



# ALPHA BANK

**ALPHA CREDIT GROUP PLC**

*(incorporated with limited liability in England and Wales)*

as Issuer

and

**ALPHA BANK AE**

*(incorporated with limited liability in the Hellenic Republic)*

as Issuer and Guarantor

## **EUR 30,000,000,000 Euro Medium Term Note Programme**

Under this EUR 30,000,000,000 Euro Medium Term Note Programme (the “**Programme**”), each of Alpha Credit Group PLC (“**Alpha PLC**”) and Alpha Bank AE (“**Alpha Bank**” or the “**Bank**”) and, together with Alpha PLC, the “**Issuers**” and each an “**Issuer**” and references herein to the “**relevant Issuer**” being to the Issuer of the relevant Notes) may from time to time issue notes (the “**Notes**”) denominated in any currency agreed with the relevant Dealers (as defined below). Notes may be issued as unsubordinated obligations (“**Senior Notes**”) or dated subordinated obligations (“**Dated Subordinated Notes**”) of the relevant Issuer.

Notes issued by Alpha PLC will be guaranteed by Alpha Bank. In relation to each issue of Notes by Alpha PLC, the branch through which Alpha Bank is acting for such issue will be specified in the applicable Final Terms or, as the case may be, the applicable Drawdown Prospectus (in each case as defined below). In relation to each issue of Notes by Alpha Bank, the branch through which Alpha Bank is acting for such issue will be specified in the applicable Final Terms or, as the case may be, the applicable Drawdown Prospectus.

For the purposes of Article 5.4 of Directive 2003/71/EC as amended, including by Directive 2010/73/EU and including any relevant implementing measure in a relevant Member State of the European Economic Area (the “**Prospectus Directive**”), this Base Prospectus (together with supplements which may be published to this Base Prospectus from time to time) is a base prospectus which comprises two base prospectuses, one in respect of each of Alpha PLC (as Issuer) and Alpha Bank (as Issuer and Guarantor).

The maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed EUR 30,000,000,000 (or its equivalent in other currencies calculated as described herein) (the “**Programme Amount**”), subject to increase as described herein.

The Notes may be issued on a continuous basis to the Dealer specified herein and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a “**Dealer**” and together the “**Dealers**”). References in this Base Prospectus to the “**relevant Dealer**” shall, in relation to any issue of Notes, be to the Dealer or Dealers agreeing to purchase such Notes.

Application has been made to the *Commission de Surveillance du Secteur Financier* (“**CSSF**”) in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 on prospectuses for securities (as amended) (the “**Prospectus Act 2005**”) to approve this document as a base prospectus. By approving the Base Prospectus, the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in accordance with Article 7(7) of the Prospectus Act 2005. If the application is accepted, the Base Prospectus will be made available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Details of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined herein) of Notes will be set forth in a final terms (the “**Final Terms**”) or in a drawdown prospectus (the “**Drawdown Prospectus**”) which will specify, on or before the date of issue of the Notes of such Tranche, whether or not such Notes will be admitted to trading on the regulated market of the Luxembourg Stock Exchange, which is a regulated market for the purposes of the Directive 2004/39/EC on Markets in Financial Instruments (“**MiFID**”), and listing on the official list of the Luxembourg Stock Exchange and/or any other listing authority, stock exchange and/or quotation system, as the case may be. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system. Copies of Final Terms in relation to Notes to be listed on the Luxembourg Stock Exchange will also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

The Notes of each Tranche will be in bearer form and (unless otherwise specified in the applicable Final Terms or Drawdown Prospectus (as the case may be)) will initially be represented by a temporary global Note which will be deposited on the issue date thereof with a common depository or common safekeeper on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, *société anonyme* (“**Clearstream, Luxembourg**”), and/or any other agreed clearing system and which will be exchangeable, as specified in the applicable Final Terms or Drawdown Prospectus (as the case may be), for either a permanent global Note or Notes in definitive form, in each case upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Final Terms or Drawdown Prospectus (as the case may be) will specify that a permanent global Note either (i) is exchangeable (in whole but not in part) for definitive Notes upon not less than 60 days’ notice or (ii) is only exchangeable (in whole but not in part) for definitive Notes following the occurrence of an Exchange Event (as defined on page 74) all as further described in “*Form of the Notes*” and “*Applicable Final Terms*” below.

**An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see “*Risk Factors*”.**

Alpha PLC has been rated Ca (Bkd Senior Unsecured), C (Bkd Subordinate) and NP (Bkd Short Term) by Moody’s Investors Service Cyprus Limited (“**Moody’s**”) and C (long-term senior unsecured), C (subordinated notes) and C (short-term senior unsecured) by Fitch Ratings Limited (“**Fitch**”). Alpha Bank has been rated Caa3 (long-term) and NP (short-term) by Moody’s, SD (long-term) and SD (short-term) by Standard & Poor’s Credit Market Services Italy S.r.l. (“**S&P**”) and C (long-term) and C (short-term) by Fitch<sup>1</sup>. The Programme has been rated CCC+ (long-term senior unsecured), C (short-term senior unsecured) and CC (subordinated) by S&P, (P)Ca (senior unsecured), (P)C (subordinated) and (P)NP (short-term) by Moody’s and C (long-term senior unsecured) and C (short-term senior unsecured) by Fitch. Each of S&P, Moody’s and Fitch are established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). As such each of S&P, Moody’s and Fitch are included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>); for the avoidance of doubt the content of such website does not form part of the Base Prospectus) in accordance with the CRA Regulation. Tranches of Notes issued under the Programme may be rated or unrated by any one or more of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be disclosed in the Final Terms or Drawdown Prospectus (as the case may be) and will not necessarily be the same as the rating assigned to the Programme by S&P, Moody’s and Fitch. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

*Arranger and Dealer*

**ALPHA BANK**

The date of this Base Prospectus is 22 April 2016.

<sup>1</sup> Please see “*General Information – Issuer Credit Ratings*” for further explanation of the Issuers’ ratings.

## IMPORTANT INFORMATION

Each of Alpha PLC and Alpha Bank (the “**Responsible Persons**”) accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge and belief of the Responsible Persons (each having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything which in the context of the issuance and offering of Notes would be misleading and affect the import of such information.

This Base Prospectus comprises a Base Prospectus for the purposes of Article 5.4 of the Prospectus Directive and for the purpose of giving information with regard to the Issuers, which, according to the particular nature of the Issuers and the Notes, is necessary to enable investors to make an informed assessment of the liabilities, financial position, profit and losses, and prospects of the Issuers.

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

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by Alpha PLC and/or Alpha Bank in connection with the Programme or any Notes or their distribution.

Certain of the Dealers and their affiliates (including their parent companies) have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may provide services to, the Issuers and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or the Issuers' affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers routinely hedge their credit exposure to the Issuers consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially any Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the avoidance of doubt, the term "affiliates" also includes parent companies.

No person is or has been authorised by Alpha PLC and/or Alpha Bank to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information provided in connection with the Programme or any Notes and, if given or made, such information or representation must not be relied upon as having been authorised by Alpha PLC and/or Alpha Bank or any Dealer.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or as constituting an invitation or offer by Alpha PLC and/or Alpha Bank or any Dealer that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer and Alpha Bank in the case of Notes issued by Alpha PLC. Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes constitutes an offer or invitation

by or on behalf of Alpha PLC and/or Alpha Bank or any Dealer to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning Alpha PLC and/or Alpha Bank is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of Alpha PLC and/or Alpha Bank during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention. Investors should review *inter alia* the most recently published financial statements and, if published later, the most recently published interim financial statements (if any) of the relevant Issuer and Alpha Bank, in the case of Notes issued by Alpha PLC, when deciding whether or not to purchase any Notes.

## **IMPORTANT INFORMATION RELATING TO NON-EXEMPT OFFERS OF NOTES**

### **Restrictions on Non-exempt offers of Notes in relevant Member States**

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may, subject as provided below, be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a “**Non-exempt Offer**”. This Base Prospectus has been prepared on a basis that permits Non-exempt Offers of Notes in each Member State of the European Economic Area (each a “**Member State**”) in relation to which the relevant Issuer has given its consent, as specified in the applicable Final Terms (each specified Member State a “**Non-exempt Offer Jurisdiction**” and together the “**Non-exempt Offer Jurisdictions**”). Any person making or intending to make a Non-exempt Offer of Notes on the basis of this Base Prospectus must do so only with the relevant Issuer’s consent to the use of the Base Prospectus as provided under “*Consent given in accordance with Article 3.2 of the Prospectus Directive*” below and provided such person complies with the conditions attached to that consent.

Save as provided above, none of Alpha PLC, Alpha Bank or any Dealer has authorised, nor do they authorise, the making of any Non-exempt Offer of Notes in circumstances in which an obligation arises for the relevant Issuer or any Dealer to publish or supplement a prospectus for such offer.

### **Consent given in accordance with Article 3.2 of the Prospectus Directive**

In the context of a Non-exempt Offer of Notes, the relevant Issuer and Alpha Bank when acting as Guarantor accepts responsibility, in each of the Non-exempt Offer Jurisdictions, for the contents of this Base Prospectus in relation to any person (an “**Investor**”) who acquires any Notes in a Non-exempt Offer made by a Dealer or Authorised Offeror (as defined below), where that offer is made during the Offer Period specified in the applicable Final Terms and provided that the conditions attached to the giving of consent for the use of this Base Prospectus are complied with. The consent and conditions attached to it are set out under “*Specific Consent*”, “*General Consent*” and “*Common Conditions to Consent*” below.

None of Alpha PLC, Alpha Bank or any Dealer makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and none of the relevant Issuer and Alpha Bank when acting as Guarantor or any Dealer has any responsibility or liability for the actions of that Authorised Offeror.

**Except in the circumstances set out in the following paragraphs, neither Alpha PLC nor Alpha Bank has authorised the making of any Non-exempt Offer by any offeror and the relevant Issuer has not consented to the use of this Base Prospectus by any other person in connection with any Non-exempt Offer. Any Non-exempt Offer made without the consent of the relevant Issuer is unauthorised and none of Alpha PLC, Alpha Bank and, for the avoidance of doubt, any Dealer accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.**

If, in the context of a Non-exempt Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Base Prospectus for the purposes of Article 6 of the relevant Non-exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

In connection with each Tranche of Notes and subject to the conditions set out below under “*Common Conditions to Consent*”:

*Specific Consent*

- (a) the relevant Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Notes by:
  - (i) the relevant Dealer(s) or Manager(s) specified in the applicable Final Terms;
  - (ii) any financial intermediaries specified in the applicable Final Terms;
  - (iii) any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on Alpha Bank’s website (www.alpha.gr) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer; and

*General Consent*

- (b) if (and only if) Part B of the applicable Final Terms specifies “General Consent” as “Applicable”, the relevant Issuer hereby offers to grant its consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of Notes by any financial intermediary which satisfies the following conditions:
  - (i) it is authorised to make such offers under the Financial Services and Markets Act 2000, as amended (“**FSMA**”), or other applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC); and
  - (ii) it accepts the relevant Issuer’s offer to grant consent to the use of this Base Prospectus by publishing on its website the following statement (with the information in square brackets completed with the relevant information) (the “**Acceptance Statement**”):

*“We, [insert legal name of financial intermediary], refer to the offer of [insert title of relevant Notes] (the “Notes”) described in the Final Terms dated [insert date] (the “Final Terms”) published by [Alpha Bank AE]/[Alpha Credit Group PLC] (the “Issuer”). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [Greece] [Cyprus] [Romania] [and] [Luxembourg] during the Offer Period and subject to the conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly.”*

The “**Authorised Offeror Terms**”, being the terms to which the relevant financial intermediary agrees in connection with using this Base Prospectus, are that the relevant financial intermediary:

- (A) will, and it agrees, represents, warrants and undertakes for the benefit of Alpha PLC, Alpha Bank and the relevant Dealer that it will, at all times in connection with the relevant Non-exempt Offer:
  - I. act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the “**Rules**”) from time to time including, without limitation and in each case, Rules

relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential Investor;

- II. comply with the restrictions set out under “*Subscription and Sale*” in this Base Prospectus which would apply as if it were a Dealer;
- III. ensure that any fee (and any other commissions or benefits of any kind) or rebate received or paid by that financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;
- IV. hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules;
- V. comply with applicable anti-money laundering, anti-bribery, anti-corruption and “know your client” Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Notes by the Investor), and will not permit any application for Notes in circumstances where the financial intermediary has any suspicions as to the source of the application moneys;
- VI. retain Investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to the relevant Dealer, the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or directly to the appropriate authorities with jurisdiction over the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) and/or the relevant Dealer in order to enable the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) and/or the relevant Dealer to comply with anti-money laundering, anti-bribery, anti-corruption and “know your client” Rules applying to the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) and/or the relevant Dealer;
- VII. ensure that it does not, directly or indirectly, cause the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer to breach any Rule or subject the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- VIII. immediately inform the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) and the relevant Dealer if at any time it becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
- IX. comply with the conditions to the consent referred to under “*Common Conditions to Consent*” below and any further requirements or other Authorised Offeror Terms relevant to the Non-exempt Offer as specified in the applicable Final Terms;
- X. make available to each potential Investor in the Notes this Base Prospectus (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any applicable information booklet provided by the relevant Issuer for such purpose, and not convey or publish any information that is not contained in or entirely consistent with this Base Prospectus and the applicable Final Terms;
- XI. if it conveys or publishes any communication (other than this Base Prospectus or any other materials provided to such financial intermediary by or on behalf of the

relevant Issuer for the purposes of the relevant Non-exempt Offer) in connection with the relevant Non-exempt Offer, it will ensure that such communication (A) is fair, clear and not misleading and complies with the Rules, (B) states that such financial intermediary has provided such communication independently of the relevant Issuer, that such financial intermediary is solely responsible for such communication and that none of the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) and the relevant Dealer accepts any responsibility for such communication and (C) does not, without the prior written consent of the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer (as applicable), use the legal or publicity names of the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest, except to describe Alpha PLC or Alpha Bank, as the case may be, as issuer of the relevant Notes and Alpha Bank as the guarantor of the relevant Notes (if applicable) on the basis set out in this Base Prospectus;

- XII. ensure that no holder of Notes or potential Investor in Notes shall become an indirect or direct client of the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer for the purposes of any applicable Rules from time to time, and to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;
- XIII. co-operate with the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) and the relevant Dealer in providing such information (including, without limitation, documents and records maintained pursuant to paragraph VI above) upon written request from the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer as is available to such financial intermediary or which is within its power and control from time to time, together with such further assistance as is reasonably requested by the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer:
- (i) in connection with any request or investigation by any regulator in relation to the Notes, the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer; and/or
  - (ii) in connection with any complaints received by the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) and/or the relevant Dealer relating to the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) and/or the relevant Dealer or another Authorised Offeror including, without limitation, complaints as defined in rules published by any regulator of competent jurisdiction from time to time; and/or
  - (iii) which the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer may reasonably require from time to time in relation to the Notes and/or as to allow the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer fully to comply with its own legal, tax and regulatory requirements,

in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process;

- XIV. during the period of the initial offering of the Notes: (i) only sell the Notes at the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the relevant Dealer); (ii) only sell the Notes for settlement on the Issue Date specified in

the applicable Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the relevant Dealer); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Notes (unless otherwise agreed with the relevant Dealer); and (v) comply with such other rules of conduct as may be reasonably required and specified by the relevant Dealer; and

XV. either (i) obtain from each potential Investor an executed application for the Notes, or (ii) keep a record of all requests such financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case prior to making any order for the Notes on their behalf, and in each case maintain the same on its files for so long as is required by any applicable Rules;

(B) agrees and undertakes to indemnify each of the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) and the relevant Dealer (in each case on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons) against any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation or defence) which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements or the making by such financial intermediary of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) or the relevant Dealer; and

(C) agrees and accepts that:

I. the contract between the relevant Issuer and the financial intermediary formed upon acceptance by the financial intermediary of the relevant Issuer's offer to use the Base Prospectus with its consent in connection with the relevant Non-exempt Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;

II. subject to (IV) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Authorised Offeror Contract (including any dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a "**Dispute**") and the relevant Issuer and the financial intermediary submit to the exclusive jurisdiction of the English courts;

III. for the purposes of (C)(II) and (IV), the financial intermediary waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any dispute;

IV. to the extent allowed by law, the relevant Issuer, Alpha Bank (where the Issuer is Alpha PLC) and each relevant Dealer may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions; and

- V. each relevant Dealer and (where the Issuer is Alpha PLC) Alpha Bank will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit, including the agreements, representations, warranties, undertakings and indemnity given by the financial intermediary pursuant to the Authorised Offeror Terms.

The financial intermediaries referred to in paragraphs (a)(ii), (a)(iii) and (b) above are together the “**Authorised Offerors**” and each an “**Authorised Offeror**”.

**Any Authorised Offeror falling within (b) above who meets all of the conditions set out in (b) and the other conditions stated in “Common Conditions to Consent” below and who wishes to use this Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website the Acceptance Statement specified in paragraph (b)(ii) above.**

#### *Common Conditions to Consent*

The conditions to the relevant Issuer’s consent to the use of this Base Prospectus in the context of the relevant Non-exempt Offer are (in addition to the conditions described in paragraph (b) above if Part B of the applicable Final Terms specifies “*General Consent*” as “*Applicable*”) that such consent:

- (i) is only valid in respect of the relevant Tranche of Notes;
- (ii) is only valid during the Offer Period specified in the applicable Final Terms; and
- (iii) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in Greece, Cyprus, Romania and/or Luxembourg, as specified in the applicable Final Terms.

The consent referred to above relates to Offer Periods (if any) occurring within 12 months from the date of this Base Prospectus.

The only Relevant Member States which may, in respect of any Tranche of Notes, be specified in the applicable Final Terms (if any Relevant Member States are so specified) as indicated in (iii) above, will be Greece, Cyprus, Romania and Luxembourg, and accordingly each Tranche of Notes may only be offered to Investors as part of a Non-exempt Offer in Greece, Cyprus, Romania and Luxembourg, as specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for the relevant Issuer or any Dealer to publish or supplement a prospectus for such offer.

#### **ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS**

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF ALPHA PLC, ALPHA BANK AND ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.**

## IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF NOTES GENERALLY

**This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of Alpha PLC, Alpha Bank or the Dealers represents that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by Alpha PLC, Alpha Bank or any of the Dealers which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. For details of certain restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including France, the United Kingdom, Cyprus, Romania and Greece) and Japan, see “*Subscription and Sale*” below.**

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus, the applicable Final Terms or Drawdown Prospectus (as the case may be) or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor’s currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions 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.

For the avoidance of doubt, the content of any website to which active hyperlinks have been included in this Base Prospectus does not form part of the Base Prospectus.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see “*Subscription and Sale*”).

This Base Prospectus shall only be used for the purposes for which it has been published.

All references in this document to “**RON**” are to Romanian New Lei, “**US\$**”, “**USD**” and “**\$**” are to United States dollars, those to “**Yen**” are to Japanese Yen, those to “**Sterling**”, “**GBP**” and “**£**” are to pounds sterling and those to “**€**” “**euro**”, “**Euro**” and “**EUR**” are to the single currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

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## STABILISATION

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) appointed as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot 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 Stabilisation Manager(s) (or persons acting on behalf of a Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of 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 relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.**

## SUMMARY OF THE PROGRAMME

Summaries are made up of disclosure requirements known as “**Elements**”. These Elements are numbered in Sections A – E (A.1 – E.7).

This Summary contains all the Elements required to be included in a summary for the type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of ‘not applicable’.

### Section A – Introduction and warnings

#### Element

##### A.1

Warning that:

- this summary should be read as an introduction to the prospectus;
- any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor;
- where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated; and
- civil liability attaches to only those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.

##### A.2

#### Consent

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a “**Non-exempt Offer**”.

[Not Applicable – the Notes are not being offered to the public as part of a Non-exempt Offer].

[*Consent*: Subject to the conditions set out below, the Issuer consents to the use of this Base Prospectus in connection with an offer of Notes with a Non-exempt Offer by the Managers[, [*names of specific financial intermediaries listed in final terms.*] [and] [each financial intermediary whose name is published on Alpha Bank’s website (www.alpha.gr) and identified as an Authorised Offeror in respect of

the relevant Non-exempt Offer] [and any financial intermediary which is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC) and publishes on its website the following statement (with the information in square brackets being completed with the relevant information):

“We, [*insert legal name of financial intermediary*], refer to the offer of [*insert title of relevant Notes*] (the “Notes”) described in the Final Terms dated [*insert date*] (the “Final Terms”) published by [*Alpha Bank AE*][*Alpha Credit Group PLC*] (the “Issuer”). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [Greece] [Cyprus] [Romania] [and] [Luxembourg] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly.”]

