mailed to the address of the relevant Noteholders at its address stated in the Register.
- (d) The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders or any category of them if, in its sole 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. **Limited Recourse**

If at any time following (i) the Final Maturity Date or any earlier date upon which all of the Notes are due and payable, (ii) the service of an Enforcement Notice, (iii) enforcement of the Security and monetisation of the Charged Property and (iv) the application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the Post-Enforcement Priority of Payments, the proceeds of such enforcement are insufficient, after payment of all other claims ranking in priority in accordance with the Post-Enforcement Priority of Payments, to pay in full any amount then due and payable under the Notes then the amount remaining to be paid (after such application in full of the amounts referred to in (iv) above) under the Notes shall, on the day following such application in full of the amounts referred to in (iv) above, cease to be due and payable by the Issuer.

16. **Third Party Rights**

No person shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term or Condition of the Notes.

17. **Governing Law and Jurisdiction**

The Trust Deed and the Notes, and all matters and non-contractual obligations arising from or connected with them, are governed by, and shall be construed in accordance with, English law.

- (a) The Issuer has agreed in the Trust Deed that the courts of England shall have non-exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes (respectively, the "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- (b) In the Trust Deed, the Issuer has waived any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agreed not to claim that any such court is not a convenient or appropriate forum.

## UNITED KINGDOM TAXATION

*The following comments are a summary of United Kingdom withholding taxation treatment at the date hereof in relation to payments of interest in respect of the Notes. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of the Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. The following is a general guide and should be treated with appropriate caution. Noteholders who are in any doubt as to their tax position should consult their professional advisers. Noteholders who may be liable to tax in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions) since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction or on account of taxation under the laws of the United Kingdom.*

### **Interest on the Notes**

#### *Withholding tax on payments of interest on the Notes*

The Notes will constitute "quoted Eurobonds" for the purposes of section 882 of the Income Tax Act 2007 provided they are and continue to be listed on a recognised stock exchange. Whilst the Notes are and continue to be quoted Eurobonds, payments of interest on the Notes may be made without withholding or deduction for or on account of United Kingdom income tax. Notes will be regarded as "listed on a recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 if (and only if) they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HM Revenue & Customs and either they are included in the United Kingdom official list (within the meaning of Part VI of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange. HM Revenue & Customs have confirmed that the Luxembourg Stock Exchange is a recognised stock exchange. Current HM Revenue & Customs practice is that securities which are officially listed and admitted to trading on that exchange may be regarded as "listed on a recognised stock exchange" for these purposes.

In all cases falling outside the exemption described above, interest on the Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate of 20 per cent. subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply.

#### *Provision of information*

Where any interest on Notes is paid to a Noteholder (or to any person acting on behalf of a Noteholder) by the Issuer or any person in the United Kingdom acting on behalf of the Issuer (a "**paying agent**"), or is received by any person in the United Kingdom acting on behalf of the relevant Noteholder (other than solely by clearing or arranging the clearing of a cheque) (a "**collecting agent**"), then the Issuer, the paying agent or the collecting agent (as the case may be) may, in certain cases, be required to supply to HM Revenue & Customs details of the payment and certain details relating to the Noteholder (including the Noteholder's name and address). These provisions will apply whether or not the interest has been paid subject to withholding or deduction for or on account of United Kingdom income tax and whether or not the Noteholder is resident in the United Kingdom for United Kingdom taxation purposes. In certain circumstances, the details provided to HM Revenue & Customs may be passed by HM Revenue & Customs to the tax authorities of certain other jurisdictions.

#### *European Union directive on the taxation of savings income*

A summary of EC Council Directive 2003/48/EC on the taxation of savings income can be found under the heading "*Risks related to Legal, Regulatory and Taxation regimes*" above.

## GREEK TAXATION

*The following summary of the principal Greek taxation consequences of the purchase, ownership and disposal of the Notes by Greek resident holders, is of a general nature and is based on the provisions of tax laws currently in force in Greece. The summary below does not constitute a complete analysis and therefore, potential investors should consult their own tax advisers as to the tax consequences of such purchase, ownership and disposal. This summary is based on current Greek tax legislation and administrative practice of the Greek tax authorities.*

### **Withholding tax on payments of interest on the Notes**

Interest on the Notes earned by Greek resident holders or holders with a permanent establishment in Greece will be subject to withholding tax at 10 per cent. if payment is made by a paying agent located in Greece. In the case of holders who are Greek individuals, partnerships, joint ventures or non profit entities, such withholding extinguishes their income tax liability in respect of this income. In the case of holders (mainly companies limited by shares (*anonimi 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 Greek 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. Greek institutional investors (mutual funds, portfolio investment companies and real estate investment companies) are exempt from such 10 per cent. withholding tax on condition that the relevant holder acquires the interest coupon at least 30 days prior to maturity.

### **Capital Gains**

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 pursuant to the Circular with reference number 1092/27.7. 2007 issued by the Greek Ministry of Economy and Finance, any gain earned in excess of accrued interest by Greek residents (either individuals or legal entities) from the disposal of foreign bonds (including Notes) or bonds issued by Greek corporations outside Greece will be regarded as income, not subject to withholding tax, but fully taxable at the applicable 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.

Under the terms and conditions of the Notes, 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.

## LUXEMBOURG TAXATION

*The following is a summary of certain Luxembourg tax consequences for individual and corporate Noteholders when payment on such Notes is made through a paying agent established in Luxembourg. The statements herein regarding taxation are based on the laws in force in the Grand Duchy of Luxembourg as of the date of this Prospectus, are subject to any changes in law and are intended to provide general information only. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. The tax treatment of each Noteholder partly depends on the Noteholder's specific situation. Each prospective holder or beneficial owner of Notes should consult its tax adviser as to the tax consequences of any investment in or ownership and disposition of the Notes under the laws of the Grand Duchy of Luxembourg.*

***All prospective Noteholders should seek independent advice as to their tax positions.***

The Issuer has been advised that, under Luxembourg tax law currently in effect and with the possible exception of interest paid to individual Noteholders or to certain entities, there is no Luxembourg withholding tax on payments of interest within the meaning of Luxembourg tax law (including accrued but unpaid interest), provided the Issuer does not become or is not deemed to be a tax resident of Luxembourg. There is also no Luxembourg withholding tax, with the possible exception of payments made to individual Noteholders or to certain entities, upon repayment of principal in case of redemption of the Notes.

### **Non-resident**

A Noteholder will not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of the Notes or the execution, performance, delivery and/or enforcement of the Notes.

Non-resident individuals or companies will only be subject to Luxembourg income tax on the proceeds of the Notes if they have a permanent establishment, a fixed place of business or a permanent representative in Luxembourg to which the Notes or the income thereon are attributable.

Under the Luxembourg laws dated 21 June 2005 implementing the European Council Directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**") and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union (the "**EU**"), a Luxembourg-based paying agent (within the meaning of the Savings Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or in certain EU-dependent or associated territories, unless the beneficiary of the interest payments elects for the procedure of exchange of information or for the tax certificate procedure (within the meaning of the Savings Directive), in which case the withholding tax does not apply. The same regime applies to payments of interest and other similar income made to certain so-called "residual entities" within the meaning of article 4.2 of the Savings Directive ("**Residual Entity**" or "**Residual Entities**") (i.e. an entity which is not a legal person (the Finnish and Swedish companies listed in article 4.5 of the Savings Directive are not considered to be legal persons for this purpose), whose profits are not taxed under the general arrangements for business taxation and that is not, or has not opted to be considered as, a UCITS recognised in accordance with Council Directive 85/611/EEC) established in a Member State or in certain EU-dependent or associated territories, unless the Residual Entity agrees to the exchange of information within the meaning of the Savings Directive and the Laws of 21 June 2005.