*Offer period:* The Issuer’s consent referred to above is given for Non-exempt Offers of Notes during [*offer period for the issue to be specified here*] (the “Offer Period”).

*Conditions to consent:* The conditions to the Issuer’s consent [(in addition to the conditions referred to above)] are that such consent (a) is only valid during the Offer Period; and (b) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in [Cyprus] [Greece] [Romania] [and] [Luxembourg].

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF ALPHA PLC, ALPHA BANK AND ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.]**

## Section B – Issuers and Guarantor

Element	Title	
B.1	<b>Legal and commercial name of the Issuer</b>	<p>[Alpha Bank AE (“<b>Alpha Bank</b>”);]</p> <p>[Alpha Credit Group PLC (“<b>Alpha PLC</b>”),]</p> <p>(the “<b>Issuer</b>”).</p>
B.2	<b>Domicile/ legal form/ legislation/ country of incorporation</b>	<p>[Alpha Bank is incorporated with limited liability and domiciled in Greece as a public company which is incorporated and operates under Codified Law 2190/20 of the Hellenic Republic.]</p> <p>[Alpha PLC is incorporated and domiciled in, and under the laws of, England as a public limited company and is incorporated and operates under the Companies Act 2006.]</p>
B.4b	<b>Trend information</b>	<p>Not Applicable – There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer’s prospects for its respective current financial year.</p>
B.5	<b>Description of the Group and Issuer’s position within the Group</b>	<p>Alpha Bank [AE (“<b>Alpha Bank</b>”)] and its subsidiaries (the “<b>Group</b>”) offer a wide range of banking, capital markets, treasury and advisory services, insurance and other financial services to private, corporate and institutional clients in Greece and abroad.</p> <p>Alpha Bank operates a network that includes as at 31 December 2015 approximately 608 branches, 9 corporate (commercial) centres, 9 private banking (customer service centres) and 1,095 ATMs in Greece plus telephone and electronic banking channels.</p> <p>[[Alpha Credit Group PLC (“<b>Alpha PLC</b>”)] [Alpha PLC] operates as a financing vehicle for the Group. Except in connection with the establishment and continuance of the Programme and the issuance of Notes under the Programme, Alpha PLC has not engaged in any activities since its incorporation.]</p> <p>Internationally, the Group is present via a network of 271 branches as at 31 December 2015 in Cyprus, Romania, Bulgaria, Serbia and Albania. The Group also has a presence in the United Kingdom and in Jersey.</p>
B.9	<b>Profit forecast or estimate</b>	<p>Not Applicable – No profit forecasts or estimates have been made in the Base Prospectus.</p>
B.10	<b>Audit report qualifications</b>	<p>Not Applicable – No qualifications are contained in any audit report included in the Base Prospectus.</p>
B.12	<b>Selected historical key financial information:</b>	

## [Alpha PLC

The following tables set out selected financial information for Alpha PLC for each of the two years ended 31 December 2015 and 31 December 2014. This financial information has been extracted from the audited financial statements of Alpha PLC for the financial years ended 31 December 2015 and 31 December 2014, respectively.

### Balance Sheet

	<b>31 December</b>	
	<b>2015</b>	<b>31 December 2014</b>
	<i>(Thousands of Euro)</i>	
<b>Assets</b>		
Non-current assets .....	7	1,212,165
Current assets.....	9,686	104,189
<b>Total Assets</b> .....	<b>9,693</b>	<b>1,316,354</b>
<b>Equity</b>		
Equity attributable to the owners of the company	9,324	1,176
<b>Liabilities</b>		
Current liabilities .....	369	94,766
Non-current liabilities .....	-	1,220,412
<b>Total equity and liabilities</b> .....	<b>9,693</b>	<b>1,316,354</b>

### Income Statement

	<b>31 December</b>	
	<b>2015</b>	<b>31 December 2014</b>
	<i>(Thousands of Euro)</i>	
Profit before tax.....	6,393	11
Income tax expense .....	(135)	(25)
<b>Profit / (loss) after tax</b> .....	<b>6,258</b>	<b>(14)</b>

## [ALPHA BANK

The following tables set out selected financial information for the Group on a consolidated basis for each of the two years ended 31 December 2015 and 31 December 2014. This financial information has been extracted from the consolidated financial statements of the Group for the financial years ended 31 December 2015 and 31 December 2014, respectively.

### Consolidated Balance Sheet

	<b>31 December</b>	
	<b>2015</b>	<b>31 December 2014</b>
	<i>(Thousands of Euro)</i>	
<b>ASSETS</b>		
Cash and balances with Central Banks .....	1,730,327	2,019,017
Due from banks .....	1,976,273	2,771,739
Securities .....	10,166,454	10,302,394
Loans and advances to customers .....	46,186,116	49,556,985
Investment in associates and joint ventures .....	45,771	46,383
Investment property.....	623,662	567,212
Property, plant and equipment .....	860,901	1,083,348
Goodwill and other intangible assets .....	342,251	331,424
Non-current assets held for sale.....	663,063	53,971

Other assets.....	6,701,416	6,202,988
<b>Total assets</b> .....	<b>69,296,234</b>	<b>72,935,461</b>
<b>LIABILITIES</b>		
Due to banks .....	25,115,363	17,300,114
Due to customers (including debt securities in issue) ..	31,434,266	42,900,633
Debt securities in issue held by institutional investors and other borrowed funds .....	400,729	1,523,521
Other liabilities .....	3,291,540	3,504,643
<b>Total liabilities</b> .....	<b>60,241,898</b>	<b>65,228,911</b>
<b>EQUITY</b>		
<b>Total equity</b> .....	<b>9,054,336</b>	<b>7,706,550</b>
<b>Total liabilities and equity</b> .....	<b>69,296,234</b>	<b>72,935,461</b>

### Consolidated Income Statement

	<b>31 December</b>	<b>31 December 2014*</b>
	<b>2015</b>	<b>2014*</b>
	<i>(Thousands of Euro)</i>	
Net interest income.....	1,931,715	1,919,426
Net fee and commission income.....	314,726	334,214
Dividend income .....	3,308	1,552
Gains less losses from financial transactions.....	(45,047)	40,361
Other income .....	53,381	53,683
<b>Total income</b> .....	<b>2,258,083</b>	<b>2,349,236</b>
Staff costs .....	(533,114)	(649,621)
Voluntary separation scheme cost	(64,300)	(200,800)
General administrative expenses .....	(602,288)	(609,084)
Depreciation and amortisation expenses .....	(105,001)	(94,341)
<b>Total expenses</b> .....	<b>(1,304,703)</b>	<b>(1,553,846)</b>
Impairment losses and provisions to cover credit risk .....	(3,019,806)	(1,847,037)
Negative goodwill from acquisitions.....	-	40,287
Income tax .....	806,758	696,439
<b>Profit/(Loss) after income tax from continuing operations</b> .....	<b>(1,259,668)</b>	<b>(314,921)</b>
Profit/(Loss) after income tax from discontinued operations .....	(111,786)	(14,787)
<b>Profit/(Loss) after income tax</b> .....	<b>(1,371,454)</b>	<b>(329,708)</b>

*\*The figures for the comparative year for the Consolidated Income Statement have been restated due to modification of the presentation of legal expenses and the presentation of the Bank's Branch in Bulgaria and Alpha Bank Skopje as discontinued operations.*

### **Statements of no significant change**

[There has been no significant change in the financial or trading position of Alpha Bank or the Group since 31 December 2015, the last day of the financial period in respect of which the most recent financial statements of Alpha Bank and the Group have been prepared.]

[There has been no significant change in the financial or trading position of Alpha PLC since 31 December 2015, the last day of the financial period in respect of which the most recent financial statements of Alpha PLC have been prepared.]

***Statements of no material adverse change***

[There has been no material adverse change in the prospects of Alpha Bank since 31 December 2015, the last day of the financial period in respect of which the most recently audited financial statements of Alpha Bank have been prepared.]

[There has been no material adverse change in the prospects of Alpha PLC since 31 December 2015, the last day of the financial period in respect of which the most recently audited financial statements of Alpha PLC have been prepared.]

- |             |   |  |
|-------------|---|--|
| <b>B.13</b> | <b>Events impacting the Issuer's solvency</b> | Not Applicable – There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.   |
| <b>B.14</b> | <b>Dependence upon other group entities</b>   | <p>See Element B.5. Alpha Bank is the direct parent of the majority of the subsidiaries comprising the Group and is not dependent upon any other entities within the Group.</p> <p>[Alpha PLC is a wholly-owned subsidiary of Alpha Bank. Alpha PLC operates as a financing vehicle for the Group and is dependent upon Alpha Bank for servicing the loans made by Alpha PLC.]</p>   |
| <b>B.15</b> | <b>Principal activities</b>                   | <p>Alpha Bank's activities consist of the following main operational segments:</p> <p><i>Retail Banking</i>, which includes all of the Bank's individual banking customers in Greece, including professionals and small businesses. Through its Greek branch network, the Bank offers products such as savings accounts, current accounts, investment facilities, term deposits, repos, swaps, loan facilities (housing consumer and corporate loans and letters of guarantee) and debit and credit cards to the above customers.</p> <p><i>Corporate Banking</i>, which includes all medium- and large-sized corporate clients, including corporations with international activities and shipping corporations. To these corporate customers the Bank offers a full range of working capital facilities, corporate loans and letters of guarantee, and a variety of primarily short-term investment options to cover their excess liquidity placement requirements.</p> <p><i>Asset Management</i>, which offers a range of asset management services through the Bank's private banking business and its subsidiary Alpha Asset Management. In addition, a range of insurance products is also distributed by the Bank to individuals and corporations.</p> <p><i>Investment Banking and Treasury</i>, which offers stock exchange, advisory and brokerage services relating to capital markets, investment banking facilities and treasury services, and also</p> |

includes the Bank's interbank dealing room for bonds, futures, interest rate swaps, foreign exchange swaps, interbank placements and borrowings. These services are provided by the Bank directly or through its specialised subsidiaries Alpha Finance A.E.P.E.Y. and Alpha Ventures A.E.

*South Eastern Europe*, which consists of the Bank's branches and subsidiaries that operate in Romania, Cyprus, Serbia Bulgaria and Albania. Following the recent restructuring exercise, the Bank's foreign operations are organised primarily around the distinction between retail and corporate banking, as is the case with its Greek banking operations.

*Other activities*, which relate to the administration of the Bank and non-financial subsidiaries and participations. Such activities consist of custody services, the management of the Hilton Athens hotel property, real estate management and advisory services carried out by Alpha Astika Akinita.

[Alpha PLC is a financing subsidiary of Alpha Bank and the Group. In addition to being an issuer of Notes under its Euro Medium Term Note Programme, Alpha PLC also issues Euro-Commercial Paper under a EUR 5,000,000,000 programme, guaranteed by Alpha Bank, which was established in December 2007.]

**B.16 Controlling shareholders** [[The majority shareholder of Alpha PLC is Alpha Bank.] Alpha Bank is, directly or indirectly, the holding company of the majority of the companies comprising the Group and is not aware of any person or persons who do or could, directly or indirectly, jointly or severally, exercise control over Alpha Bank. Notwithstanding the above, the Hellenic Financial Stability Fund (“HFSF”) holds approximately 11 per cent. of Alpha Bank's common shares, the voting rights of which, however, are restricted and may only be exercised on decisions regarding amendments to Alpha Bank's Articles of Incorporation (including capital increase or reduction, merger, division etc.), or any other matter that requires an increased majority. In addition, the HFSF has certain statutory rights, including the appointment of a representative at the board of Alpha Bank with certain veto rights, whilst the relationship between the HFSF and Alpha Bank is further governed through a relationship framework agreement.]

**B.17 Credit ratings** [Alpha PLC has been rated Ca (Bkd Senior Unsecured), C (Bkd Subordinate) and NP (Bkd Other Short Term) by Moody's Investors Services Cyprus Limited and C (long-term senior unsecured), C (subordinated notes) and C (short-term senior unsecured) by Fitch Ratings Limited].

[Alpha Bank has been rated Caa3 (long-term) and NP (short-term) by Moody's Investors Services Cyprus Limited, SD (long-term) and SD (short-term) by Standard and Poor's Credit Market Services Italy, S.r.l. and C (long-term) and C (short-term) by Fitch Ratings Limited.]

[The Notes to be issued [have been/are expected to be] rated ● by

●.]

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

[Not Applicable – No ratings have been assigned to the Issuer or its debt securities at the request of or with the co-operation of the Issuer in the rating process.]

**[B.18 Description of the Guarantee**

[The payment of principal and interest in respect of the Notes issued by Alpha PLC will be unconditionally and irrevocably guaranteed by Alpha Bank AE (the “**Guarantor**”) pursuant to a deed of guarantee dated 18 June 2013 (the “**Guarantee**”).]

[In the case of Senior Notes, the obligations of the Guarantor under the Guarantee will constitute direct, general, unconditional and unsubordinated obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured (subject to the provisions of the Guarantor’s negative pledge) and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by mandatory provisions of law.]

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

“**Senior Creditors of the Guarantor**” means creditors of the Guarantor, (a) who are unsubordinated creditors of the Guarantor, or (b) who are subordinated creditors of the Guarantor, whose claims are expressed to rank in priority to the claims of the holders of Dated Subordinated Notes or other persons claiming under the deed of guarantee (whether only in the winding up of the Guarantor or otherwise).]

[In case of dissolution, liquidation and/or bankruptcy of the Guarantor, the holders of Dated Subordinated Notes will only be paid by the Guarantor after all Senior Creditors of the Guarantor have been paid in full and the holders of Dated Subordinated Notes irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Guarantor.]]

**[B.19 Information about the Guarantor**

- B. 19 B.1 Legal and commercial name of the Guarantor** Alpha Bank AE (“**Alpha Bank**”),  
(the “**Guarantor**”).
- B. 19 B.2 Domicile/ legal form/ legislation/ country of incorporation** Alpha Bank is incorporated with limited liability and domiciled in Greece as a public company which is incorporated and operates under Codified Law 2190/20 of the Hellenic Republic.
- B. 19 B.4b Trend information** Not Applicable – There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer’s prospects for its respective current financial year.
- B. 19 B.5 Description of the Group** Alpha Bank and its subsidiaries (the “**Group**”) offer a wide range of banking, capital markets, treasury and advisory services, insurance and other financial services to private, corporate and institutional clients in Greece and abroad.
- Alpha Bank operates a network that includes as at 31 December 2015 approximately 608 branches, 9 corporate (commercial) centres, 9 private banking (customer service centres) and over 1,095 ATMs in Greece plus telephone and electronic banking channels.
- Internationally, the Group is present via a network of 271 branches as at 31 December 2015 in Cyprus, Romania, Bulgaria, Serbia and Albania. The Group also has a presence in the United Kingdom and in Jersey.
- B. 19 B.9 Profit forecast or estimate** Not Applicable – No profit forecasts or estimates have been made in the Base Prospectus.
- B. 19 B.10 Audit report qualifications** Not Applicable – No qualifications are contained in any audit report included in the Base Prospectus.
- B. 19 B.12 Selected historical key financial information:**

**ALPHA BANK**

The following tables set out selected financial information for the Group on a consolidated basis for each of the two years ended 31 December 2015 and 31 December 2014. This financial information has been extracted from the consolidated financial statements of the Group for the financial years ended 31 December 2015 and 31 December 2014, respectively.

**Consolidated Balance Sheet**

	<b>31 December</b>	
	<b>2015</b>	<b>31 December 2014</b>
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Cash and balances with Central Banks .....	1,730,327	2,019,017
Due from banks .....	1,976,273	2,771,739

Securities .....	10,166,454	10,302,394
Loans and advances to customers .....	46,186,116	49,556,985
Investment in associates and joint ventures .....	45,771	46,383
Investment property .....	623,662	567,212
Property, plant and equipment .....	860,901	1,083,348
Goodwill and other intangible assets .....	342,251	331,424
Non-current assets held for sale .....	663,063	53,971
Other assets .....	6,701,416	6,202,988
<b>Total assets .....</b>	<b>69,296,234</b>	<b>72,935,461</b>
<b>LIABILITIES</b>		
Due to banks .....	25,115,363	17,300,114
Due to customers (including debt securities in issue)....	31,434,266	42,900,633
Debt securities in issue held by institutional investors and other borrowed funds .....	400,729	1,523,521
Other liabilities .....	3,291,540	3,504,643
<b>Total liabilities .....</b>	<b>60,241,898</b>	<b>65,228,911</b>
<b>EQUITY</b>		
<b>Total equity .....</b>	<b>9,054,336</b>	<b>7,706,550</b>
<b>Total liabilities and equity .....</b>	<b>69,296,234</b>	<b>72,935,461</b>

### Consolidated Income Statement

	<b>31 December</b>	<b>31 December 2014</b>
	<b>2015</b>	
	<i>(Thousands of Euro)</i>	
Net interest income .....	1,931,715	1,919,426
Net fee and commission income .....	314,726	334,214
Dividend income .....	3,308	1,552
Gains less losses from financial transactions .....	(45,047)	40,361
Other income .....	53,381	53,683
<b>Total income .....</b>	<b>2,258,083</b>	<b>2,349,236</b>
Staff costs .....	(533,114)	(649,621)
Provision for voluntary separation scheme .....	(64,300)	(200,800)
General administrative expenses .....	(602,288)	(609,084)
Depreciation and amortisation expenses .....	(105,001)	(94,341)
<b>Total expenses .....</b>	<b>(1,304,703)</b>	<b>(1,553,846)</b>
Impairment losses and provisions to cover credit risk .....	(3,019,806)	(1,847,037)
Negative goodwill from acquisitions .....	-	40,287
Income tax .....	806,758	696,439
<b>Profit/(Loss) after income tax from continuing operations .....</b>	<b>(1,259,668)</b>	<b>(314,921)</b>
Profit/(Loss) after income tax from discontinued operations .....	(111,786)	(14,787)
<b>Profit/(Loss) after income tax .....</b>	<b>(1,371,454)</b>	<b>(329,708)</b>

\*The figures for the comparative year for the Consolidated Income Statement have been restated due to modification of the presentation of legal expenses and the presentation of the Bank's Branch in Bulgaria and Alpha Bank Skopje as

*discontinued operations.*

***Statements of no significant change***

There has been no significant change in the financial or trading position of Alpha Bank or the Group since 31 December 2015, the last day of the financial period in respect of which the most recent financial statements of Alpha Bank and the Group have been prepared.

***Statements of no material adverse change***

There has been no material adverse change in the prospects of Alpha Bank since 31 December 2015, the last day of the financial period in respect of which the most recently audited financial statements of Alpha Bank have been prepared.

- |                   |  |   |
|-------------------|--|---|
| <b>B. 19 B.13</b> | <b>Events impacting the Guarantor's solvency</b> | Not Applicable – There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.  |
| <b>B. 19 B.14</b> | <b>Dependence upon other group entities</b>      | See Element B. 19 B.5. Alpha Bank is the direct parent of the majority of the subsidiaries comprising the Group and is not dependent upon any other entities within the Group.  |
| <b>B. 19 B.15</b> | <b>Principal activities</b>                      | <p>Alpha Bank's activities consist of the following main operational segments:</p> <p><i>Retail Banking</i>, which includes all of the Bank's individual banking customers in Greece, including professionals and small businesses. Through its Greek branch network, the Bank offers products such as savings accounts, current accounts, investment facilities, term deposits, repos, swaps, loan facilities (housing consumer and corporate loans and letters of guarantee) and debit and credit cards to the above customers.</p> <p><i>Corporate Banking (Wholesale Banking)</i>, which includes all medium- and large-sized corporate clients, including corporations with international activities and shipping corporations. To these corporate customers the Bank offers a full range of working capital facilities, corporate loans and letters of guarantee, and a variety of primarily short-term investment options to cover their excess liquidity placement requirements. Alpha also offers these clients leasing and factoring services through the Bank's specialised subsidiaries Alpha Leasing S.A. and ABC Factors S.A., respectively.</p> <p><i>Asset Management/Insurance</i>, which offers a range of asset management services through the Bank's private banking business and its subsidiary Alpha Asset Management. In addition, a range of insurance products are also distributed by the Bank to individuals and corporations through AXA (formerly known as Alpha Insurance A.E. prior to its sale to AXA by the Bank in March 2007) or through the Bank's subsidiary Alphalife.</p> <p><i>Investment Banking and Treasury</i>, which offers stock exchange, advisory and brokerage services relating to capital</p> |

markets, investment banking facilities and treasury services, and also includes the Bank's interbank dealing room for bonds, futures, interest rate swaps, foreign exchange swaps, interbank placements and borrowings. These services are provided by the Bank directly or through its specialised subsidiaries Alpha Finance A.E.P.E.Y. and Alpha Ventures A.E.

*South Eastern Europe*, which consists of the Bank's branches and subsidiaries that operate in Romania, Cyprus, Serbia and Albania. Following the recent restructuring exercise, the Bank's foreign operations are organised primarily around the distinction between retail and corporate banking, as is the case with its Greek banking operations.

*Other activities*, which relate to the administration of the Bank and non-financial subsidiaries and participations. Such activities consist of custody services, real estate management and advisory services carried out by Alpha Astika Akinita.

**B. 19 B.16 Controlling shareholders**

Alpha Bank is, directly or indirectly, the holding company of the majority of the companies comprising the Group and is not aware of any person or persons who do or could, directly or indirectly, jointly or severally, exercise control over Alpha Bank. Notwithstanding the above, the Hellenic Financial Stability Fund ("HFSF") holds approximately 11 per cent. of Alpha Bank's common shares, the voting rights of which, however, are restricted and may only be exercised on decisions regarding amendments to Alpha Bank's Articles of Incorporation (including capital increase or reduction, merger, division etc.), or any other matter that requires an increased majority. In addition, the HFSF has certain statutory rights, including the appointment of a representative at the board of Alpha Bank with certain veto rights, whilst the relationship between the HFSF and Alpha Bank is further governed through a relationship framework agreement.

**B.19. B.17 Credit ratings**

Alpha Bank has been rated Caa3 (long-term) and NP (short-term) by Moody's Investors Services Cyprus Limited, SD (long-term) and SD (short-term) by Standard and Poor's Credit Market Services Italy, S.r.l. and C (long-term) and C (short-term) by Fitch Ratings Limited.]

## Section C – Securities

Element	Title	
C.1	Description of Notes/ISIN	<p>The Notes are [£/€/U.S.\$/CHF/JPY/RON/●] ● [● per cent./Reset/Floating Rate/Zero Coupon] Notes due ●.</p> <p>The International Securities Identification Number (“ISIN”) is ●.</p> <p>The Common Code is ●.</p> <p>[The Notes will be consolidated and form a single series with [<i>identify earlier Tranches</i>] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, which is expected to occur on or about [<i>date</i>]].]</p>
C.2	Currency	<p>The currency of this Series of Notes is [Pounds Sterling (“£”)/Euro (“€”)/U.S. dollars (“U.S.\$”)/Swiss Francs (“CHF”)/Japanese Yen (“JPY”)/Romanian New Lei (“RON”)/●].</p>
C.5	Restrictions on transferability	<p>Not Applicable - There are no restrictions on free transferability of the Notes.</p>
C.8	Rights attached to the Notes, including ranking and limitations on those rights	<p>Notes issued under the Programme will have terms and conditions relating to, among other matters:</p>

### *Status and Subordination*

Notes may be issued on either a senior or a subordinated basis referred to as the Senior Notes and the Dated Subordinated Notes, respectively.

Senior Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of the Issuer’s negative pledge) unsecured obligations of the relevant<sup>2</sup> Issuer and will at all times rank *pari passu* without any preference among themselves and at least *pari passu* with all other present and future unsecured (subject as aforesaid) and unsubordinated obligations of such Issuer, save for such obligations as may be preferred by mandatory provisions of law.

Dated Subordinated Notes will constitute direct, unsecured and subordinated obligations of the relevant Issuer and will rank at all times *pari passu* among themselves. All claims in respect of the Dated Subordinated Notes will be subordinated to the claims of the Senior Creditors of the Issuer (as defined below) in that payments of principal and interest (whether in the winding up of such Issuer or

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<sup>2</sup> References to ‘relevant Issuer’ to be amended to ‘Issuer’ throughout summary when Issue specific summary produced.

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

“**Senior Creditors of the Issuer**” means creditors of the relevant Issuer (a) who are unsubordinated creditors of the relevant Issuer, or (b) who are subordinated creditors of the relevant Issuer whose claims are expressed to rank in priority to the claims of the holders of Dated Subordinated Notes (whether only in the winding up of such Issuer or otherwise).

[This Series of Notes is issued on a [senior/subordinated] basis.]

***Issuers’ negative pledge***

The terms of the Senior Notes will contain a negative pledge provision to the effect that, so long as any of the Notes remains outstanding, [neither] the relevant Issuer [nor the Guarantor (if applicable)] shall [not] create or permit to be outstanding any mortgage, charge, lien, pledge or other similar encumbrance or security interest upon the whole or any part of its undertaking or assets, present or future (including any uncalled capital), to secure any borrowings having an original maturity of more than one year represented by bonds, notes, debentures or other securities which, with the consent of the relevant Issuer are, or are intended to be, listed or traded on any stock exchange, over-the-counter or other organised market for securities (whether or not initially distributed by way of private placing) or any guarantee or indemnity given in respect thereof, without at the same time or promptly securing the Notes equally and rateably therewith or providing such other security as shall be approved by an extraordinary resolution of the holders of Senior Notes save that the relevant Issuer [or the Guarantor (if applicable)] may create or permit to subsist a security interest to secure indebtedness and/or any guarantee or indemnity given in respect of indebtedness of any person, in each case as aforesaid, (but without the obligation to accord or provide to the holders of Senior Notes either an equal and rateable interest in the same or such other security as aforesaid) where such security interest:

- (a) is created pursuant to any securitisation, asset-backed financing or like arrangement in accordance

with normal market practice and whereby the amount of indebtedness secured by such security interest or in respect of which any guarantee or indemnity is secured by such security interest is limited to the value of the assets secured; or

- (b) is granted in relation to assets-backed bonds issued by Alpha Bank under Greek law as “covered bonds”.

The Dated Subordinated Notes do not contain a negative pledge.

#### ***Events of default***

The terms of the Senior Notes will contain, amongst others, the following events of default:

- (i) default in payment of the principal of or interest on any of the Senior Notes, or the delivery when due of any other amount in respect of any Senior Note, continuing for a specified period of time;
- (ii) default in the performance or observance of any of the other obligations under or in respect of Senior Notes, continuing for a specified period of time;
- (iii) acceleration by reason of default of the repayment of any indebtedness or default for a specified period of time in any payment of any indebtedness or in the honouring of any guarantee or indemnity in respect of any indebtedness, in any case in relation to the Issuer [or the Guarantor (if applicable)] or any Material Subsidiary and so long as any such indebtedness exceeds the specified threshold;
- (iv) order made by any competent court or resolution passed for winding up or dissolution of the relevant Issuer [or the Guarantor (if applicable)] or any Material Subsidiary (other than for specified exceptions);
- (v) save for the purposes of specified exceptions, the relevant Issuer [or the Guarantor (if applicable)] or any Material Subsidiary ceases to carry on the whole or substantially the whole of its business;
- (vi) the relevant Issuer [or the Guarantor (if applicable)] or any Material Subsidiary stopping payments or admitting inability to pay its respective debts as they fall due, or being adjudicated or found bankrupt or insolvent by a court of competent jurisdiction or making a conveyance or assignment for the benefit of, or entering into any composition

or other arrangement with, its creditors generally;

- (vii) receiver, trustee or other similar official having been appointed in relation to the relevant Issuer [or the Guarantor (if applicable)] or any Material Subsidiary or in relation to the whole or over half of its respective assets or an interim supervisor of Alpha Bank being appointed by the European Central Bank or the Single Resolution Board or an encumbrancer taking possession of the whole or over half of the assets of the relevant Issuer [or the Guarantor (if applicable)] or any Material Subsidiary, or a distress or execution or other process being levied or enforced upon or sued out against the whole or a substantial part of the assets of the relevant Issuer [or the Guarantor (if applicable)] and in any of the foregoing cases the relevant entity not being discharged within 60 days;
- (viii) disposal by the relevant Issuer [or the Guarantor (if applicable)] or any Material Subsidiary, of whole or major part of undertakings or assets that is substantial in relation to the assets of the relevant Issuer or Alpha Bank and its subsidiaries as a whole (except where such disposal is on an arm's length basis), or of any present or future undertakings or assets (including uncalled capital), receivables, remittances or the payment rights of the relevant Issuer, Alpha Bank or any Material Subsidiary pursuant to any securitisation, covered bond issuance or like arrangement in accordance with normal market practice[; and
- (ix) (where the Issuer is Alpha PLC) the Guarantee ceases to be in full force and effect].

The terms of the Dated Subordinated Notes will contain, amongst others, the following events of default:

- (i) default in payment of any amount due in respect of the Dated Subordinated Notes, continuing for a specified period of time; and
- (ii) order made or resolution passed for winding up of the relevant Issuer (other than for an amalgamation or reconstruction approved by an extraordinary resolution of the holders of Dated Subordinated Notes).

“**Material Subsidiary**” means at any time any Subsidiary of Alpha Bank:

- (i) whose profits or (if applicable) consolidated profits, before taxation and extraordinary items or before taxation and after extraordinary items as

shown by its latest audited profit and loss account are at least 15 per cent. of the consolidated profits before taxation and extraordinary items of Alpha Bank and its subsidiaries as shown by the latest published audited consolidated profit and loss account of Alpha Bank and its subsidiaries; or

- (ii) whose gross assets or (if applicable) gross consolidated assets as shown by its latest audited balance sheet are at least 15 per cent. of the gross consolidated assets of Alpha Bank and its subsidiaries as shown by the then latest published audited consolidated balance sheet of Alpha Bank and its subsidiaries; or
- (iii) to which is transferred the whole or substantially the whole of the assets and undertaking of a subsidiary which immediately prior to such transfer is a Material Subsidiary **provided that**, in such a case, the subsidiary so transferring its assets and undertaking shall thereupon cease to be a Material Subsidiary.

#### ***Taxation***

All payments in respect of Notes issued and guaranteed (as appropriate) by Alpha Bank will be made without deduction for or on account of taxes imposed by the Hellenic Republic (and, in the case of Notes issued by Alpha Bank through a branch situated in a jurisdiction other than the Hellenic Republic, withholding taxes imposed by the jurisdiction where such branch is situated) and all payments in respect of Notes issued by Alpha PLC will be made without deduction for or on account of taxes imposed by the United Kingdom, in each case unless required by law. In the event that any such deduction is made, the relevant Issuer [or, as the case may be, the Guarantor] will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.

All payments in respect of the Notes will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in any jurisdiction, but without prejudice to the provisions of the Taxation condition, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of the Taxation condition) any law implementing an intergovernmental approach thereto.

### ***Meetings***

The terms of the Notes will contain provisions for calling meetings of holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.

### ***Governing law***

The Notes [and the Guarantee (where the Issuer is Alpha PLC)] and all non-contractual obligations arising out of or in connection with [each of them][it] are governed by English law, except that (i) the appointment of a Noteholders Agent prior to completion of an issue of Notes by Alpha Bank; [and] (ii) the status of the Dated Subordinated Notes where Alpha Bank acts in its capacity as [Issuer] [Guarantor] [and] (iii) the status of the guarantee (if applicable) in relation to the Dated Subordinated Notes], shall be governed by and shall be construed in accordance with Greek law.

**C.9 Interest/Redemption including:** Please also refer to Element C.8

#### ***Interest***

- the nominal interest rate [The Notes bear interest [from their date of issue/from ●] at the fixed rate of ● per cent. per annum. The yield of the Notes is ● per cent. interest will be paid [annually/semi-annually/ quarterly/monthly] in arrear on ● [and ●] in each [year/month] [, subject to adjustment for non-business days]. The first interest payment date will be ●.]
- the date from which interest becomes payable and the due dates for interest

- where the rate is not fixed, description of the underlying on which it is based [The Notes bear interest [from their date of issue/from ●] at floating rates calculated by reference to ● month [[currency] LIBOR/EURIBOR/ROBOR [plus/minus] a margin of ● per cent. Interest will be paid [annually/semi-annually/quarterly/monthly] in arrear on ● [and ●] in each [year/month], subject to adjustment for non-business days. The first interest payment will be made on the interest payment date falling in ●.]

[The Notes bear interest (a) [from their date of issue/from ●] to the first Reset Date occurring thereafter at an initial fixed rate of ● per cent. per annum; and (b) in respect of each successive ●-year period thereafter, at a rate per annum equal to the sum of ● and a margin of ● per cent., in each case, payable [annually/semi-annually/quarterly/monthly] in arrear on ● [and ●] in each [year/month].]

[The Notes do not bear any interest [and will be offered and sold at a discount to their nominal amount].]

- Redemption including Subject to any purchase and cancellation or early

maturity date and redemption, the Notes will be redeemed on ● at [par/● per cent. of their nominal amount].  
arrangements for the amortisation of the loan, including the repayment procedures

The Notes may be redeemed early for [tax reasons] [and/or] [regulatory capital disqualification reasons] at ● per cent. of the nominal amount of the Notes. [The Notes may also be redeemed before the maturity date at the option of [the Issuer ([either in whole or in part] / [in whole only]) [and/or] [the holders of the Notes] at [100 per cent. of the nominal amount of the Notes/●] on ● [and ●.]

- Indication of yield [The yield on the Notes is ● per cent. per annum. The yield is calculated at the issue date of the Notes on the basis of the issue price of the Notes of ● per cent. it is not an indication of future yield.][Not Applicable]
- Representative of holders Not Applicable – No representative of the holders of the Notes has been appointed by the Issuers.

**C.10 Derivative component in the interest payments:** Please also refer to Element C.9

Not Applicable – There is no derivative component in the interest payments.

**C.11 [Listing and Admission to trading]** [Application [has been][is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the [Luxembourg Stock Exchange][●].]

[Not Applicable – The Notes are not intended to be admitted to trading on any market.]]

## Section D – Risks

Element	Title
D.2	<p><b>Key risk factors regarding the Issuer</b></p> <p>In purchasing Notes, investors assume the risk that the relevant Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the relevant Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such risks or to determine which risks are most likely to occur, as the relevant Issuer may not be aware of all relevant risks and certain risks which they currently deem not to be material may become material as a result of the occurrence of events outside such Issuer’s control. The Issuer has identified a number of key risks which could materially adversely affect their businesses and ability to make payments due under the Notes. [In the case of Alpha Bank such key risks include:</p> <ul style="list-style-type: none"><li>• the “Emphasis of matter” statement in the auditors’ report in the financial statements of Alpha Bank for year ended 31 December 2015 in relation to Alpha Bank’s ability to continue as a going concern;</li><li>• the financial recession in the Greek economy and adverse macroeconomic developments are likely to have a material adverse effect on Alpha Bank’s performance, results of operations and financial conditions;</li><li>• Alpha Bank operates in a regulated environment that imposes costs and significant compliance requirements. Changes in the regulatory framework, including new capital requirements, may further increase the cost and complexity of doing business, or may disadvantage Alpha Bank relative to its competitors. The failure to comply with regulations could subject Alpha Bank to sanctions or oblige it to change the scope or nature of its operations;</li><li>• Alpha Bank’s ability to raise funds in the capital markets is restricted due to the ongoing financial crisis, making it dependent on the ECB and the Bank of Greece for funding and vulnerable to changes in the regulations of these institutions;</li><li>• the measures taken by various governments to strengthen Greek banks’ capital and liquidity positions may not result in desired improvements and such failure poses risks that can materially harm Alpha Bank’s business, financial conditions</li></ul>

and results of operations;

- the management and business decisions of Alpha Bank may be materially affected by the veto powers of the representatives appointed under the support scheme and under the Hellenic Financial Stability Fund's recapitalisation of Greek banks;
- following the receipt by Alpha Bank of state aid via the Hellenic Financial Stability Fund the Bank must comply with its restructuring plan, as approved by the European Commission, any inability of the Bank in the future to meet the terms specified in its approved restructuring plan may result in the European Commission initiating a procedure for misuse of the aid;
- Alpha Bank is subject to the stress tests analysis published by various regulators which may affect market perception and lead to loss of confidence thereby having an adverse effect on operations and financial condition of Alpha Bank;
- Alpha Bank's international operations are exposed to the risk of adverse political, governmental or economic developments in the countries in which it operates; and
- Alpha Bank is subject to the risk of adverse changes in credit quality of borrowers and the repayment of loans and amounts due from borrowers and counterparties, which, along with past due loans and non-performing loans, may negatively affect the Group's operating results. The ability of Alpha Bank to obtain payments from defaulting creditors may be limited by the applicable laws and regulations.]

[In the case of Alpha PLC such key risks include:

- Alpha PLC is a funding vehicle for Alpha Bank. Therefore, any failure by Alpha Bank to pay amounts outstanding under any intra-group loans made by Alpha PLC to Alpha Bank would affect Alpha PLC's ability to meet its payment obligations under the issued Notes.]

**D.3 Key risks regarding the Notes [and the Guarantor]**

[In purchasing Notes, investors assume the risk that the Guarantor may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Guarantor becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such risks or to determine which risks are most likely to occur, as the Guarantor may not be aware of all

relevant risks and certain risks which they currently deem not to be material may become material as a result of the occurrence of events outside the Guarantor's control. The Guarantor has identified a number of key risks which could materially adversely affect their businesses and ability to make payments due under the Notes. These include

- the “Emphasis of matter” statement in the auditors’ report in the financial statements of Alpha Bank for year ended 31 December 2015 in relation to Alpha Bank’s ability to continue as a going concern;
- the financial recession in the Greek economy and adverse macroeconomic developments are likely to have a material adverse effect on Alpha Bank’s performance, results of operations and financial conditions;
- Alpha Bank operates in a regulated environment that imposes costs and significant compliance requirements. Changes in the regulatory framework, including new capital requirements, may further increase the cost and complexity of doing business, or may disadvantage Alpha Bank relative to its competitors. The failure to comply with regulations could subject Alpha Bank to sanctions or oblige it to change the scope or nature of its operations;
- Alpha Bank’s ability to raise funds in the capital markets is restricted due to the ongoing financial crisis, making it dependent on the ECB and the Bank of Greece for funding and vulnerable to changes in the regulations of these institutions;
- the measures taken by various governments to strengthen Greek banks’ capital and liquidity positions may not result in desired improvements and such failure poses risks that can materially harm Alpha Bank’s business, financial conditions and results of operations;
- the management and business decisions of Alpha Bank may be materially affected by the veto powers of the representatives appointed under the support scheme and under the Hellenic Financial Stability Fund’s recapitalisation of Greek banks;
- following the receipt by Alpha Bank of state aid via the Hellenic Financial Stability Fund the Bank must comply with its restructuring plan, as approved by the European Commission, any inability of the Bank in the future to meet the terms specified in its approved restructuring plan may result in the European Commission initiating a

procedure for misuse of the aid;

- Alpha Bank is subject to the stress tests analysis published by various regulators which may affect market perception and lead to loss of confidence thereby having an adverse effect on operations and financial condition of Alpha Bank;
- Alpha Bank's international operations are exposed to the risk of adverse political, governmental or economic developments in the countries in which it operates; and
- Alpha Bank is subject to the risk of adverse changes in credit quality of borrowers and the repayment of loans and amounts due from borrowers and counterparties, which, along with past due loans and non-performing loans, may negatively affect the Group's operating results. The ability of Alpha Bank to obtain payments from defaulting creditors may be limited by the applicable laws and regulations.]

There are also risks associated with the Notes:

- there may be no or only a limited secondary market in the Notes and holders of Notes may not be able to sell their Notes easily or at prices that will provide them with a yield comparable with similar investments that have a developed secondary market;
- actions pursuant to implementing legislation under the bank recovery and resolution directive providing for write down, conversion and bail-in powers, amongst other actions, may adversely affect the rights of the Noteholders and the price or value of their Notes;
- an optional redemption feature is likely to limit the secondary market value of the Notes such that the secondary market value of such Notes will not rise substantially above the price at which they can be redeemed;
- [the relevant Issuer's ability to convert the interest rate on Notes from a fixed rate to a floating rate (or vice versa) will affect the secondary market value of such Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing and to a rate which is lower than other comparable fixed or floating rate notes (as applicable);]
- [the Reset Notes will initially bear interest at the

initial rate of interest but such interest will reset on each Reset Date, which can be expected to affect the interest payments on an investment in Reset Notes and could affect the market value of Reset Notes;]

- [the secondary market value of Notes issued at a substantial discount or premium to their nominal amount tends to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing Notes;]
- the value of an investor's investment may be adversely affected by exchange rate movements where the Notes are not denominated in the investor's own currency;
- any credit rating assigned to the Notes may not adequately reflect all the risks associated with an investment in the Notes;
- changes in interest rates will affect the value of Notes which bear interest at a fixed rate;
- [the relevant Issuer's [and Guarantor's] obligations under Dated Subordinated Notes are subordinated and will rank junior in priority to the claims of Senior Creditors. Although Dated Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that a holder of a Dated Subordinated Note will lose some or all of their investment should the relevant Issuer become insolvent;]
- the conditions of the Notes may be modified without the consent of the holder in certain circumstances;
- the holder may not receive payment of the full amounts due in respect of the Notes as a result of amounts being withheld by the relevant Issuer [or the Guarantor] in order to comply with applicable law; and
- investors are exposed to the risk of changes in law or regulation affecting the value of Notes held by them.