The withholding tax rate is 20 per cent. increasing to 35 per cent. as from 1 July 2011. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

### **Luxembourg resident individuals**

Pursuant to the Luxembourg law of 23 December 2005 as amended by the law of 17 July 2008, a 10 per cent. withholding tax (the "**10% Luxembourg Withholding Tax**") has been introduced, as from 1 January 2006, on interest payments made by Luxembourg paying agents (defined in the same way as in the Savings



Directive) to Luxembourg individual residents or to Residual Entities (unless such Residual Entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC or for the exchange of information regime).

The Luxembourg law of 23 December 2005 as amended by the law of 17 July 2008, also sets forth that Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10 per cent. tax (the "**10% Tax**") on interest payments made after 31 December 2007 by paying agents (defined in the same way as in the Savings Directive) located in an EU Member State other than Luxembourg, a Member State of the European Economic area other than an EU Member State or in a State or territory which has concluded an international agreement directly related to the Savings Directive.

The 10% Withholding Tax or the 10% Tax represents the final tax liability for Luxembourg individual resident taxpayers receiving interest payments directly by the paying agent in the course of their private wealth.

An individual Noteholder who is a resident of Luxembourg not holding the Notes as business assets will not be subject to taxation on capital gains upon the disposal of the Notes or the coupons thereof, unless the Notes or coupons are disposed of within six months of their date of acquisition or the disposal of the Notes or coupons precedes the acquisition of the Notes or coupons. Upon redemption or exchange of the Notes or coupons thereof, the portion of the redemption or exchange price corresponding to accrued but unpaid interest is subject to ordinary income tax rate unless the 10% Tax or the 10% Withholding tax applies as final levy. The same applies in case of a transfer of the Notes with a separate identification of the price for the corpus and the coupons or in case of a transfer or sale of the coupons separately from the corpus of the Notes.

Interest on Notes paid by a Luxembourg paying agent to an individual Noteholder who is a resident of Luxembourg holding the Notes as business assets and capital gains realized upon the disposal of the Notes by such Noteholder are subject to normal Luxembourg progressive income tax rate and municipal business tax. If in such case, the 10% Withholding Tax or the 10% Tax has been levied, the latter can be credited against the income tax liability.

#### ***Companies Established in Luxembourg***

A Noteholder who is a Luxembourg resident company subject to corporate income tax, or a non-resident Noteholder of the same type who has a permanent establishment, a fixed place of business or a permanent representative in Luxembourg to which the Notes or the income thereon are attributable, must, for Luxembourg corporate tax purposes, include in its taxable income (i) any interest received or accrued on the Notes and (ii) the difference between the sale or redemption price (including accrued but unpaid interest) and the lower of the cost or book value of the Notes sold or redeemed.

#### ***Other Taxes***

Luxembourg net wealth tax will not be levied on a Noteholder, unless the Noteholder is, or is deemed to be, a Luxembourg resident corporate tax payer; or a non-resident Noteholder of the same type who has a fixed place of business, a permanent establishment or a permanent representative in Luxembourg to which the Notes or the income thereon can be attributed.

## NOTE PURCHASE

The subscription agreement dated on or about the date of this Prospectus between the Arranger, the Manager, NBG and the Issuer (the "**Subscription Agreement**") is subject to a number of conditions and may be terminated by the Manager or the Arranger in certain circumstances prior to payment for the Notes to the Issuer. Under the terms of the Subscription Agreement, NBG has agreed to subscribe and pay for the Notes at the Issue Price and the Issuer has agreed to indemnify the Manager and the Arranger against certain liabilities in connection with the issue of the Notes and other matters.

The Arranger has no obligation to purchase any Notes and is not responsible for the offer or sale of any Notes.

Set out below is a summary of the principal restrictions on the offer and sale of the Notes and the distribution of documents relating to the Notes.