## Section E – Offer

Element	Title	
E.2b	<b>Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks</b>	The net proceeds from the issue of Notes will be applied by the Issuer for the general corporate and financing purposes of the Group [and[ ]].
E.3	<b>Terms and conditions of the offer</b>	<p>[The Notes are not being offered as a Non-exempt Offer.]</p> <p>[This issue of Notes is being offered in a Non-exempt Offer in [Greece] [Cyprus] [Romania] [and] [Luxembourg].</p> <p>The issue price of the Notes is ● per cent. of their nominal amount.</p> <p><i>[Summarise any public offer, summarising the language from paragraphs 8(viii) and 9 of Part B of the Final Terms.]</i></p> <p>Offer Price: [Issue Price /specify]</p> <p>Conditions to which the offer is subject: [give details]</p> <p>Description of the application process: [give details]</p> <p>Details of the minimum and/or maximum amount of application: [give details]</p> <p>Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [give details]</p> <p>Details of the method and time limits for paying up and delivering the Notes: [give details]</p> <p>Manner and date on which results of the offer are to be made to public: [give details]</p> <p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [give details]</p>

Whether tranche(s) have *[give details]*  
been reserved for certain  
countries:

Process for notification to *[give details]*  
applicants of the amount of  
Notes allotted and indication  
whether dealing may begin  
before notification is made:

Amount of any expenses and *[give details]*  
taxes specifically charged to  
the subscriber or purchaser:

Name(s) and address(es), to *[None/give details]*.  
the extent known to the  
Issuer, of the placers in the  
various countries where the  
offer takes place.

Name and address of the *[None/give details]*  
entities which have a firm  
commitment to act as  
intermediaries in secondary  
trading, providing liquidity  
through bid and offer rates  
and description of the main  
terms of their commitment:]

**E.4 Interest of natural and legal  
persons involved in the  
issue/offer**

The [Dealers/Managers] will be paid aggregate commissions equal to ● per cent. of the nominal amount of the Notes. Any [Dealer/Manager] and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their respective] affiliates in the ordinary course of business.

[Other than as mentioned above, [ and save for ●,] so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer, including conflicting interests.]

**E.7 Expenses charged to the investor  
by the Issuer**

Not Applicable. No expenses are being charged to an investor by the Issuer.

## **RISK FACTORS**

*Each of Alpha Bank and Alpha PLC believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme and, in the case of Alpha Bank, Alpha Bank's obligations under the Guarantee. Most of these factors are contingencies which may or may not occur and neither Alpha Bank nor Alpha PLC is in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Each of Alpha Bank and Alpha PLC believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of Alpha Bank or Alpha PLC to pay interest, principal or other amounts on or in connection with any Notes may occur for other unknown reasons. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.*

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

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

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

### **Risks relating to Alpha Bank AE and to Alpha Credit Group PLC**

#### **Factors that may affect Alpha PLC's ability to fulfil its obligations under Notes issued by it under the Programme**

Alpha PLC is a finance vehicle whose principal purpose is to raise debt to be deposited with Alpha Bank. Accordingly, Alpha PLC has no trading assets and does not generate trading income. Notes issued by Alpha PLC under the Programme are guaranteed on a subordinated or an unsubordinated basis by Alpha Bank, as specified in the applicable Final Terms, pursuant to the Guarantee. Accordingly, if Alpha Bank's financial condition was to deteriorate, Alpha PLC and investors in Notes issued by Alpha PLC may suffer direct and materially adverse consequences.

*The Banking Act confers substantial powers on a number of UK authorities designed to enable them to take a range of actions in relation to UK banks, UK building societies, UK investment firms and UK recognised central counterparties which are considered to be at risk of failing. In certain circumstances, such actions may also be taken against a UK banking group company. The exercise of any of these actions in relation to Alpha PLC could materially adversely affect the value of any Notes issued by Alpha PLC.*

Under the Banking Act 2009 (the “**Banking Act**”), substantial powers are granted to HM Treasury, the Bank of England, the Financial Conduct Authority and the Prudential Regulation Authority (together, the “**Authorities**”) as part of a special resolution regime (the “**SRR**”). These powers can be exercised, as applicable, by the Authorities in respect of a UK bank, UK building society, UK investment firm or UK recognised central counterparty (each a “**relevant entity**”) in circumstances in which the Authorities consider its failure has become likely and if certain other conditions are satisfied (depending on the relevant power) for example, to protect and enhance the stability of the financial system of the UK. Certain of these powers may also be used in respect of a UK incorporated company which meets certain conditions and is in the same group as a relevant entity, an EU incorporated credit institution or investment firm or a third country incorporated credit institution or investment firm (a “**UK banking group company**”) (such as Alpha PLC).

The SRR consists of five stabilisation options and two special insolvency procedures (bank administration and bank insolvency) which may be commenced by HM Treasury, the Bank of England, the Prudential Regulation Authority or Secretary of State, as the case may be. The stabilisation options provide for: (i) private sector transfer of all or part of the business of the relevant entity; (ii) transfer of all or part of the business of the relevant entity to a bridge bank wholly owned by the Bank of England; (iii) transfer of all or part of the business of the relevant entity to an asset management vehicle owned and controlled by the Bank of England; (iv) writing down certain claims of unsecured creditors of the relevant entity (including Notes issued by Alpha PLC) and/or converting certain unsecured debt claims (including Notes issued by Alpha PLC) to equity, which equity could also be subject to any future cancellation, transfer or dilution; and (v) temporary public ownership (nationalisation) of all or part of the relevant entity or its UK holding company. In each case, the Authorities have wide powers under the Banking Act including powers to modify contractual arrangements in certain circumstances and powers for HM Treasury to disapply or modify laws (with possible retroactive effect) to enable the stabilisation powers under the Banking Act to be used effectively.

In addition, the Banking Act provides the Authorities with the power to permanently write-down or convert capital instruments, such as Dated Subordinated Notes issued by Alpha PLC, into equity at the point of non-viability and before any other resolution action is taken. Any shares issued to holders of Dated Subordinated Notes issued by Alpha PLC upon any such conversion into equity may also be subject to any future cancellation, transfer or dilution.

The point of non-viability under the Banking Act is the point at which the relevant Authority determines that the relevant entity or UK banking group company meets certain conditions (but no resolution action has yet been taken) or that the relevant entity or, in certain circumstances, group will no longer be viable unless the relevant capital instruments (such as Dated Subordinated Notes issued by Alpha PLC) are written-down or converted.

The paragraphs below set out some of the possible consequences of the exercise of the powers under the SRR.

*The SRR may be triggered prior to insolvency of a relevant entity, a European Economic Area (“EEA”) institution or a third country institution in the same group as Alpha PLC*

The purpose of the stabilising options is to address the situation where all or part of a business of a relevant entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns. Accordingly, the relevant stabilisation options may be exercised if (a) the relevant Authority is satisfied that a relevant entity is failing, or is likely to fail, (b) following consultation with the other Authorities, the relevant Authority determines that it is not reasonably likely that (ignoring the stabilising options) action will be taken that will result in the condition referred to in (a) ceasing to be met and (c) the Authorities consider the exercise of the stabilisation options to be necessary, having regard to certain public interest considerations (such as the stability of the UK financial system, public confidence in the UK banking system and the protection

of depositors). It is therefore possible that one of the stabilisation options could be exercised prior to the point at which any insolvency proceedings with respect to the relevant entity could be initiated. The stabilisation options may also be exercised against a UK banking group company (such as Alpha PLC) if certain conditions for resolution are met in relation to an EEA incorporated credit institution or investment firm or a third country incorporated credit institution or investment firm within the same group, as determined by the relevant EEA resolution authority or third country resolution authority.

***Various actions may be taken in relation to the Notes without the consent of the Noteholders***

If the stabilisation options were exercised under the SRR in respect of Alpha PLC, HM Treasury or the Bank of England may exercise extensive powers including, share transfer powers (applying to a wide range of securities), property transfer powers (including powers for partial transfers of property, rights and liabilities subject to certain protections in respect of Alpha PLC) and resolution instrument powers (including powers to make special bail-in provisions). Exercise of these powers could involve taking various actions in relation to any securities issued by Alpha PLC (including Notes) without the consent of the Noteholders, including (among other things):

- (1) transferring Notes notwithstanding any restrictions on transfer and free from any trust, liability or encumbrance;
- (2) writing down the principal amount of Notes and/or converting Notes into another form or class (which may include, for example, conversion of Notes into equity securities);
- (3) modifying or disapplying certain terms of Notes, including disregarding any termination or acceleration rights or events of default under the terms of Notes which would be triggered by the exercise of the powers and certain related events; and/or
- (4) where property is held on trust, removing or altering the terms of such trust.

The taking of any such actions could adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or the ability of Alpha PLC to satisfy its obligations under the Notes. In such circumstances, Noteholders may have a claim for compensation under one of the compensation schemes existing under, or contemplated by, the Banking Act, but there can be no assurance that Noteholders would thereby recover compensation promptly or equal to any loss actually incurred.

***A partial transfer of Alpha PLC's business may result in a deterioration of its creditworthiness***

If Alpha PLC were made subject to the SRR and a partial transfer of its business to another entity were effected, the quality of the assets and the quantum of the liabilities not transferred and remaining with Alpha PLC (which may include Notes issued by Alpha PLC) will result in a deterioration in the creditworthiness of Alpha PLC and, as a result, increase the risk that it will be unable to meet its obligations in respect of the Notes and/or eventually become subject to administration proceedings pursuant to the Banking Act. In such circumstances, Noteholders may have a claim for compensation under one of the compensation schemes existing under, or contemplated by, the Banking Act, but there can be no assurance that Noteholders would thereby recover compensation promptly or equal to any loss actually incurred.

As at the date of this Base Prospectus, the relevant Authorities have not made an instrument or order under the Banking Act in respect of Alpha PLC and there has been no indication that they will make any such instrument or order. However, there can be no assurance that this will not change and/or that Noteholders will not be adversely affected by any such order or instrument if made.

## **Factors that may affect Alpha Bank's ability to fulfil its obligations under Notes issued by it under the Programme and under the Guarantee**

### **Risks Relating to the Hellenic Republic Economic Crisis**

#### ***Uncertainty resulting from the Hellenic Republic's financial and economic crisis has had and is likely to continue to have a significant adverse impact on the Group's business***

The development of the Group's assets, business, results of operations, financial condition and prospects depends on the macroeconomic and political conditions in Greece. As at 31 December 2015, 84.7 per cent. of the Group's total net loans and 82.8 per cent. of the net interest income were derived from operations in the Hellenic Republic and as at 31 December 2015 the loan, investment securities and derivatives exposure to the Greek public sector amounted to €6.4 billion. Over the last seven years the Hellenic Republic has faced significant pressure on its public finances and has committed to certain substantial structural measures intended to restore competitiveness and promote economic growth in the country, as part of the adjustment programmes, agreed initially with the International Monetary Fund (the "IMF"), the European Union (the "EU") and the European Central Bank (the "ECB"), and together with the IMF and the EU, the "Institutions") and in 2015 with the Institutions and the European Stability Mechanism (the "ESM") (the Greek Stabilisation Programmes, as defined below).

As a result of the PSI (the programme of voluntary exchange of Greek government bonds which was completed in April 2012, which offered private investors the opportunity to exchange certain eligible Greek government bonds for new bonds on certain terms), as well as the IMF/eurozone stabilisation and recovery programme as replaced by a second economic adjustment programme in March 2012 and amended in November 2012 (the "Stabilisation Programme") for the financial support of Greece and provisions which have been established for reducing the financial needs of, and providing additional debt relief to, the Hellenic Republic and Greek banks, the Hellenic Republic was given more time to implement fiscal adjustment policies and growth-enhancing structural reforms. In addition, the PSI resulted in a significant decline of the Greek debt burden by approximately 50 per cent. of GDP in 2012, as well as a sharp reduction in debt servicing needs through lower interest rates and a substantial extension of the average debt maturity. The completion of the buy-back of Greek government bonds by the Hellenic Republic in December 2012 (the "Buy-back") provided an additional debt relief of at least 9.5 per cent. of GDP, while the restructuring of interest payments under loans owing to the European Financial Stability Facility ("EFSF") and the further interest rate decrease of official sector loans granted to Greece further decreased the servicing cost of the Greek debt. However, in 2013, the debt burden increased again significantly to 176 per cent. of GDP, as a result of new sovereign borrowing of €50 billion from the EFSF in order to recapitalise Greek banks. The PSI has resulted in significant impairment losses for Greek banks.

The Group participated in the PSI by exchanging all its eligible Greek government bonds and loans guaranteed by the Hellenic Republic with a nominal value of €6 billion for (i) new Greek government bonds with a nominal value of €1.9 billion, (ii) bonds issued by the EFSF with a nominal value of €1 billion and (iii) a security linked to Greek GDP in accordance with the terms announced by the Greek government. In the fourth quarter of 2011, as a result of participating in the PSI, the Group recognised an impairment loss of €4.8 billion, which was calculated based on the difference between the carrying amount of the Group's Greek government bonds and the fair value of the new Greek government securities that were received in the exchange, based on the assumption that there was an inactive market for the new Greek government bonds issued in the PSI. The reassessment of market conditions in 2012 led to the recognition of an additional impairment loss resulting from the exchange amounting to €288.3 million before tax.

The Group also participated in the Hellenic Republic's invitation of December 2012 concerning the Buy-back of bonds with a nominal value of €1.5 billion and a carrying amount of €0.5 billion. As a result of its participation in the Buy-back, the Group recognised a gain of €117.7 million before tax in the fourth quarter of 2012.

The Group also participated in the Hellenic Republic's invitation of September 2014 for the exchange of treasury bills issued by the Hellenic Republic for medium term bonds. The Group exchanged treasury bills with

a total nominal value of €367 million with a Greek government bond of nominal value €104.2 million maturing on 17 July 2017 and a Greek Government bond of nominal value of €250.8 million maturing on 17 July 2017.

The Stabilisation Programme also included a comprehensive strategy for recapitalisation of the banking system following PSI-related losses and the detrimental impact of a prolonged recession on bank loan quality. Following the recapitalisation of Greek banks that was completed in 2013 and the resulting consolidation of the banking sector, four systemic banks emerged.

The Bank of Greece conducted a follow-up stress test on the basis of June 2013 data to update Greek banks' capital needs. The total capital needs for Greek banks (including the four systemic banks) according to the March 2014 independent diagnostic study performed on the loan portfolios of, among others, the Greek systemic banks by BlackRock Financial Management Inc. at the instructions of the Bank of Greece (the "**Stress Test**") amounted to €6.4 billion. In mid-2014 a second round of recapitalisation of the Greek systemic banks was completed to address their capital needs pursuant to the Stress Test.

In 2014, after six consecutive years of recession during which the Greek economy lost about 25 per cent. of its gross domestic product, a sign of growth dynamic appeared. For the first time since the beginning of the economic crisis, the main feature of economic activity was the positive growth rate that was recorded in GDP and the employment market.

On 8 December 2014 the Council of the European Union (the "**Eurogroup**") announced a two-month "technical extension" of the Stabilisation Programme initially set to be completed by the end of 2014, to the end of February 2015.

In December 2014, the then government announced that it would accelerate the parliamentary process for the election of the President of the Hellenic Republic, as otherwise a new President had to be elected until the end of March 2015, given the expiration of the term of office of the previous President. The Greek Parliament, however, failed to elect a new President of the Hellenic Republic and as a result of this, a snap general election was called for late January 2015. A new coalition government was formed, following the snap election, in January 2015 and negotiations with the Institutions began in connection with the completion of the Stabilisation Programme.

On 20 February 2015, the Eurogroup agreed to a four-month extension of the Master Financial Assistance Facility Agreement (the "**MFAFA**") underpinning the Stabilisation Programme of Greece.

The Eurogroup's stated purpose in extending the MFAFA was to allow for the successful completion of the pending last programme review on the completed condition precedent, in order to allow for any further disbursements under the Stabilisation Programme. The prolonged negotiations and delay to agree on the completion of the pending programme review resulting in the non-disbursement of about €7.3 billion of financing from the EU and the IMF under the Stabilisation Programme, in conjunction with uncertainty surrounding Greece's prospects within the Eurozone, resulted in weakening financial market sentiment directly affecting the capital levels, liquidity and profitability of the financial system of the Hellenic Republic and consequently of the Bank. The limited liquidity in the Greek banking system has led to heavy reliance on funding from the ELA (as defined below) and the ECB (collectively the "**Eurosystem**").

Late in June 2015, a bank holiday was declared on banking business in Greece for three weeks and capital movement restrictions were imposed as a result of further deterioration of the financial situation in Greece and liquidity shortfall in the Greek banking system (caused by the expiration of the Stabilisation Programme), a payment default by the Greek Government under its IMF facility and the failure of the Greek government to reach an agreement with the IMF and the rest of the Eurozone members for a new financial support programme.

After further negotiations, on 8 July 2015 the Hellenic Republic submitted to the ESM a request for three years of funding under the framework of a new Programme of Economic Adjustment. On 12 July 2015 the Euro Summit issued an announcement whereby the Hellenic Republic should vote for a number of measures as pre-

requisites for the commencement of negotiations with a view to entering into a new Programme of Economic Adjustment in the framework of ESM.

On 15 and 23 July the Greek Parliament voted on part of the pre-requisites as described above and on 14 August 2015 and following prolonged negotiations, the Eurogroup made an announcement (the “**Eurogroup Announcement**”) that the Greek Government had managed to reach an agreement with the EU and the ECB, with input from the IMF, for a new financial support programme of approximately €86 billion granted by the ESM (the “**ESM Programme**”, and together with the Stabilisation Programme, the “**Greek Stabilisation Programmes**”). As per the Eurogroup Announcement, under the ESM Programme Greece will target a medium-term primary surplus of 3.5 per cent. of GDP with a fiscal path of primary balances of negative 0.25 per cent. in 2015, 0.5 per cent. in 2016, 1.75 per cent. in 2017 and 3.5 per cent. in 2018 to be achieved notably through upfront parametric fiscal reforms supported by measures to strengthen tax compliance and fight tax evasion. Further, Greece is required to implement a number of structural reforms, including key labour and product market reforms designed to open up the economy to investment and competition, as well as to modernise and de-politicise the public sector.

The new ESM Programme also included an amount of up to €25 billion for the recapitalisation of the Greek systemic banks, which was made available to Greek systemic banks on the basis of their recapitalisation needs pursuant to the Asset Quality Review (the “**AQR**”) and stress testing completed by the Single Supervisory Mechanism (the “**SSM**”) on 31 October 2015.

In aggregate, the capital shortfall under the baseline scenario for all four systemic banks was determined at €4.4 billion and at €14.4 billion under the adverse scenario, which were successfully addressed. In this context, the Bank’s capital shortfall was determined under the AQR and the stress testing at €2.743 billion, which was successfully addressed by a series of capital generation measures, including a share capital increase of €2.55 billion which was completed late in November of 2015.

The impact of the implementation of the ESM Programme on the Greek economy meant that capital movement restrictions which had originally been imposed in June 2015 and which were gradually relaxed in mid-July 2015 and subsequently on several occasions, including 31 July 2015, 17 August 2015 and 25 September 2015 contributed to the decrease of uncertainty and the stabilisation of private sector deposit withdrawals. While deposit levels have stabilised as a result of the implementation of capital controls, uncertainty regarding the ESM Programme and recapitalisation of the Greek banks is likely to mean that inflows are not likely in the near term and banks may continue to experience outflows.

Failure to successfully implement the ESM Programme may lead to termination of the financial support by the IMF and the EU, which would create the conditions for a new credit event with respect to the Hellenic Republic debt or lead to a default by the Hellenic Republic on its debt which would include both marketable instruments and official sector loans from EU Member States.

Greece has limited margin to absorb additional adverse shocks or slippages in the implementation of the ESM Programme. In the event that the pending review of the previous Stabilisation Programme, which was a condition precedent required for any further disbursement takes longer than expected or falls short of expectations, or the economy takes longer than expected to respond to labour market and other structural competitiveness-enhancing reforms, or the path to growth is halted, the likely result would be a higher debt trajectory than that suggested by the post-PSI analysis underlying the ESM Programme. Such slippages could outweigh the benefits from the additional debt and funding relief provided to Greece by the decisions of the Eurogroup of 27 November 2012 and 13 December 2012 and the successful completion of the Buy-back in December 2012.

A failure of the ESM Programme to result in a marked improvement in the Greek economy would have significant adverse consequences on the Bank. If another credit event with respect to the Greek government debt or an additional restructuring of Greek government debt were to occur, regulatory capital would be severely affected due to direct exposure to Hellenic Republic debt, requiring the Bank to raise additional capital and thus

diluting existing shareholders significantly. Furthermore, there would be no assurance that the Bank could raise all of the required additional capital on acceptable terms.

Even if the Hellenic Republic successfully implements the ESM Programme, the Greek economy may not achieve the sustained and robust growth that is necessary to ease the financial constraints of the country and improve conditions for foreign direct investment and the availability of funding from the capital markets. Notwithstanding the ESM Programme, the Greek economy will continue to be affected by the credit risk of other countries in the EU, the creditworthiness of commercial counterparties internationally and the repercussions arising from changes to the European institutional framework, which may contribute to continuing investor fears regarding Greece's capacity to honour its financial commitments. A continued depression in the Greek economy will have a significant material adverse effect on the Bank's business, financial condition, results of operations and prospects.

***Recessionary pressures in Greece stemming from the Greek Stabilisation Programmes have had and may continue to have an adverse effect on the Bank's business***

The Group's business activities are dependent on the level of banking, finance and financial products and services offered, as well as customers' capacity to repay their liabilities. In particular, the levels of savings and credit demand are heavily dependent on customer confidence, employment trends and the availability and cost of funding.

During the period between 2008 and 2014 the decline in GDP resulted in significantly reduced disposable income, spending and debt repayment capacity of the Greek private sector. A protracted period of financial recession in the Hellenic Republic has materially and adversely affected the liquidity, business activity and financial conditions of borrowers, which in turn led to further increases in non-performing loans ("NPLs"), impairment charges on the Bank's loans and other financial assets and decreased demand for borrowings in general and increased deposit outflows.

During 2014 the economic indicators showed signs of improvement. However, in 2015 uncertainty over the Greek economy and the implementation of the Greek Stabilisation Programmes, resulting from the prolonged negotiations between the new government and the Institutions, reappeared. The loss of confidence exacerbated the economic sentiment indicators and private sector financing conditions, causing a significant outflow of deposits in the Greek banking sector of approximately €37 billion from 31 December 2014 to 31 December 2015 (Source: Bank of Greece).

In the current economic environment, especially following the June 2015 bank holiday and imposition of capital movement restrictions, loan portfolios have declined and may continue to decline, leaving only a limited number of high credit quality customers. Additionally, the Bank's NPL ratio (defined as NPLs divided by total loans and receivables before impairment at the end of the period), which stood at 33.0 per cent. as of 31 December 2014, increased to 36.8 per cent. as of 31 December 2015. Additional increases in NPLs stemming from recent events are likely to be seen in 2016 and 2017. Should GDP continue to decline, further increases in NPLs are likely. The decline in loan portfolios, in combination with an increase in NPLs, may result in decreased net interest income, and this could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects. The Group's NPEs percentage (i.e. serviced financings towards total of loans and claims before impairments at the end of the period) amounted to 51.3 per cent. as of 31 December 2015 compared to 46.1 per cent. as of 31 December 2014. The current capital controls environment in Greece could potentially lead to further difficulties of payments between corporates, which could lead to additional provisioning requirements for banks. Although such restrictions have been relaxed on several occasions as of their imposition late in June 2015, they remain in effect and there can be no assurance as to when they will be lifted. Similarly, there can be no assurance that the lifting of capital controls in Greece will not result in an increase in deposit outflows from the Bank or the banking sector in Greece. The majority of the fiscal adjustments pursuant to the ESM Programme are expected to burden taxpayers in the second quarter of 2016, which may trigger further recessionary pressure as well as difficulties for the banking sector.

New loans to businesses and households are expected to remain subdued in the Group and in Greece in general, as the sizeable decrease of household disposable incomes and firms' profitability from the austerity measures, as well as the resulting deterioration in the business environment against a backdrop of tighter credit criteria and stressed liquidity conditions, are likely to continue to impair further demand for credit. In addition, the need to reduce dependency on Eurosystem funding may not allow the reversal of deleveraging, especially if the growth of deposits does not follow the expected improvement of economic activity and increased confidence in the banking system. Moreover, customers may decrease their interest in non-deposit investments such as stocks, bonds and mutual funds, which would adversely affect fee and commission income. In the context of continued market turmoil, worsening macroeconomic conditions and increasing unemployment, coupled with declining consumer spending and business investment and the worsening credit profile of corporate and retail borrowers, the value of assets collateralising secured loans, including houses and other real estate, could decline significantly. Such a decline could result in impairment of the value of the Bank's loan assets or an increase in the level of NPLs, either of which may have a material adverse effect on business, financial condition, results of operations and prospects. Finally, if the ESM Programme is not implemented successfully, especially with respect to the structural reform agenda, or if additional austerity measures beyond those agreed to in the ESM Programme are required to counterbalance potential deviations from the ESM Programme's targets, economic activity may experience a sharper than expected drop in 2016, resulting in a further delayed recovery and a further adverse effect on business.

***The Bank is currently restricted in its ability to obtain funding in the capital markets and from other sources and is heavily dependent on the ECB and the Bank of Greece for funding***

The ongoing economic crisis in Greece has adversely affected the Bank's credit risk profile, restricted its access to the international markets for funding, increased the cost of such funding and the need for additional collateral requirements in customer repurchase contracts and other secured funding arrangements, including those with the Eurosystem. Concerns relating to the ongoing impact of these conditions may further restrict the Bank's ability to obtain funding in the capital markets in the medium term. Since the end of 2009, the severity of pressure experienced by the Hellenic Republic in its public finances has restricted the access of the Bank to the capital markets for funding because of concerns by counterparty banks and other lenders, particularly for unsecured funding and funding from the short-term inter-bank market. As a result, maturing inter-bank liabilities have not been renewed, or have been renewed only at higher costs.

Political initiatives and new legislation at EU level, establishing a framework for supporting credit institutions that could result in the shareholders, creditors and unsecured depositors sharing the burden of the recapitalisation and/or the liquidation of troubled banks, and/or the taxation of deposits, may result in a loss of customer confidence in the countries in which the Bank operates. 2014 was the first year since 2009 that the Hellenic Republic and the four systemic banks managed to tap the debt markets and issue senior bonds with medium term maturities. However, at the end of 2014 and beginning of 2015 the positive market reaction reversed and the Hellenic Republic risk re-emerged, resulting in an increased need for funding from Eurosystem funding mechanisms.

In addition, deposit outflows intensified from December 2014 through to May 2015 and although these liquidity pressures were substantially contained by the end of December 2015 due to capital controls, continue to put pressure on the liquidity position of the Greek Banks.

Consequently, ECB funding and funding from the Bank of Greece, through its Emergency Liquidity Assistance Scheme (the "ELA") (which has less strict collateral rules but carries a higher rate of interest, i.e. 1.55 per cent. compared to 0.05 per cent. for ECB funding), has increased since the start of the crisis. As at 31 December 2014, the Bank's Eurosystem funding amounted to €14.8 billion whereas at 31 December 2015 the relevant figure stood at €24.4 billion. In addition, if the ECB or the ELA were to revise their collateral standards, increase the rating requirements or increase the haircuts applied for collateral securities such that these instruments were not eligible to serve as collateral with the ECB or the ELA, the Bank's funding costs could significantly increase and its access to liquidity could be limited. For example, this occurred in the second half of 2012, when the ECB revised its collateral standards which resulted in the Bank being unable to access ECB

funding and being forced to utilise funding from the ELA, significantly increasing the Bank's cost of funding due to the higher interest rate of ELA funding compared with ECB funding. The ECB decided on March 2012 to place time limitations (i.e., until the end of February 2015) on the use of Greek government guaranteed securities as eligible collateral. In addition, the Bank uses covered bonds as collateral with the ECB and the ELA. Covered bonds may also become ineligible for use as collateral in the future, as a result of further credit ratings downgrades or changes in ECB or ELA rules currently permitting this collateral. Any downgrade or withdrawal of Greek sovereign ratings would likely have a material adverse effect on the Bank's ability to continue to access current levels of funding from the ECB, the ELA or from any other source.

On 10 February 2015, the ECB announced that the conditions for the granting of a suspension of the Eurosystem's minimum requirements for credit quality thresholds applicable to marketable debt instruments issued or fully guaranteed by the Hellenic Republic were no longer in place; more specifically, the Governing Council was of the opinion that the Hellenic Republic was no longer deemed to be in compliance with the conditionality of the Stabilisation Programme. Consequently, the Eurosystem's credit quality thresholds in respect of marketable debt instruments issued or fully guaranteed by the Hellenic Republic became applicable as of 11 February 2015 which, in turn, led to an increase of the Bank's funding through the ELA.

In June 2015, following its earlier measures, the ECB increased the haircuts on certain categories of ELA eligible collateral, further adding pressure on the collateral buffer.

Prolonged loss of deposits and the increased need for additional Eurosystem funding may result in the exhaustion of the available collateral eligible for funding from the Eurosystem, which as at 31 December 2015 amounted to €4.9 billion compared with €7.0 billion as at 31 December 2014 and may lead to funding difficulties for the Group.

***An accelerated outflow of funds from customer deposits could cause an increase in the Bank's costs of funding and have a material adverse effect on the Bank's business, financial condition, results of operations and prospects***

Historically, one of the Bank's principal sources of funds has been customer deposits. If depositors withdraw their funds at a rate faster than the rate at which borrowers repay their loans, or if the Bank is unable to obtain the necessary liquidity by other means, it would be unable to maintain current levels of funding without incurring significantly higher funding costs or having to liquidate certain assets, or without increasing access to the Eurosystem under its then-current terms.

Despite a stabilisation in deposit volumes witnessed for the biggest part of 2014, the prevailing uncertainty regarding the Greek economy and banking sector described above resulted in significant outflows of deposits commencing in late 2014 and continuing through 2015 up to June 2015 (inclusive), when a bank holiday was imposed and capital movement restrictions were imposed on the Greek banking system. According to the Bank of Greece, deposit outflows in the Greek banking system reached €48 billion between 30 June 2014 and 30 June 2015. The outflows of deposits at the Group amounted to €11.4 billion between 31 December 2014 and 31 December 2015.

The on-going availability of customer deposits to fund the Bank's loan portfolio is subject to potential changes in certain factors outside the Bank's control, such as depositors' concerns relating to the economy in general, the financial services industry or the Bank specifically, the increasing tax burden thus leading depositors to use their funds (and subsequently decrease their deposits), the risk of implementation of changes in the framework for supporting credit institutions by requiring the participation of their respective shareholders, burden sharing of creditors and unsecured depositors (so called "bail-in" measures) and/or initiatives for taxation of deposits, significant further deterioration in economic conditions in Greece, the restrictions on the free movement of funds imposed in June 2015 and concerns about possible future capital controls and the availability and extent of deposit guarantees. Any of these factors separately or in combination could lead to a sustained reduction in the Bank's ability to access customer deposit funding on appropriate terms in the future, which would impact the Bank's ability to fund its operation and meet its minimum liquidity requirements and have an adverse effect on the Bank's business, financial condition, results of operations and prospects.

Even in the event that capital controls are completely lifted, continuing depositor concerns and lack of confidence in the Greek banking sector may have a negative effect on the level of deposit inflows back to the banking system. Although the outflow of customer deposits and imposition of capital controls have had a positive financial impact on the cost element of deposits (as interest rates payable on deposits have reduced), such deposit outflow has increased and, if it continues may continue to increase, the Bank's need to rely on non-market funding sources with increased cost such as ELA.

***The transposition of the Bank Recovery and Resolution Directive may have a material adverse effect on the Bank's business, financial condition, results of operations and prospects***

The Bank Recovery and Resolution Directive (the "BRRD", Directive 2014/59/EU on the Bank Recovery and Resolution of credit institutions and investment firms), which entered into force in EU Member States as at 1 January 2015 and was transposed into Greek law on 23 July 2015 by virtue of law 4335/2015, established rules designed to harmonise and improve the tools for dealing with bank crises across the EU to ensure that shareholders, creditors and unsecured depositors mandatorily participate in the recapitalisation and/or the liquidation of troubled banks. Such mandatory participation shall be through the so-called bail-in (and conversion and write down) tool, introduced under the BRRD. The BRRD provides that the bail-in tool should be brought into effect no later than 1 January 2016, introducing a minimum harmonisation approach, which means that EU Member States may enact this tool earlier. Under the bail-in tool there is a strict requirement for contribution to loss absorption and recapitalisation of the failing bank by its private sector investors and creditors, including holders of Notes issued by the Bank, as they occur at the moment the tool is adopted as per a valuation prepared according to art. 36 of BRRD. As at 1 January 2006, such participation is not less than 8 per cent. of the total liabilities (including own funds) of the banking institution. The BRRD imposes a specific "waterfall" as to such burden sharing, starting from common shareholders to subordinated debt holders and up to eligible for bail-in senior creditors. Certain senior creditors however are ineligible for bail-in (including individual depositors with accounts up to €100,000 (the amount covered by the guarantee scheme)).

As such, it is difficult to anticipate the full impact of the BRRD and there can be no assurance that, once implemented, shareholders and potential investors will not be adversely affect by actions taken under it. The implementation of the BRRD may result in a loss of customer confidence in the countries in which the Bank operates and cause further outflows of deposits from the banking system. Also, in light of the fact that Notes and other securities issued by the Bank in the future may be a part of the bail-in tool, this prospect may have a significant adverse effect on the Bank's capacity to secure funding in the capital markets through securities issuance.

Moreover, as a precautionary measure in the context of the BRRD and prior to the submission of a credit institution to resolution measures, the resolution authority is empowered to impose various measures on Greek credit institutions, including the implementation of one or more of the arrangements or measures set out in the recovery plan, the convocation of a meeting of shareholders of the institution and set the agenda and require certain decisions to be considered for adoption by the shareholders, the removal or replacement of one or more or even all of the members of the management body or the senior management, the change in the institution's business strategy.

There can be no assurance that, after the powers of the relevant resolution authority for the bail-in tool under the BRRD have been brought into full effect this will not affect the confidence of Bank's depositor's base and so may have a significant impact on Bank's results of operations, business, assets, cash flows and financial condition, as well as on Bank's funding activities and the products and services it offers.

***Changes in regulation may result in uncertainty about our ability to achieve and maintain required capital levels and liquidity***

The Group is subject to financial services laws, regulations, administrative actions and policies in each jurisdiction in which it operates. All of these regulatory requirements are subject to change, particularly in the current market environment, where there have been unprecedented levels of government intervention and changes to the regulations governing financial institutions. In response to the global financial crisis, national

governments as well as supranational groups, such as the EU, have been considering and implementing significant changes to current bank regulatory frameworks, including those pertaining to capital adequacy, liquidity and scope of banks' operations.

For example, the current regulatory environment in Eurozone has been materially amended by the entry into force of the Capital Requirements Regulation (the “**CRR**”, Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms), the Directive on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the “**CRD IV**”, Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC), the recently completed AQR and stress testing by the SSM, the launch of the SSM under Regulation 1024/2013 conferring specific tasks on the ECB concerning policies relating to the prudential supervision of credit institutions), the launch of the SRM (under Regulation 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No. 1093/2010) and the new BRRD. The new capital adequacy framework (CRD IV) that has been in force since 1 January 2014 sets forth a progressive quantitative and qualitative enhancement of the capital standards.

Furthermore, in July of 2014 the Single Resolution Mechanism (“**SRM**”) was launched under Regulation 806/2014 of the European Parliament and of the Council establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund. The SRM coupled with the BRRD aims at establishing uniform rules and procedures in the resolution and recovery of banks in the European Union whilst it introduces the bail-in tool of uninsured depositors, in line with the burden sharing principle. As of 1 January 2016 the powers and authorities vested with the SRM were fully enacted, and the SRM Board became the competent resolution authority for Greek systemic banks.

On the basis of Articles 36, 38, 39, 48 and 478 of the CRR and decision No. 114/4.8.2014 of the Credit and Insurance Issues Committee of the Bank of Greece, the amount of the deferred tax claim included in the Bank's regulatory capital, depending on its characteristics, is depreciated within five or ten years. The maximum deferred tax assets amount currently allowed to be included in the capital is 10 per cent. and is weighted by 250 per cent. The deferred tax credit amount is fully recognised in the regulatory capital and is weighted by 100 per cent. On 7 November 2014 the General Meeting of the shareholders of the Bank approved the submission of the Bank to the provisions of art. 27a of Greek Law 4172/2013 on deferred tax credit, as amended by Law 4340/2015. On the basis of the legal framework, the Group's Common Equity Tier I ratio is expected to be 13 per cent. in 2024 (assuming full implementation of the regulatory framework) whereas if the positive impact of the relevant legislation is not calculated, the Group's Common Equity Tier I ratio is expected to be 8.9 per cent. for 2024, which is the end of the transitional period.

On 31 December 2014 the Group's Common Equity Tier I ratio was 14.3 per cent. and the capital adequacy ratio 14.6 per cent. On 31 December 2015, these ratios were 16.7 per cent. (fully-loaded 16.0 per cent.) and 16.8 per cent., respectively.

The Group is supervised by the SSM, which has created a new system of prudential regulation comprising the ECB and the national competent authorities of participating Eurozone countries, and has set minimum capital requirements. The Bank, its regulated subsidiaries and its branches are subject to the risk of having insufficient capital resources or a lack of liquidity to meet the minimum regulatory capital and/or liquidity requirements. In addition, those minimum regulatory capital requirements are likely to increase in the future, or the methods of calculating capital resources may change. The SSM could introduce risk-weighted asset (“**RWA**”) floors (as it has done in other jurisdictions), and further harmonisation of booking of RWAs could increase the risk weighting of exposures. In addition, proposals have been discussed that would cap the amount of sovereign bonds banks could hold, or assign risk weights to sovereign bond holdings, which could require banks to raise additional capital. Likewise, liquidity requirements may come under increased scrutiny and may place additional

stress on the Group's liquidity demands in the jurisdictions in which it operates. For a discussion of recent stress tests performed on the Bank, see "*Negative results in the Group's stress testing may have an adverse effect on the Group's funding cost or the public's confidence in the Group and, consequently, may adversely affect its business, financial condition, results of operations and prospects*" below.

Compliance with new requirements may increase the Bank's regulatory capital and liquidity requirements and costs, disclosure requirements, restrict certain types of transactions, affect the strategy and limit or require the modification of rates or fees that are charged on certain loan and other products, any of which could lower the return on the Group's investments, assets and equity. Any of these factors may result in the need for additional capital and capital increases for the Group. If the Group is not able to meet its capital requirements by raising funds from the capital markets, it may need to seek additional funding by means of state aid and/or the applicable resolution authority, thereby increasing the likelihood that the shareholders will be subject to limitations on their rights and/or incur significant losses in their investments.

Also, the new regulatory framework may have significant scope and may have unintended consequences for the global financial system, the Greek financial system or the Bank's business, including increasing competition, increasing general uncertainty in the markets or favouring or disfavouring certain lines of business. Changes on business, financial condition, results of operations and prospects cannot be predicted.

***Negative results in the Group's stress testing may have an adverse effect on the Group's funding cost or the public's confidence in the Group and, consequently, may adversely affect its business, financial condition, results of operations and prospects***

Stress tests analysing the European banking sector have been, and the Bank anticipates that they will continue to be, published by national and supranational regulatory authorities. Further, as part of new ESM Programme, the SSM conducted the AQR and stress testing of the Greek systemic banks, the results of which were announced on 31 October 2015. In aggregate, the capital shortfall under the baseline scenario for all four systemic banks was determined at €4.4 billion and at €14.4 billion under the adverse scenario. In this context, the Bank's capital shortfall as determined under the AQR was zero and under the stress testing at €2.743 billion, this shortfall was successfully addressed by a series of capital generation measures, including a share capital increase of €2.55 billion, which was completed late in November 2015, and was subscribed in cash and by the capitalisation of monetary claims of notes and other securities issued by the Group, which were offered by their holders in the context of voluntary exchange offers announced by the Bank on 28 October 2015 ("**Exchange Offers**"). Further, asset quality reviews and stress testing exercises in countries where the Group operates may result in additional capital requirements. Indicatively, in the context of the memorandum of Financial and Economic Stability between the Republic of Serbia and the International Monetary Fund, a comprehensive assessment was conducted for the banks operating in Serbia. The results of the exercise were announced in January 2016 and resulted in a decrease in Alpha Bank Serbia's Capital Adequacy Ratio from 20.68 per cent. to 14.80 per cent. The ratio remained above the regulatory minimum of 12 per cent. However, a loss of confidence in the banking sector following the announcement of any stress tests that take place from time to time regarding the Group or the Greek banking system as conducted in accordance with the legislative framework in force, or a market perception that any such stress tests are not rigorous enough, could also have a negative effect on the Group's cost of funding and may thus have a material adverse effect on its results of operations and financial condition.