### **Selling Restrictions**

#### **United States of America**

- (a) The Notes have not been and will not be registered under the Securities Act and may only be offered, sold, resold, delivered or transferred outside the United States to non-U.S. persons in offshore transactions in reliance on Rule 903 or 904 of Regulation S.
- (b) The Manager has agreed under the Subscription Agreement that it will not offer, sell or deliver the Notes to, or for the account or benefit of, U.S. persons (i) as part of such Manager's distribution at any time or (ii) otherwise prior to the date that is 40 days after the later of the commencement of the offering and the Closing Date (the "**Distribution Compliance Period**"), except in accordance with Rule 903 or 904 of Regulation S and, accordingly, that neither it, its affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to such Notes and it and its affiliates and any person acting on its or their behalf has complied with and will comply with the offering restriction requirements of Regulation S under the Securities Act to the extent applicable.

The Manager has also undertaken that, at or prior to confirmation of sale, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration which purchases Notes from it during the restricted period a confirmation or notice in substantially the following form:

"The Securities covered hereby have not been registered under the United States Securities Act of 1933 (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, (a) as part of their distribution at any time or (b) otherwise until forty (40) days after the later of the commencement of the offering and the Closing Date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

Terms used in this section have the meanings given to them by Regulation S under the Securities Act and by the United States Internal Revenue Code 1986, as amended, and regulations thereunder, including the D Rules.

#### **Public Offer Selling Restrictions under the Prospectus Directive**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than €43,000,000 and (iii) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- (c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Manager for such offer; or
- (d) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall require the Issuer or the Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

#### **Selling Restrictions Addressing Additional United Kingdom Securities Laws**

Under the Subscription Agreement, the Manager has represented and agreed that:

- (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 the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of such Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

#### **Selling Restrictions Addressing Additional Luxembourg Securities Laws**

##### **Luxembourg**

The Notes may not be publicly offered in or from Luxembourg unless the requirements of Luxembourg law concerning public offerings of securities have been complied with. No advertisement or document or other material in relation to the Notes has or will be distributed to the public or published in Luxembourg. A listing of any of the Notes on the Luxembourg Stock Exchange does not imply that a public offering of any of the Notes in Luxembourg has been authorised.

##### **Ireland**

Under the Subscription Agreement, the Manager has represented and agreed that:

- (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 Irish 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 (IFSRA); and
- (d) it 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 Irish 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 IFSRA.

## France

Under the Subscription Agreement, the Manager has represented and agreed that it has only made and will only make an offer of Notes to the public (*appel public à l'épargne*) in France in the period beginning (i) when a prospectus in relation to those Notes has been approved by the *Autorité des marchés financiers* ("**AMF**"), on the date of such publication or, (ii) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive No. 2003/71/EC, on the date of notification of such approval to the AMF, and ending at the latest on the date which is 12 months after the date of approval of the Prospectus, all in accordance with Articles L.412-1 and L.621-8 of the French Code *monétaire et financier* and the *Règlement général* of the AMF.

## Italy

Under the Subscription Agreement, the Manager has represented and agreed that the offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered nor may copies of the Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (a) to qualified investors (*operatori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and the relevant implementing CONSOB regulations, as amended from time to time, and in Article 2 of Directive No. 2003/71/EC of 4 November 2003; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 33, first paragraph, of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**").

Under the Subscription Agreement, the Manager has represented and agreed that it will not offer, sell or deliver the Notes or distribute copies of this Prospectus or any other document relating to the Notes in the Republic of Italy unless such offer, sale or delivery of Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under (a) or (b) above is:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 20 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and
- (b) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and
- (c) in compliance with any other applicable laws and regulations or requirements imposed by CONSOB or other Italian authority.