***Wholesale borrowing costs and access to liquidity and capital have been negatively affected by a series of downgrades of the Hellenic Republic's credit rating***

Since 2009, the Hellenic Republic has undergone a series of credit rating downgrades and in 2010 moved to below investment grade. The credit rating of the Hellenic Republic was lowered by all three credit rating agencies to levels just above default status following the activation of collective action clauses in Greek government bonds subject to Greek law in late February 2012. Specifically, the Hellenic Republic's credit rating was lowered to Selective Default-SD by Standard & Poor's on 27 February 2012, to Restricted Default-RD by Fitch on 9 March 2012, and to C by Moody's on 2 March 2012. Following the conclusion of the exchange of Greek government bonds under Greek law, Fitch raised its rating to B- on 13 March 2012 and Standard &

Poor's raised its rating to CCC on 2 May 2012. Subsequently, on 17 May 2012, Fitch lowered the Hellenic Republic's credit rating to CCC due to the upcoming general elections.

In December 2012, Standard & Poor's downgraded the Hellenic Republic to SD (Selective Default), following the invitation to eligible holders of new Greek government bonds issued under the PSI to participate in the Buy-back. However, on 18 December 2012, following the completion of the auction process relating to the Buy-back, Standard & Poor's upgraded the long-term credit rating of the Hellenic Republic by six notches to B- and the short-term credit rating to B with stable outlook, stating that this upgrade is based on the strong commitment of the Eurozone countries to ensure that Greece will remain in the Eurozone and the commitment of the Greek government to achieve the fiscal adjustment. On 14 May 2013 Fitch upgraded the Hellenic Republic's rating to B-. On 29 November 2013, Moody's upgraded the Hellenic Republic's credit rating to Caa3 due to Greece's improved fiscal outlook. In addition, on 1 August 2014, it further upgraded the credit rating of the Hellenic Republic to Caa1. On 12 September 2014 Standard & Poor's upgraded the credit rating of the Hellenic Republic to B.

Political uncertainty, increased sovereign funding needs, and prolonged negotiation on the successful completion of the last review of the Stabilisation Programme led to a new round of rating downgrades in 2015. On 30 June 2015 Fitch downgraded the Greek economy to CC while on 18 August 2015 it made an upgrade to CCC. In early 2015, Standard & Poor's proceeded to implement successive downgrades: on 28 January 2015 to B, on 6 February 2015 to B- with a negative outlook, on 15 April 2015 to CCC+, on 29 June 2015 at CCC-, while on 21 July 2015 it made an upgrade to CCC+. On 6 February 2015 Moody's assessed the credit rating of the Hellenic Republic as negative, then downgraded it to Caa2 on 29 April 2015, and Caa3 with a negative outlook on 1 July 2015.

The completion of negotiations with lenders, the disbursement of the first instalment of the new IMF loan, the re-payment of the bonds held by the ECB and the convocation of the new elections did not affect the credit rating of the Hellenic Republic. As at the date of this Base Prospectus the ratings of the Hellenic Republic per rating agency are as follows: Moody's: Caa3, Standard & Poor's: B- and Fitch: CCC.

In September 2015, Moody's downgraded the long-term senior and subordinated debt ratings of Greek banks while confirming the long-term deposit ratings with negative outlooks reflecting the expectation that junior and senior debt holders will be bailed-in and sustain material losses as part of the recapitalisation process. On 2 November 2015, Standard & Poor's lowered its long-term counterparty credit rating of the Bank to D from SD. The downgrade followed the Bank's announcement of the launch of the Exchange Offers in 2015 that, according to Standard & Poor's, constituted a "distressed exchange" as they implied that investors would receive less value than the promise of the original securities.

Further downgrade of the Hellenic Republic's rating may occur in the event of a failure to complete the current Eurogroup economic reform programme review, a failure in the negotiations with the Institutions, missed payment to official sector loans, failure to implement the ESM Programme or if the ESM Programme fails to produce the intended results. Accordingly, the cost of risk for the Hellenic Republic would increase further, with negative effects on the cost of risk for Greek banks and thereby on their results. Further downgrades of the Hellenic Republic's credit rating could result in a corresponding downgrade in the Bank's credit rating, adversely affecting the Bank's access to funding sources, business, financial positions and prospects.

#### ***Access to the capital and interbank markets depends significantly on the Bank's credit ratings***

Negative publicity following a credit rating downgrade may have an adverse effect on depositors' sentiment, which may increase dependence on Eurosystem funding. The Bank is currently severely restricted in its ability to obtain funding in the capital markets and is heavily dependent on the Eurosystem for funding, and any further reductions in the long-term credit ratings of the Bank could delay the Bank's return to the capital and interbank markets for funding, increase borrowing costs and/or restrict the potential sources of available funding available to the Bank. It could also, coupled with the deterioration of the market conditions, lead to higher spreads on bonds and have an adverse effect on the Bank's ability to use its collateral to secure funding.

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

The ongoing global economic slowdown and economic crisis in Greece since 2009 has resulted in an increase in NPLs and significant changes in the fair values of the Bank's financial assets. A substantial portion of the Group's loans to corporate and individual borrowers are secured by collateral such as real estate, securities, vessels, term deposits and receivables. In particular, as mortgage loans are one of the Bank's principal assets, the Bank is currently highly exposed to developments in real estate markets, especially in Greece. From 2002 to 2007, demand for housing and mortgage financing in Greece increased significantly, driven by, among other things, economic growth, declining unemployment rates, demographic and social trends and historically low interest rates in the Eurozone. In late 2007, the housing loan market in Greece began to be affected by excess supply, higher interest rates and an accelerated decline in household disposable income. Construction activity has contracted sharply since 2009. Housing prices began decreasing in 2009 and these decreases continued through into 2015 (Source: Bank of Greece) due to further contraction of disposable income and high supply of houses available for sale. The sharp increase in unemployment during the economic crisis, which in 2013 reached its peak at 27.9 per cent., compared with 7.2 per cent. in 2008 (Source: EL.STAT), aggravated the situation, with mortgage delinquencies increasing further. The unemployment rate stood at 24.6 per cent. in November 2015 (Source: Hellenic Statistical Authority).

Decreases in the value of collateral to levels lower than the outstanding principal balance of the corresponding loans, in particular with respect to loans granted in the years prior to the Greek economic crisis, the inability to provide additional collateral, the continued downturn of the Greek economy or the deterioration of the financial conditions in any of the sectors in which the Bank's debtors conduct business, may result in further impairment losses and provisions to cover credit risk. A decline in the value of collateral may also result from deterioration of financial conditions in Greece or the other markets where the provided collateral is located. In addition, failure to recover the expected value of collateral in the case of foreclosure, or inability to initiate foreclosure proceedings due to domestic legislation, may expose the Bank to losses which could have a material adverse effect on business, results of operations and financial condition. Further, as a result of the imposition of capital movement restrictions, a general moratorium on enforcement was imposed until 31 October 2015. Furthermore, by virtue of recently enacted Greek Law 4346/2015, debtors may submit a request until 31 December 2018 for the protection of any real property used as primary residence from foreclosure. This protection is available to debtors meeting specific criteria, including that the value of the property is up to €180,000 for single persons, €220,000 for married persons, with €20,000 added for each child. In addition, an increase in financial market volatility or adverse changes in the marketability of the Bank's assets could impair ability to value certain of the Group's assets and exposures. The value ultimately realised by the Bank will depend on their fair value determined at that time and may be materially different from their current market value. Any decrease in the value of such assets and exposures could require the Bank to recognise additional impairment charges, which could adversely affect business, financial condition, results of operations and prospects, as well as capital adequacy.

***Government and intergovernmental interventions aimed at alleviating the financial crisis are uncertain and carry additional risks***

Government and intergovernmental interventions aimed at alleviating the financial crisis could lead to increased ownership and control of financial institutions by the Hellenic Republic or other entities and further consolidation in the banking sector. Since the recent global financial crisis, various governments around the world have responded to credit or liquidity concerns in certain banks by nationalising or partially nationalising those banks or putting them through a form of resolution or recapitalisation process. Generally, even if banks were not fully nationalised, shareholders experienced significant dilution and loss of value.

***Volatility in the political and economic environment may adversely affect the Group's business***

The political and economic environment is subject to volatility. Parliamentary elections were held on 20 September 2015 and a new coalition government was formed. The ruling coalition in Greece controls a majority in the Greek Parliament and aims to change the mixture of measures related to the reform of the

economy. Disruption in the relationship between Greece and its partners or even between the two parties forming the current coalition government could adversely affect the Bank's business and prospects.

***The auditors' report on the consolidated and non-consolidated financial statements of Alpha Bank and the Group for the year ended 31 December 2015 contained paragraphs headed "Emphasis of matter" in relation to Alpha Bank and the Group's ability to continue as a going concern***

The auditors' report on the consolidated and non-consolidated financial statements of Alpha Bank and the Group for the year ended 31 December 2015 contained paragraphs headed "Emphasis of matter" in relation to Alpha Bank and the Group's ability to continue as a going concern. The paragraph in relation to the consolidated financial statements of the Group states:

*"Without qualifying our opinion, we draw attention to the disclosures made in note 1.31.1 to the consolidated financial statements, which refer to the material uncertainties associated with the current economic conditions in Greece and the ongoing developments that could affect the going concern assumption."*

The paragraph in relation to the non-consolidated financial statements of Alpha Bank states:

*"Without qualifying our opinion, we draw attention to the disclosures made in note 1.29.1 to the financial statements, which refer to the material uncertainties associated with the current economic conditions in Greece and the ongoing developments that could affect the going concern assumption."*

References above to "note 1.31.1" and "note 1.29.1" are to the notes to the audited consolidated and non-consolidated financial statements, respectively (produced in accordance with International Financial Reporting Standards) for the financial year ended 31 December 2015 for Alpha Bank and the Group.

The auditors' report on the consolidated and non-consolidated financial statements of Alpha Bank and the Group for the year ended 31 December 2014 also contained similar statements.

## **Risks Relating to Volatility in the Global Financial Markets**

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

Global economic growth continues, albeit at a weaker than normal pace. Nonetheless, most of the economies with which Greece has strong export links, including a number of Eurozone countries, continue to face significant economic headwinds. The outlook for the global economy over the medium term remains challenging and many forecasts predict at best only stagnant or modest levels of gross domestic product growth in the European Monetary Union. Economic activity remains dependent on highly accommodative macroeconomic policies and is subject to downside risks, as room for countercyclical policy measures has sharply diminished and fiscal fragilities have come to the fore. Policymakers in many advanced economies have publicly acknowledged the need to urgently adopt credible strategies to contain public debt and excessive fiscal deficits and later reduce debt and deficits to more sustainable levels. The implementation of these policies may restrict economic recovery, with a corresponding negative impact on Alpha Bank's business, financial condition, results of operations and prospects.

In financial markets, concerns around several Eurozone government issuers (with large fiscal imbalances), China's economic slowdown, the prospect of potential interest rate hikes in the USA and an escalation of geopolitical tensions in the Middle East and in Eastern Ukraine, are expected to continue to affect the global financial markets. In the event current stability is proven fragile and such investor's concerns surface again, business, financial condition, results of operations and prospects, could be adversely affected.

The results of operations, both in Greece and abroad, in the past have been, and in the future may continue to be, materially affected by many factors of a global nature, including: political and regulatory risks and the condition of public finances; the availability and cost of capital; the liquidity of global markets; the level and volatility of equity prices, commodity prices and interest rates; currency values; the availability and cost of funding;

inflation; the stability and solvency of financial institutions and other companies; investor sentiment and confidence in the financial markets; or a combination of the above factors.

***Uncertainty resulting from the debt sovereign crisis in the Eurozone is likely to continue to have a significant adverse impact on the Bank's business***

The continuing deterioration of the sovereign debt of several countries, including Greece, Italy, Ireland, Spain, Cyprus and Portugal, together with the risk of contagion in other Eurozone countries, has exacerbated the global economic crisis. This situation has also raised a number of uncertainties regarding the stability and overall standing of the European Monetary Union, which escalated to the risk of a potential Eurozone break-up in 2012.

The ongoing Eurozone sovereign debt crisis has led to discussions and scenarios involving the reintroduction of national currencies in one or more Eurozone countries (including Greece) or, in particularly extreme circumstances, the abandonment of the euro. The departure or risk of departure from the euro by one or more Eurozone countries and/or the abandonment of the euro as a currency would be a material event that could have significant adverse effects on the ability of the Group to fulfil its obligations and have a significant negative impact on the activity, operating results and financial position of the Group.

Throughout the European sovereign debt crisis, the European countries' leaders have tried to take measures to preserve the financial stability of the EU and the Eurozone. In May 2010, along with Greece's first bailout request, the EFSF was established, a €440 billion special purpose vehicle guaranteed by the European members, whose mandate is to safeguard financial stability in Europe by providing financial assistance to Eurozone states in need. In autumn 2011, European government leaders discussed further austerity measures, including a significant increase in the EFSF's funds and a restructuring plan for Greece's sovereign debt. In September 2012, the ECB announced that it was ready to provide full support through new bond purchase programmes known as 'Outright Monetary Transactions' to all Eurozone countries that had requested a bailout and received support by the EFSF and ESM, programmes. The ESM was formally established in October 2012 and is a permanent international financial institution that assists in preserving the financial stability of the European Monetary Union by providing temporary stability support to Eurozone countries through a lending capacity of €500 billion.

The ECB has taken further steps on the monetary policy front in an effort to stimulate credit expansion (and ultimately economic recovery/growth); among others, it reduced interest rates in Q2-Q3 2014, and re-introduced long term refinancing operations in Q3 2014. Furthermore, the ECB expanded its assets purchase programme for asset backed securities and covered bonds (end of 2014), and also decided to include Eurozone government and agency debt (beginning of 2015). Pursuant to the 22 January 2015 ECB press release in combination with the ECB's announcement of 10 February 2015, Greek government debt is currently not eligible for ECB purchases under the assets purchase programme.

Any further deterioration in the Eurozone's economic situation could have a significant impact on the activities, business and operations of the Group, given its material exposure to the Eurozone's economy.

***Soundness of other financial institutions***

Alpha Bank routinely transacts with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds and other institutional clients. Sovereign credit pressures may weigh on Greek financial institutions, limiting their funding operations and weakening their capital adequacy by reducing the market value of their sovereign and other fixed income holdings. These liquidity concerns have adversely impacted, and may continue to adversely impact, inter-institutional financial transactions in general. Concerns about, or a default by, one financial institution could lead to significant liquidity problems and losses or defaults by other financial institutions, as the commercial and financial soundness of many financial institutions may be closely related as a result of credit, trading, clearing and other relationships. Many of the routine transactions into which the Group enters expose it to significant credit risk in the event of default by one of our significant counterparties. In addition, the credit risk may be exacerbated when the collateral the Group holds cannot be enforced or is liquidated at prices not sufficient to recover the full

amount of the loan or derivative exposure. A default by a significant financial counterparty, or liquidity problems in the financial services industry in general, could have a material adverse effect on the Group's business, financial condition, results of operations, prospects and capital position.

### **Risks Relating to Operations Outside the Hellenic Republic**

#### ***Alpha Bank conducts significant international activities outside of Greece***

In addition to the operations in the Hellenic Republic, the Group has operations in Albania, Cyprus, Romania, Serbia and the FYROM. The Bank's operations in Cyprus and Romania are the Bank's largest/most significant operations outside of the Hellenic Republic, accounting for 8.5 per cent. and 4.5 per cent., respectively, of the Bank's total gross loans as at 31 December 2015 and 8.1 per cent. and 4.7 per cent. as at 31 December 2014. On 29 February 2016, the Bank completed sale and transfer as an ongoing concern Alpha Bank's branch in Bulgaria to Eurobank's subsidiary in Bulgaria, Postbank. As at 31 December 2015, the Group's international operations in Southeastern Europe posted €9.2 billion of loan balances while deposits amounted to €4.7 billion. The Group's South Eastern Europe ("SEE") operations are exposed to the risk of adverse political, governmental or economic developments, changes in regulatory and legal framework in the countries in which it operates.

In Romania, at the end of October 2015, new draft legislation was approved by the Romanian Senate entitling natural persons to surrender the ownership of an immovable asset (irrespective of its value) securing a loan granted by a credit institution, non-bank financial institution or their assignees in favour of such entity and, in exchange, the outstanding principal and the ancillary costs and fees (including interest) shall be cleared. This draft legislation has received relative support from the National Bank of Romania. The Romanian Prime Minister has filed an official point of view on the draft law drawing attention to the risk that its implementation may affect the property right and may entail the bankruptcy of financial institutions triggering financial imbalances. The draft legislation is a response to the difficulties borrowers encountered as a result of the financial crisis. The draft law has been approved by the Romanian Deputy Chamber in a form which, among others, excludes from the application of the law the Romanian state backed housing programme "Prima Casa". The draft law is currently pending promulgation by the Romanian President before entering into force. The entering into force of the draft law may have a materially adverse effect on the Bank's operations in Romania.

Furthermore, the majority of the countries outside Greece, where the Group conducts business, are "emerging economies" in which the Group faces particular operational risks and unpredictability. As an example, in Romania, the governor of the National Bank of Romania has stated for the press that, in contrast to the monetary policy of the ECB, the National Bank of Romania intends to tighten the Romanian monetary policy by, among others, increasing the monetary policy interest.

These factors could have a material adverse effect on its business, results of operations and financial condition. SEE operations also expose the Group to foreign currency risk. A decline in the value of the currencies in which SEE subsidiaries receive their income or value their assets relative to the value of the euro may have an adverse effect on the results of operations and financial condition. In addition, the economic crisis in Greece may materially adversely affect the Group's SEE operations and increase depositors' concerns in these countries, which may, in turn, affect their willingness to continue to do business with the Bank's international subsidiaries.

### **Risks related to Alpha Bank's business**

As a result of its business activities, Alpha Bank is exposed to a variety of risks, the most significant of which are credit risk, market risk, operational risk, liquidity risk and litigation risk. Failure to control these risks could result in material adverse effects on Alpha Bank's financial performance and reputation.

#### ***Credit Risk***

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of Alpha Bank's businesses. Adverse changes in the credit quality of Alpha Bank's borrowers and counterparties or a general deterioration in the Greek, U.S. or global economic conditions, or

arising from systematic risks in the financial systems, could affect the recoverability and value of Alpha Bank's assets and require an increase in Alpha Bank's provision for bad and doubtful debts and other provisions.

#### *Market Risk*

The most significant market risks that Alpha Bank faces are interest rate, foreign exchange, and bond and equity price risks. Changes in interest rate levels, yield curves and spreads may affect the interest rate margin realised between lending and borrowing costs. Changes in currency rates affect the value of assets and liabilities denominated in foreign currencies and may affect income from foreign exchange dealing. The performance of financial markets may cause changes in the value of Alpha Bank's investment and trading portfolios. Alpha Bank has implemented risk management methods to mitigate and control these and other market risks to which Alpha Bank is exposed and exposures are constantly measured and monitored. However, it is difficult to predict with accuracy changes in economic or market conditions and to anticipate the effects that such changes could have on Alpha Bank's financial performance and business operations.

#### *Operational Risk*

Alpha Bank's businesses are dependent on the ability to process a very large number of transactions efficiently and accurately. Operational risk and losses can result from fraud, errors by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with regulatory requirements and conduct of business rules, equipment failures, natural disasters or the failure of external systems, for example, those of Alpha Bank's suppliers or counterparties. Although Alpha Bank has implemented risk controls and loss mitigation actions, and substantial resources are devoted to developing efficient procedures and to staff training, it is not possible to implement procedures that are fully effective in controlling each of the operational risks.

#### *Liquidity Risk*

The inability of a bank, including Alpha Bank, to anticipate and provide for unforeseen decreases or changes in funding sources could have an adverse effect on such bank's ability to meet its obligations when they fall due.

#### *Litigation Risk*

In the context of its day-to-day operations the Bank is exposed to litigation risk, among others, as a result of changing and developing consumer protection legislation and legislation on the provision of banking and investment services. Although the Bank conducts its operations pursuant to applicable laws and takes all necessary measures for adopting its operations to legislative amendments, there can be no assurance that significant litigation will not arise in the future.

#### ***The Hellenic Republic has the ability and currently exercises significant influence with respect to certain operations of the Bank***

In April 2014, Alpha Bank repaid the Hellenic Republic, who owned 200 million non-transferable and redeemable preference shares issued by the Bank, without voting rights, pursuant to Greek Law 3723/2008 under the €28 billion plan to strengthen the liquidity of the Greek banking sector and economy, as set out in Greek Law 3723/2008 (the "**Hellenic Republic Bank Support Plan**"). However, the Bank still participates in Pillar II of the Hellenic Republic Bank Support Plan and has issued government guaranteed bonds up to €9.8 billion (December 2015). This participation of the Bank provides the Hellenic Republic, amongst other things, with the right to appoint a representative on the Board of Directors, who has the ability to veto decisions relating to strategic issues or decisions that could have a material impact on the legal or financial status of the Bank and for which the approval of the General Meeting is required, or decisions referring to the distribution of dividends and the remuneration of the Bank's Chairman, Managing Director - Chief Executive Officer, the remaining members of the Board of Directors, the General Managers and their deputies under the relevant decision of the Ministry of Finance, or, in case of decisions that the representative considers detrimental to the interests of the depositors or that may materially affect the Bank's solvency and operations. In addition, the representative of

the Hellenic Republic has full access to the Bank's books and records, restructuring reports, plans for medium-term financing needs, as well as data relating to the level of funding of the economy.