## **Belgium**

The Prospectus and related documents are not intended to constitute a public offering in Belgium. The offering has not been and will not be notified to, and the prospectus or any other offering material relating to the Notes has not been and will not be approved by the Belgian Banking, Finance and Insurance Commission (*Commission bancaire, financière et des assurances/Commissie voor het Bank-, Financie- en Assurantiewezen*). Any representation to the contrary is unlawful.

Under the Subscription Agreement, the Manager has undertaken not to offer sell, resell, market, transfer or deliver, or to take any steps thereto, directly or indirectly, any Notes, to any person qualifying as a consumer within the meaning of Article 1.7 of the Law of 14 July 1991 on consumer protection and trade practices unless such sale is made in compliance with this law and its implementing regulation, and not to distribute or publish this document or any other material relating to the Notes or the offering in a manner which would be construed as a public offering within the meaning of the Law of 16 June 2006 on the public offer of investment instruments and the admission to trading of investment instruments on a regulated market.

Any action contrary to these restrictions will cause the recipient and the Issuer to be in violation of the Belgian securities laws.

## **Denmark**

Under the Subscription Agreement, the Manager has represented and agreed that the Notes have not been offered or sold and will not be offered, sold or delivered directly or indirectly in the Kingdom of Denmark by way of a public offering, unless in compliance with the Danish Securities Trading Act, Consolidation Act No. 1077 of 4 September 2007 as amended from time to time and any Orders issued thereunder.

## **Finland**

Under the Subscription Agreement, the Manager has represented and agreed that it will not offer or sell, nor will it distribute the Prospectus, directly or indirectly, to any resident of the Republic of Finland or in the Republic of Finland, except pursuant to applicable Finnish laws and regulations. Specifically, the Notes may only be acquired for denominations of not less than €50,000, and it will not offer or sell the Notes, nor distribute the Prospectus, directly or indirectly, to the public in the Republic of Finland as defined under the Finnish Securities Market Act of 1989.

## **Norway**

Under the Subscription Agreement, the Manager has represented and agreed that it has not offered, sold or distributed nor will it offer, sell or distribute the Notes in the Kingdom of Norway, except in accordance with the Norwegian Securities Trading Act of 19 June 1997, as amended, and all applicable regulations. It acknowledges that the Notes may not be offered, sold or distributed in Norway except in circumstances which do not constitute a public offer of securities in Norway within the meaning of Norwegian securities laws and regulations. Neither the Notes nor the Prospectus has been or will be approved and registered by the Norwegian Stock Exchange or registered with the Norwegian Register of Business Enterprises.

## **General**

Save for applying for the approval for the Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, no action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Notes, or possession or distribution of the Prospectus (in proof or final form) or any amendment or supplement thereto or any other offering material relating to the Notes in any country or jurisdiction where action for that purpose is required. Under the Subscription Agreement, the Manager has agreed to comply with all applicable laws and regulations in each jurisdiction in or from which it may offer or sell the Notes or have in its possession or distribute the Prospectus (in proof or in final form) or any amendment or supplement thereto or any other offering material.

**Investor Compliance**

Persons into whose hands this Prospectus comes are required by the Issuer and the Manager to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or have in their possession, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

Attention is drawn to the information set out on the inside front cover of this Prospectus.

## TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States or any other relevant jurisdiction and accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described below.

### Legend

Unless determined otherwise by the Issuer in accordance with applicable law and so long as any Notes are outstanding, the Global Note will bear a legend substantially as set forth below:

NEITHER THIS NOTE NOR BENEFICIAL INTERESTS HEREIN HAVE BEEN OR WILL BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE ISSUER HAS NOT BEEN REGISTERED AND DOES NOT INTEND TO REGISTER AS AN "INVESTMENT COMPANY" UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED.