In addition, as part of the Greek Stabilisation Programmes, the Hellenic Republic undertook a series of commitments towards the European Commission regarding Greek banks under the restructuring, including the appointment of a monitoring trustee, who acts on behalf of the European Commission and aims to ensure the compliance of the Bank and its subsidiaries with the aforementioned commitments (the "**Monitoring Trustee**") that are in force during the period of the restructuring plan to be agreed and approved by the EU unless otherwise provided for in the decision of the Directorate General of Competition of the European Commission by virtue of which the Bank's restructuring plan will be approved. The Monitoring Trustee is responsible for the compliance of the Bank with legislation of Societe Anonyme (Greek Codified Law 2190/1920), the corporate governance provisions and in general the banking regulatory framework, and will monitor the implementation of the restructuring plan and the organisational structure of the Bank in order to ensure that the internal audit and risk management departments of the Bank are fully independent from commercial networks. The Monitoring Trustee may attend the meetings of the audit committee and risk management committee of the Bank as an observer, review the annual audit plan and may require additional investigations, receive all reports emanating from internal control bodies of the Bank and be entitled to interview any auditor. Furthermore, the Monitoring Trustee will monitor the commercial practices of the Bank, with a focus on credit policy and deposit policy. Accordingly, the Monitoring Trustee will attend the meetings of the credit committees of the Bank as an observer, and monitor the development of the loan portfolio, the maximum amount that can be granted to borrowers, the transactions with related parties and other relevant matters. The Monitoring Trustee will also have access to all the relevant credit files and the right to interview credit analysts and risk officers. Furthermore, he will monitor the management policy of legal cases of the Bank. As a result, the Bank's management's discretion will be subject to further oversight and certain decisions may be constrained by powers accorded to the Monitoring Trustee.

The Hellenic Republic also has interests in other Greek financial institutions and an interest in the financial soundness of the Greek banking industry and other industries generally, and those interests may not always be aligned with the commercial interests of the Group or its shareholders. An action supported by the Hellenic Republic may not be in the best interests of the Group or its shareholders generally.

***The Hellenic Financial Stability Fund (the "HFSF") as shareholder has certain rights in relation to the operation of the Bank***

The original Stabilisation Programme, as established in May 2010, introduced restructuring measures such as the establishment of the HFSF whose only shareholder is the Hellenic Republic and whose role is to maintain the stability of the Greek banking system by providing capital support in the form of ordinary shares or contingent convertible securities or other convertible securities to credit institutions legally operating in Greece and licensed by the Bank of Greece. The ESM Programme and Greek Law 3864/2010, as amended by virtue of Greek Laws 4254/2010 and 4340/2015, provides the HFSF, through its representative, with shareholders' rights in the credit institutions in which it has committed to participate by means of the share capital increases.

Following HFSF's initial contribution in May 2012 to the Bank of €1.9 billion in EFSF bonds as an advance for its participation in the Group's recapitalisation pursuant to Greek Law 3864/2010, the HFSF appointed a representative in the Bank's Board of Directors. In December 2012, the Bank received, as a capital contribution, an additional €1.0 billion of EFSF bonds from the HFSF as an additional advance for participation in the Bank's recapitalisation. In connection with the Bank's share capital increase in June 2013, the Bank received, as a capital contribution, an additional €1.0 billion in EFSF bonds from the HFSF, which subscribed for 9,138,636,364 newly issued Ordinary Shares of the Bank.

Further, according to the same Greek Law 3864/2010, if a credit institution that was recapitalised by the HFSF in 2012, achieved a private sector participation in its share capital increase of at least 10 per cent. (of the then overall recapitalisation requirements), the HFSF would issue, as private sector incentive, to the private sector investors that participated one warrant for each new share (the "**Warrants**"). Each Warrant, which was issued for no additional charge, enables the holder thereof to purchase from the HFSF, at a pre-determined exercise

price and during the exercise period, a predetermined number of ordinary shares of the credit institution held by the HFSF. The Warrants are listed on the Athex.

Following the first exercise of the Warrants on 17 December 2013, HFSF's equity interest decreased to 8,925,267,781 ordinary shares in the Bank, representing 81.71 per cent. of the Bank's aggregate common share capital. Moreover, following the share capital increase that was completed on 4 April 2014, HFSF's participation was further decreased to 69.90 per cent, whilst following the recent share capital increase of the Bank completed on 24 November 2015, HFSF's participation was diluted, representing approximately 11 per cent.

Pursuant to the provisions of Greek Law 3864/2010, the HFSF's appointed representative has the power, among other things: (i) to request the convocation of the General Meeting; (ii) to veto any decision of the Board of Directors (A) regarding the distribution of dividends and the remuneration policy concerning the Chairman, the Managing Director – Chief Executive Officer and the other members of the Board of Directors, as well as the general managers and their deputies; (B) where the decision in question could seriously compromise the interests of depositors, or impair the Bank's liquidity or solvency or its overall sound and smooth operation of the Bank; or (C) concerning corporate actions, where the decision in question could materially affect the participation of the HFSF in the share capital of the Bank; (iii) to request an adjournment of any meeting of the Board of Directors for three business days in order to get instructions from the Executive Committee; (iv) to request the convocation of the Board of Directors; and (v) to approve the appointment of the Chief Financial Officer of the Bank.

Accordingly, the HFSF will be able to exercise significant influence over the operations of the Group. In addition to the provisions of Greek Law 3864/2010, and pursuant to a Relationship Framework Agreement originally entered into on 12 June 2013 and subsequently replaced by a new Relationship Framework Agreement (the "New RFA"), entered into on 23 November 2015, the HFSF has a series of information rights with respect to matters pertaining to the Bank. Additionally, the HFSF may appoint at least one member of each of the Audit Committee, the Risk Committee, the Remuneration Committee, the Corporate Governance, and the Nomination Committee. Finally, the Bank is obliged to obtain the prior approval of the HFSF on certain material issues such as the Group's risk and capital strategy, the Group's strategy in terms of non-performing loans, etc. (for more information please refer to "Direction and Management – HFSF Influence" below). Consequently, there is a risk that the HFSF may exercise the rights they have to exert influence over the Bank and may disagree with certain decisions of the Bank and the Group relating to dividend distributions, benefits policies and other commercial and management decisions that will ultimately limit the operational flexibility of the Group.

***Any inability of the Bank in the future to meet the terms specified in its approved restructuring plan may result in the European Commission initiating a procedure for misuse of the aid***

Following the Bank's participation in the PSI, which was booked retroactively in the Group's accounts for the fourth quarter of 2011, the Group's capital was significantly diminished: the Group's Core Tier I ratio decreased to 3 per cent. and the capital adequacy ratio to 5.4 per cent. On 20 April 2012, the HFSF provided the Bank with a commitment letter to participate in its share capital increase. On 28 May 2012, the commitment letter was replaced by the pre-subscription Agreement executed between the HFSF and the Bank, pursuant to which the HFSF advanced to the Bank €1.9 billion against the total amount of recapitalisation required by the Bank.

As a result, in the balance sheet as at 31 March 2012, the Bank registered a capital adequacy ratio of 9.5 per cent. and a Core Tier I ratio of 7.1 per cent., including the recapitalisation amount of €1.9 billion contributed by the HFSF. The amount of the bridge recapitalisation represented around 4.2 per cent. of the Group's RWAs as at 31 March 2012. Including the 200,000,000 each of a nominal value of €4.7 preference shares injected in May 2009 (state aid previously granted), the total amount of state aid received by the Bank, in forms other than guarantees and liquidity assistance, stood at 9.6 per cent. of the Group's RWA as at 31 December 2013. Following the 2014 share capital increase, the 200,000,000 preference shares were redeemed by Alpha Bank on the 17 April 2014.

On 27 July 2012, the European Commission provisionally approved the aid in the form of a commitment letter and a bridge recapitalisation. In the same decision, the European Commission expressed its views and respective doubts on the fulfilment of certain criteria that apply to such aid assessments relating to: (a) the appropriateness, (b) the necessity and (c) the proportionality of the measures. As a result, the European Commission initiated a formal investigation with regard to these measures in order to conduct a more detailed assessment and to allow third parties to submit comments. The investigation of the European Commission took into account the restructuring plan of the Bank that was originally submitted in October 2012 and subsequently revised with updated estimates so as to incorporate the acquired assets of Emporiki.

In June 2013 the HFSF subscribed for 9,138,636,364 newly issued ordinary shares of the Bank by its contribution in kind of European Financial Stability Fund (“EFSF”) Notes that the HFSF had received from the EFSF as part of the second financial support Programme for Greece. Following the most recent exercise of the Warrants on 15 June 2015, HFSF's equity interest decreased to 8,458,757,340 ordinary shares, representing 66.24 per cent. of the Bank's aggregate common share capital or an amount of €3.7 billion.

On 27 July 2012, the European Commission provisionally approved and initiated a formal investigation under EU state aid rules, regarding the bridge recapitalisation provided by the HFSF in favour of the other three Greek systemic banks, Eurobank Ergasias, Piraeus Bank and National Bank of Greece, for reasons of financial stability.

The formal investigation by the European Commission in connection with the recapitalisation of the Bank was completed in the summer of 2014 with a final decision (Decision (EU) 2015/454 of the European Commission on 9 July 2014) on the approval of the restructuring plan of the Bank for receiving the said state-aid (which decision took also into account the acquisitions completed at the time by the Bank, including the acquisition of the retail operations of Citibank and the share capital of Diners Club Greece).

Pursuant to the request by the Directorate General for Competition of the European Commission (the “DGComp”) dated 21 September 2015, the Bank has revised its restructuring plan to reflect the current conditions of targeted recapitalisation of the Bank. The revised restructuring plan, which was submitted to the DGComp and the HFSF, was approved on 26 November 2015 and includes additional cost-saving measures to be implemented by the Bank.

Any inability of the Bank in the future to meet the terms specified in the revised restructuring plan may result in the European Commission initiating a procedure for misuse of the aid, which may lead the HFSF to recover the suspended voting rights of its Ordinary Shares.

***Cancellation or changes in the operational framework of the EFSF, ESM or the HFSF or in the participation of the Group in their programmes could have a material adverse effect on the financing of the Bank and the Group***

The cancellation or material change of the programmes of the EFSF, the ESM or the HFSF, through legislative amendment or otherwise, schemes or the exclusion of the Group from the supporting programmes could create uncertainty regarding the creditworthiness of the Group, which could affect the terms on which the Group accesses sources of financing.

***The existing market fluctuations and volatility may result in significant losses in the commercial and investment activities of the Group***

Positions in trading and investment portfolio which relate to the debt, currency, equity and other markets could be adversely affected by continuing volatility in financial and other markets creating a risk of substantial losses.

Continuing volatility and further dislocation affecting certain financial markets and asset classes could further impact the Group's results of operations, financial condition and prospects. In the future these factors could have an impact on the mark-to-market valuations of assets in the Group's available-for-sale, trading portfolios and financial assets and liabilities for which the fair value option has been elected.

Volatility can also lead to losses relating to a broad range of other trading securities and derivatives held, including swaps, futures, options and structured products.

***The increase of NPLs may have a negative impact on the Group's operations in the future***

NPLs represented 36.8 per cent. of Alpha Bank's loans as at 31 December 2015 compared to 33.0 per cent. as at 31 December 2014. The effect of the economic crisis in Greece and adverse macroeconomic conditions in the countries in which the Bank operates may result in further adverse effects on the credit quality of borrowers, with increasing delinquencies and defaults. As a result of the increased uncertainty regarding the Greek economy and banking sector in 2015, including the imposition of the bank holiday and capital movement restrictions in June 2015, the Bank's NPLs are expected to further increase in 2016. Furthermore, by virtue of recently enacted Greek Law 4346/2015, debtors may submit a request until 31 December 2018 for the protection of any real property used as a primary residence from foreclosure. This protection is available to debtors meeting specific criteria, including that the value of the property is up to €180,000 for single persons, €220,000 for married persons, with €20,000 added for each child. Future provisions for impaired loans could have a materially adverse effect on business operations and financial results and there can be no assurance that this prohibition, or any other similar prohibition, will not be extended or be in effect beyond this date.

***Volatility in interest rates may negatively affect net interest income and have other adverse consequences***

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

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

***Alpha Bank faces significant competition from Greek and foreign banks***

The general scarcity of wholesale funding since the onset of the economic crisis has led to a significant increase in competition for retail deposits in Greece and significant consolidation of the Greek banking system. The Bank also faces competition from foreign banks. Alpha Bank may not be able to continue to compete successfully with domestic and international banks in the future. These competitive pressures on the Group may have an adverse effect on its business, financial condition, results of operations and prospects.

***Laws regarding the bankruptcy of individuals and regulations governing creditors' rights in Greece and various SEE countries may limit the Group's ability to receive payments on NPLs***

Laws regarding the bankruptcy of individuals and other laws and regulations governing creditors' rights generally vary significantly within the region in which the Group operates. In some countries, the laws offer very limited protection for creditors compared with the bankruptcy regime in the United Kingdom or the United States. If the current economic crisis persists or worsens, bankruptcies could intensify, or applicable bankruptcy protection laws and regulations may change to limit the impact of the recession on corporate and retail borrowers. Such changes may have an adverse effect on the Group's business, financial condition, results of operations and prospects.

***Changes in consumer protection laws might limit the fees that the Group may charge in certain banking transactions***

Changes in consumer protection laws in Greece and other jurisdictions where the Group has operations could limit the fees that banks may charge for certain products and services such as mortgages, unsecured loans and credit cards. If introduced, such laws could reduce the Group's net income, though the amount of any such reduction cannot be estimated at this time. Such effects could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

***The planned creation of a deposit guarantee system applicable throughout the European Union may result in additional costs to the Group***

The harmonisation of deposit guarantee systems throughout the European Union will represent significant changes to the mechanisms of the deposit guarantee systems currently in force in individual countries.

Greece has transposed Directive 94/19/EC of the European Parliament and of the Council of 30 May 1994 on deposit-guarantee schemes (the "DGDs") by virtue of Greek law 3746/2009, which established the Hellenic Deposit and Investment Guarantee Fund (the "HDIGF"). Greek Law 3746/2009 was abolished by Greek Law 4370/2016, which transposed Directive 2014/49/EC into Greek law. Three different schemes are run by the HDIGF, each regulated by a different set of legal provisions: the first is the deposit guarantee scheme (the "DGS"), the second is the investment guarantee scheme and the third one is the scheme funding resolutions. The DGS is financed both on an *ex ante* and on an *ex post* basis. All credit institutions, licensed by the Bank of Greece to accept deposits in Greece, are obliged, by virtue of article 5 of law 4370/2016, to participate in the DGSs.

Directive 2014/49/EC of the European Parliament and of the Council on deposit guarantee schemes and Greek Law 4370/2016, strengthen depositor protection against unviable credit institutions and enhances the role of deposit guarantee systems in the financial safety net. More specifically, Greek Law 4370/2016 provides for a coverage level of EUR 100,000 per depositor per credit institution for eligible deposits (being deposits eligible for the deposit guarantee system), coverage for temporary high balances up to EUR 300,000 for specific deposit categories, a target level for DGS resources of 0.8 per cent. of covered deposits (achieved until 3 July 2024), a deposit guarantee system financing resolution measures according to the BRRD (defined above), calculation of credit institutions' annual contributions on the basis of covered deposits, compulsory risk-based adjustment of credit institutions' annual contributions, and payment of supplementary contributions when DGS resources are inadequate to cover the cost of a credit institution resolution.

The Resolution Fund of the HDIGF is regulated by virtue of the provisions of articles 100 *et seq.* of the BRRD, as such provisions were transposed by virtue of articles 95 *et seq.* of Greek law 4335/2015. Pursuant to such provisions, until 31 December 2024 the funds available to the Resolution Fund of the HDIGF should be equal to 1 per cent. of the covered deposits of all credit institutions licensed to operate in Greece. The exact level of annual (*ex ante*) contributions and their calculations derive from Implementation Act 2015/81 of the European Parliament on "unified implementation of Directive 806/2014 of the European Parliament and of the Council regarding contributions to the Unified Consolidation Fund" and Directive 2015/63 of the European Parliament on "the completion of Directive 2014/59/EU of the European Parliament and of the Council regarding contributions to financial consolidation arrangements".

If the contributions under the above EU Directives and Regulations in relation to the Resolution Fund and the DGS are higher than the ones currently in place in Greece and in the other countries in which the Bank operates, this may result in the Bank increasing its contributions in this scheme, which in turn may adversely affect the Bank's operating results.

***The Group may not be able to preserve its customer base***

The Group's success depends on its capacity to maintain high levels of loyalty among its customer base and to offer a wide range of competitive and high quality products and services to its customers. In order to pursue

these objectives, the Group has adopted a strategy of segmentation of its customer base, aimed at serving the various needs of each segment in the most suitable manner. Moreover, the Group seeks to maintain long-term financial relations with its customers through the sale of anchor products and services, namely mortgage loans, salary accounts, standing transfers, credit cards and saving products and bancassurance products. Nevertheless, high levels of competition in Greece and in other countries where the Group operates, and an increased emphasis in cost reduction may result in an inability to maintain high loyalty levels of the Group's customer base, in providing competitive products and services, or of maintaining high customer service standards, each of which may adversely affect the Group's business, financial condition, results of operations and prospects.

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

Reputational risk is inherent to the Group's business activity. Negative public opinion towards the Group or the financial services sector as a whole could result from real or perceived practices in the banking sector in general, such as money laundering, negligence during the provision of financial products or services, or even from the way that the Group conducts, or is perceived to conduct, its business. Although the Group makes all possible efforts to comply with the regulatory instructions, negative publicity and negative public opinion could adversely affect the Group's ability to maintain and attract customers, in particular, institutional and retail depositors, whose loss could adversely affect the Group's business, financial condition and future prospects.

***Alpha Bank could be exposed to future pension and post-employment benefit liabilities***

The personnel of the Group in Greece are insured with funds providing social security (main pension, auxiliary pension, health and welfare). As at 31 December 2015 on a consolidated basis, the Group's liabilities in connection with defined benefit plans amounted to €108.5 million. These amounts were calculated on the basis of specific economic and demographic assumptions. These include assumptions relating to changes in interest rates, which may not actually occur. Should future events deviate from these assumptions, our liabilities may significantly increase.

With particular reference to the auxiliary pension, under Article 10 of Greek Law 3620/07, since 1 January 2008 staff originating from the former Alpha Credit Bank are insured for their auxiliary pension with the Greek Common Insurance Fund of Bank Employees ("ETAT"), following the said Fund's takeover of the Staff Mutual Assistance Fund. The Bank pays into ETAT an annual instalment, of an amount of €67.3 million, towards the overall fixed liability of €543 million, as calculated based on a reference date 31 December 2006 in the special economic study provided for in Greek Law 3371/2005 and subsequently ratified by law. The implementation of Law 3371/2005 for Emporiki was made in accordance with Law 3455/2006. According to this law, the pensioners and insured members of Emporiki, who were insured for supplementary pensions in Supplementary Insurance Fund for the Personnel of Commercial Bank of Greece were absorbed by I.K.A.-E.T.E.A.M. and ETAT on 18 April 2006. In accordance with a special economic study, as stipulated by Law 3371/2005 and subsequently ratified by law, Emporiki had to pay a total amount of specific contributions for the pensioners to I.K.A.-E.T.E.A.M and ETAT in ten annual interest bearing instalments, which were fully paid in January 2014. In addition, in accordance with the amendments of Law 3455/2006, with respect to the current insured members who were hired until 31 December 2004 by Emporiki, the social contributions that are paid over the service life for the supplementary pension are larger compared to the respective contributions which are stipulated by E.T.E.A.M. These arrangements were the subject of an investigation concerning the possible application of state aid by the European Commission (decision N597/2006-Greece: Reform of the organisation of the supplementary pension regime in the banking sector), which concluded that such arrangements did not constitute state aid, given the methodology followed by the special economic studies was adhered to.

Furthermore, following the merger of ETAT from the Unified Auxiliary Social Security Fund ("ETEA"), on 1 March 2013, there is a risk associated that auxiliary social security contributions to ETEA will increase given that it is possible that additional actuarial studies will be required to be made, and there is no assurance that such studies, if and when made, will not result in, among other things, additional liabilities for all Greek banks, in a similar manner that Greek banks have been required to cover ETAT actuarial deficits.