BY PURCHASING OR OTHERWISE ACQUIRING ANY BENEFICIAL INTEREST IN THIS GLOBAL NOTE, EACH OWNER OF SUCH BENEFICIAL INTEREST WILL BE DEEMED TO HAVE AGREED FOR THE BENEFIT OF THE ISSUER THAT IF IT SHOULD DECIDE TO DISPOSE OF ITS BENEFICIAL INTERESTS REPRESENTED BY THIS GLOBAL NOTE, SUCH INTERESTS MAY BE OFFERED, RESOLD OR OTHERWISE TRANSFERRED ONLY PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE LAWS OF ANY STATE OF THE UNITED STATES. ACCORDINGLY, ANY TRANSFER OF THE NOTES PRIOR TO THE TERMINATION OF THE DISTRIBUTION COMPLIANCE PERIOD MAY ONLY BE MADE TO A NON-U.S. PERSON IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT.

## GENERAL INFORMATION

1. The creation and issue of the Notes has been authorised by resolution of the board of directors of the Issuer passed on 24 February 2009.
2. It is expected that the listing of the Notes on the Official List of the Luxembourg Stock Exchange and their admission to trading to the regulated market of the Luxembourg Stock Exchange will be granted on 27 February 2009. It is estimated that the fees payable to the Luxembourg Stock Exchange in relation to the listing of the Notes and the admission to trading will be approximately €19,100 which will be met, on the Closing Date, by the Issuer from the Transaction Account.
3. Application has been made by the Issuer to the Luxembourg Stock Exchange for the Notes to be listed on the Official List and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange. The Issuer will file a copy of this Prospectus in printed form with the Luxembourg Stock Exchange.
4. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The table below lists the Common Codes and the International Securities Identification Numbers ("**ISIN**") for the Notes.

	<i>Common Code</i>	<i>ISIN</i>
Floating Rate Asset Backed Notes	347919374	XS0347919374

5. The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) that may have or have had since its date of incorporation a significant effect on its financial position or profitability.
6. The first financial year-end of the Issuer is 31 December 2009. Since the date of incorporation, the Issuer has not commenced operation and no financial statements have been made up as at the date of this Prospectus. The first statutory financial statements of the Issuer will be prepared for the period ended 31 December 2009.
7. Since 4 February 2009 (being the date of incorporation of the Issuer), there has been no material adverse change in the financial position or prospects of the Issuer and no significant change in the trading or financial position of the Issuer.
8. The auditors of the Issuer are, as at the date of this Prospectus, Deloitte LLP who are regulated by a number of authorities, but primarily by The Institute of Chartered Accountants in England & Wales, of which they are members, in respect of the audit.
9. As at the date of this document, the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Issuer created any mortgages or charges or given any guarantees.
10. There is no intention to accumulate surpluses in the Issuer.
11. Copies of the following documents in physical form may be inspected during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of the Issuer at Fifth Floor, 6 Broad Street Place, London EC2M 7JH, at the specified office of the Principal Paying Agent in London and at the offices of the Luxembourg Listing Agent at 69, route d'Esch, L-1470 Luxembourg for so long as the Notes are listed on the Luxembourg Stock Exchange:
  - (a) the Memorandum and Articles of Association of the Issuer;
  - (b) the Subscription Agreement;



(c) after the Closing Date, copies, of the following legal documents:

- (i) the Novation Agreement;
- (ii) the Hellenic Receivable;
- (iii) the Re-novation Agreement;
- (iv) the Hedge Agreement;
- (v) the Master Definitions Schedule;
- (vi) the Common Terms;
- (vii) the Paying Agency Agreement;
- (viii) the Cash Management Agreement;
- (ix) the Bank Agreement;
- (x) the Trust Deed;
- (xi) the Deed of Charge;
- (xii) the Corporate Services Agreement; and
- (xiii) the Subordinated Loan Agreement.

- 12. The Issuer does not intend to provide post issuance information to Noteholders in respect of the Hellenic Receivable or the Notes, except as required pursuant to the Transaction Documents.
- 13. Save for NBG and NBGUK, so far as the Issuer is aware, no person involved in the issue of the Notes, has an interest material to the offer.

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**ISSUER**

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