Apart from the above, the passing of Greek Law 3863/2010 introduced radical changes to the structure and mode of operation of the insurance system. These developments, with possible reinterpretations of the current legislation or possible future changes to that legislation in respect to pensions and related liabilities, as well as the requirements of the memorandum, which are targeted to creating a viable and sustainable general pension system and minimising state subsidies through, among other things, the consolidation of pension funds, may alter the liabilities of the banking sector and hence of the Bank or its subsidiaries in respect to contributions to meet actuarial or operational deficits of the pension funds. Moreover, it is impossible to predict potential legal challenges against the consolidations of pension funds, or the outcome of such disputes.

***The Greek banking sector is subject to strikes, which may adversely affect the Group's operations***

Most of the Bank's employees belong to a union and the Greek banking industry has been subject to strikes over the issues of pensions and wages. Prolonged labour unrest could have a material adverse effect on the Bank's operations in the Hellenic Republic, either directly or indirectly, for example on the willingness or ability of the government to pass the reforms necessary to successfully implement the ESM Programme.

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

In establishing the fair value of certain financial instruments, the Group relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, internal valuation models that utilise observable financial market data. In certain circumstances, the data for individual financial instruments or classes of financial instruments utilised by such valuation models may not be available or may become unavailable due to changes in financial market conditions. In such circumstances, the Group's internal valuation models require the Group to make assumptions, judgements and estimates to establish fair value. In common with other financial institutions, these internal valuation models are complex, and the assumptions, judgements and estimates the Group is required to make often relate to matters that are inherently uncertain, such as expected cash flows. Such assumptions, judgements and estimates may need to be updated to reflect changing facts, trends and market conditions. The resulting change in the fair values of the financial instruments could have a material adverse effect on the Group's earnings and financial condition. Also, recent market volatility and illiquidity has challenged the factual bases of certain underlying assumptions and has made it difficult to value certain of the Group's financial instruments. Valuations in future periods, reflecting prevailing market conditions, may result in changes in the fair values of these instruments, which could have a material adverse effect on the Group's results, financial condition and prospects.

***The Bank is exposed to risk of fraud and illegal activities of other forms which, if they are not dealt with timely and successfully, could have negative effects on its business, financial condition, results of operation and prospects***

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

***Economic hedging may not prevent losses***

If any of the variety of instruments and strategies that are used to economically hedge exposure to market risk is not effective, Alpha Bank may incur losses. Many of the Bank's strategies are based on historical trading patterns and correlations. Unexpected market developments therefore may adversely affect the effectiveness of these hedging strategies.

### ***Transactions in the Bank's own portfolio involve risks***

The Bank carries out various proprietary activities, including the placement of deposits denominated in euro and other currencies in the interbank market, as well as trading in primary and secondary markets for government securities. The management of the Bank's own portfolio includes taking positions in fixed income and equity markets, both through spot and derivative products and other financial instruments. Trading on account of its own portfolio carries risks, since its results depend partly on market conditions. Moreover, the Bank relies on a vast range of reporting and internal management tools in order to be able to report its exposure to such transactions correctly and in due time. Future results arising from trading on account of its own portfolio will depend partly on market conditions, and the Bank may incur significant losses which could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

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

A significant portion of the Group's operations rely heavily on the secure processing, storage and transmission of confidential and other information as well as the monitoring of a large number of complex transactions on a constant basis. The Group stores an extensive amount of personal and client-specific information for its retail, corporate and governmental customers and clients and must accurately record and reflect their extensive account transactions. The proper functioning of the Group's payment systems, financial and sanctions controls, risk management, credit analysis and reporting, accounting, customer service and other information technology systems, as well as the communication networks between its branches and main data processing centres, are critical to the Group's operations. These activities have been, and will continue to be, subject to an increasing risk of cyber-attacks, the nature of which is continually evolving. The Group's computer systems, software and networks have been and will continue to be vulnerable to unauthorised access, loss or destruction of data (including confidential client information), account takeovers, unavailability of service, computer viruses or other malicious code, cyber-attacks and other events. These threats may derive from human error, fraud or malice on the part of employees or third parties, or may result from accidental technological failure. If one or more of these events occurs, it could result in the disclosure of confidential client information, damage to the Group's reputation with its clients and the market, additional costs to the Group (such as repairing systems or adding new personnel or protection technologies), regulatory penalties and financial losses, to both the Group and its clients. Such events could also cause interruptions or malfunctions in the operations of the Group (such as the lack of availability of the Group's online banking systems), as well as the operations of its clients, customers or other third parties. Given the volume of transactions at the Group, certain errors or actions may be repeated or compounded before they are discovered and rectified, which would further increase these costs and consequences.

In addition, third parties with which the Group does business under stringent contractual agreements, may also be sources of cybersecurity or other technological risks. The Group outsources a limited number of supporting functions, such as printing of customer credit card statements and processing of cards, which results in the storage and processing of customer information. Although the Group adopts a range of actions to eliminate the exposure resulting from outsourcing, such as not allowing third party access to the production systems and operating a highly controlled IT environment, unauthorised access, loss or destruction of data or other cyber incidents could occur, resulting in similar costs and consequences to the Group as those discussed above. While the Group maintains insurance coverage that may, subject to policy terms and conditions, cover certain aspects of cyber risks such as fraud and financial crime, such insurance coverage may be insufficient to cover all losses.

### ***Alpha Bank's loan portfolio may contract***

In the current economic environment, the Bank's Greek and foreign loan portfolio may decline. Furthermore, there are a limited number of high credit quality customers. Developments in the loan portfolio will be affected mainly by, among other factors, the health of the Greek economy and of the other economies in which it operates and the successful implication of the ESM Programme. The decline in the loan portfolio, in

combination with NPLs, may limit the Group's net interest income, and this could have a material adverse effect on the business, financial condition, results of operations and prospects.

#### ***Additional taxes may be imposed on the Group***

According to the Income Tax Code (Law 4172/23.7.2013) the corporate tax rate for all legal entities keeping double entry fiscal accounting books is 29 per cent. for periods commencing as from 1 January 2015, whereas the tax rate for dividend distributions is 10 per cent. from 1 January 2014. Dividends received by parent companies from their subsidiaries established in Greece or abroad may be tax exempt, as provided under articles 48 and 63 of the Income Tax Code.

Additional taxes and penalties may be imposed for the unaudited years to the Group companies due to the fact that some expenses may not be recognised by the tax authorities.

The Group recognises deferred tax assets to the extent that it is probable that the Bank and/or Group companies will have sufficient future taxable profit available, against which deductible temporary differences and tax losses carried forward can be utilised. The main uncertainties for the recoverability of the deferred tax assets relate to the achievement of the goals set in the Bank's business plan, which is affected by the general macroeconomic environment in Greece and internationally. In addition, on 25 March 2013, the European Commission reached an agreement with the government of Cyprus, which includes an increase of withholding tax on capital returns and the corporate income tax rate.

In addition, at the European Council summit held on 17 June 2010, it was agreed that Member States should introduce a system of levies and taxes on financial institutions to promote an equitable distribution of the costs of the global financial crisis. On 14 February 2013, a proposal for a new directive was adopted, calling for enhanced cooperation regarding the financial transaction tax. This directive will apply to ten Member States (known as the FTT-zone), including Greece, and imposes a tax on any transaction with an established link to the FTT-zone. This proposal was approved by the European Parliament on 3 July 2013 and was scheduled to enter into force on 1 January 2014. Implementation of the financial transaction tax has been delayed as Member States in the FTT-zone are divided with respect to the details of the tax. It is uncertain, as of the date of this Base Prospectus, whether or when the financial transaction tax will be implemented. Any additional taxes imposed on the Group in the future, or any increases in tax rates, may have a material adverse effect on Alpha Bank's business, financial condition, results of operations and prospects.

#### ***There is no legal provision or interpretation regarding the tax treatment of goodwill in case of capitalisation or distribution***

An amount of €3.3 billion negative goodwill was recorded as a result of the acquisition of Emporiki. Under current tax law, the difference arising as a result of a merger, conducted in accordance with Article 16 paragraph 5 of Greek Law 2515/1997, is a credit balance after offsetting the paid-in share capital of the acquired bank with the carrying amount of that investment as reported in the acquirer books, is not subject to income tax and is recognised in the tax books as a separate component of equity of the acquirer. The current tax legislation has not specifically addressed nor has interpreted the tax implications of the credit difference in case it is distributed or capitalised.

#### **Risks Relating to the Notes**

##### ***The Notes may be redeemed prior to maturity***

Unless in the case of any particular Tranche of Notes the applicable Final Terms or the Drawdown Prospectus (as the case may be) specifies otherwise, in the event that (i) the relevant Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction 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 or on behalf of the Hellenic Republic or the United Kingdom or any political subdivision thereof or any authority or agency therein or thereof having power to tax; or (ii) (in the case of

Dated Subordinated Notes only) interest payments under or with respect to such Notes are no longer (partly or fully) deductible for tax purposes in the relevant jurisdiction as described in the Conditions, the relevant Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if so specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) in the event that in respect of any particular Tranche of Notes: (i) (if the Notes are Dated Subordinated Notes only) such Notes cease to be included in the Group's or the Bank's tier 2 capital; or (ii) (if the Issuer is Alpha Bank only) a Proceeds Recipient is required to make any withholding or deduction in respect of amounts payable in respect of any Proceeds On-Loan for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, collected, withheld, assessed or levied by or on behalf of the Hellenic Republic, or in the case of any branch of Alpha Bank acting as Proceeds Recipient through a branch situated in a jurisdiction other than the Hellenic Republic, such other jurisdiction or any political subdivision thereof or any authority or agency therein or thereof having power to tax, the relevant Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes, the applicable Final Terms or the Drawdown Prospectus (as the case may be) specifies that the Notes are redeemable at the relevant Issuer's option in certain other circumstances, the relevant Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

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

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

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

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

Finally, the relevant Issuer's credit ratings may not reflect the potential impact of the various risks that could affect the market value of the Notes. Accordingly, prospective investors should consult their own financial and legal advisers as to the risks an investment in the Notes may entail and the suitability of the Notes in light of their particular circumstances.

### ***Taxation***

Potential investors of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing Notes and receiving payments of interest, principal and/or other amounts or delivery of securities under the Notes and the consequences of such actions under the tax laws of those countries. In particular, investors should note that the Greek income taxation framework was recently

amended and reformed. A new Greek income tax code was brought into force in the beginning of 2014 (by virtue of Law 4172/2013, effective as at 1 January 2014, as amended from time to time). Please see “Taxation” for further details. Accordingly little precedent exists as to the application of this new income tax code. Further, non-Greek tax residents may have to submit a declaration of non-residence or produce documentation evidencing non-residence in order to claim any exemption under applicable tax laws of Greece.

***An investor in Subordinated Notes assumes an enhanced risk of loss in the event of the relevant Issuer’s and/or the Bank’s insolvency***

If, in the case of any particular Tranche of Notes, the applicable Final Terms or the Drawdown Prospectus (as the case may be) specifies that the Notes are subordinated obligations of the relevant Issuer, in the event of bankruptcy, moratorium of payments, insolvency, dissolution or liquidation of the relevant Issuer and/or if the relevant Issuer is Alpha PLC, the Bank, the relevant Issuer (and, if applicable, the Bank pursuant to the Guarantee) will be required to pay the holders of senior debt and meet its obligations to all its other creditors (including unsecured creditors but excluding any obligations in respect of subordinated debt) in full before it can make any payments on the relevant Notes. If this occurs, the relevant Issuer may not have enough assets remaining after these payments to pay amounts due under the relevant Notes.

***Any Notes issued under the Programme may be subjected in the future to the bail-in resolution tool by the competent resolution authority and to the mandatory burden sharing measures for the provision of precautionary capital support, which may result into their write-down in full***

Following the transposition of BRRD in Greek law by virtue of Greek law 4335/2015 increased powers were granted to the competent resolution authority, which for the Greek systemic banks is the Board of the SRM as at 1 January 2016, for the imposition of resolution measures to failing credit institutions. These measures include the bail-in tool through which a credit institution subjected to resolution may be recapitalised either by way of write-down or conversion of liabilities (including Notes issued under the Programme) into common shares. The bail-in tool may be imposed either as a sole resolution measure or in combination with the rest of the resolution tools that may be imposed by the resolution authority in case of the resolution of a failing Greek credit institution and/or if the credit institution receives state-aid in the form of Government Financial Support Tool pursuant to articles 56-58 of the BRRD and article 6b of Greek law 3864/2010 on the operation of the Hellenic Financial Stability Fund. Any Notes that will be issued in the context of the Programme will be subjected to the said bail-in tool. So, if the Bank is subjected to resolution measures in the future or receives state aid in the form of Government Financial Support Tool pursuant to articles 56-58 of the BRRD and article 6b of Greek law 3864/2010 on the operation of the HFSF, then the value of such Notes may be written down (up to zero) as a result of the imposition of the bail-in tool by the competent resolution authority.

Moreover, the conditions for the HFSF granting precautionary recapitalisation support include, among others, the imposition by virtue of a Cabinet Act, pursuant to article 6a of law 3864/2010, of mandatory burden sharing measures on the holders of instrument of capital and other liabilities of the credit institution receiving such support (“**Mandatory Burden Sharing Measures**”). The Mandatory Burden Sharing Measures include the absorption of losses by existing subordinated creditors by the writing down of the nominal value of their claims. Such writing down is implemented by way of a resolution of the competent corporate body of the credit institution, so that the equity position of the credit institution becomes zero. Any Dated Subordinated Notes that will be issued under the Programme are subject to the above provisions of article 6a of the HFSF. Therefore, if the Bank were to receive precautionary financial support from the HFSF in the future and its equity position is negative, there can be no assurance that such new Notes will not be subjected to write-down as a result of the Mandatory Burden Sharing Measures.

In addition, Notes issued by Alpha PLC will also be subject to the provisions of the Banking Act which implement BRRD in relation to which please refer to the risk factors ‘*The Banking Act confers substantial powers on a number of UK authorities designed to enable them to take a range of actions in relation to UK banks, UK building societies, UK investment firms and UK recognised central counterparties which are considered to be at risk of failing. In certain circumstances, such actions may also be taken against a UK banking group company. The exercise of any of these actions in relation to Alpha PLC could materially*

*adversely affect the value of any Notes issued by Alpha PLC’, ‘The SRR may be triggered prior to insolvency of a relevant entity, a European Economic Area (“EEA”) institution or a third country institution in the same group as Alpha PLC’, ‘Various actions may be taken in relation to the Notes without the consent of the Noteholders’ and ‘A partial transfer of Alpha PLC’s business may result in a deterioration of its creditworthiness’ above for more information.*

***The circumstances in which the resolution authority may exercise the bail-in tool or other resolution tools pursuant to Greek law 4335/2015 or other future statutes or regulatory acts are vague and such uncertainty may have an impact on the value of the Notes***

The conditions for the submission of a credit institution to resolution and the respective activation of the relevant powers of the competent resolution authority, are set in article 32 of the BRRD and Greek transposing law 4335/2015. Such conditions include the determination by the resolution authority that (a) the credit institution is failing or is likely to fail; (b) no reasonable prospect exists that any alternative private sector measures (including the write-down) would prevent the failure; and (c) a resolution action is necessary in the public interest, whilst the resolution objectives would not be met to the same extent by the special liquidation of the credit institution pursuant to normal insolvency.

Such conditions, however, are not further specified in the applicable law and so their satisfaction is left to the determination and discretion of the competent resolution authority. Such uncertainty may impact on the market perception as to whether a credit institution meets or not such conditions and as such it may be subjected to resolution tools. This may have a material adverse impact on the present value of the Notes and other securities of the Issuers listed on organised markets.

In addition, if any Greek bail-in action is taken, interested parties, such as creditors or shareholders, may raise legal challenges. If any litigation arises in relation to Greek bail-in actions (whether actually, or purported to be taken) and such actions are declared void or ineffective and additional actions need to be taken, including reversal of any Greek bail-in action that is challenged, this may negatively affect liquidity and valuation, and increase the price volatility of the Issuers’ securities (including the Notes).

#### **Risks related to the structure of a particular issue of Notes**

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

***If the relevant Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return***

An optional redemption feature is likely to limit the market value of Notes. During any period when the relevant Issuer may elect to redeem Notes either in its discretion or following the occurrence of certain events relating to the taxation or (if applicable) regulatory treatment of the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

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

***If the relevant Issuer has the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned***

Fixed/Floating Rate Notes are Notes which may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the relevant Issuer has the right to effect such a

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

***The interest rate on Reset Notes will reset on each Reset Date, which can be expected to affect the interest payments on an investment in Reset Notes and could affect the market value of Reset Notes***

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

***Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates***

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

#### **Risks Relating to the Notes generally**

Set out below is a description of material risks relating to the Notes generally:

***Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued***

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

***The Conditions of the Notes contain provisions which may permit their modification without the consent of all investors***

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including

Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

***The value of the Notes could be adversely affected by a change in English law or administrative practice***

The Conditions of the Notes are based on English law and Greek law in effect as at the date of this Base Prospectus (see Condition 19 of the “*Terms and Conditions of the Notes*”). No assurance can be given as to the impact of any possible judicial decision or change to English law or Greek law or administrative practice after the date of this Base Prospectus and any such change could materially adversely impact the value of any Notes affected by it.

**Risks related to the market generally**

***An active secondary trading market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes***

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the relevant Issuer. Although application has been made for the Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

***If an investor holds Notes which are not denominated in the investor’s home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes***

The relevant Issuer will pay principal and interest on the Notes and the Guarantor (if applicable) will make any payments under the Guarantee in the Specified Currency. This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (1) the Investor’s Currency-equivalent yield on the Notes, (2) the Investor’s Currency-equivalent value of the principal payable on the Notes and (3) the Investor’s Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the relevant Issuer or the Guarantor (if applicable) to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***The value of Fixed Rate Notes may be adversely affected by movements in market interest rates***

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

***Credit ratings assigned to the relevant Issuer and the Guarantor (if applicable) or any Notes may not reflect all the risks associated with an investment in those Notes***

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

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”) from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority (“**ESMA**”) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

***Global Credit Market Conditions***

Investors should note that, in view of prevailing and widely reported global credit market conditions (which continue at the date hereof) the secondary market for the Notes may be illiquid. The relevant Issuer cannot predict when these circumstances will change.

## OVERVIEW OF THE PROGRAMME

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

This Overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No. 809/2004 of 29 April 2004 (the “**Prospectus Regulation**”).

Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” shall have the same meanings in this Overview.

### **Issuers:**

Alpha Credit Group PLC, incorporated under the laws of England and Wales on 1 April 1999 as a public limited company with number 3747110. The registered office of Alpha PLC is at 66 Cannon Street, London, EC4N 6EP.

Alpha Bank AE, acting through its Issuing Branch (as specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be)). Alpha Bank is incorporated and registered in the Hellenic Republic as a public company under Codified Law 2190/20, incorporated with limited liability (with GEMI number 223701000 (previously registered under number 6066/06/B/86/05)) for the period ending 2100.

### **Guarantor of Notes issued by Alpha PLC:**

Alpha Bank AE, acting through its Guaranteeing Branch (as specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be)).

### **Business of Alpha PLC:**

Alpha PLC operates as a financing vehicle for Alpha Bank and its subsidiaries (the “**Group**”). Except in connection with the establishment and continuance of the Programme and the issuance of Notes under the Programme, Alpha PLC has not engaged in any activities since its incorporation.

### **Business of Alpha Bank:**

The Group offers a wide range of banking, capital markets, treasury and advisory services, insurance and other financial services to private, corporate and institutional clients in Greece and abroad.

Alpha Bank operates a network that includes, as at 31 December 2015, approximately 608 branches, 9 corporate (commercial) centres, nine private banking (customer service) centres and 1,095 ATMs in Greece plus telephone and electronic banking channels.

Internationally, as at 31 December 2015, the Group is present via a network of 271 branches in Cyprus, Romania, Bulgaria, Serbia and Albania. The Group also has a presence in the United Kingdom and in Jersey.

<b>Description:</b>	Euro Medium Term Note Programme (the “ <b>Programme</b> ”).
<b>Arranger:</b>	Alpha Bank AE
<b>Dealers:</b>	Alpha Bank AE  and any other Dealers appointed from time to time either generally in respect of the Programme or in relation to a particular Tranche of Notes, in each case, in accordance with the Programme Agreement.
<b>Certain Restrictions:</b>	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and Sale</i> ” herein).  <b><i>Notes issued by Alpha PLC having a maturity of less than one year</i></b>  Notes issued by Alpha PLC having a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent (see “ <i>Subscription and Sale</i> ” herein).  Under Part II of the Luxembourg Act dated 10 July 2005 on prospectuses for securities, which implements the Prospectus Directive, prospectuses relating to money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities are not subject to the approval provisions of Part II of such Act.
<b>Issuing and Principal Paying Agent:</b>	Citibank, N.A.
<b>Luxembourg Listing Agent and Paying Agent:</b>	KBL European Private Bankers S.A.
<b>Programme Amount:</b>	Up to EUR 30,000,000,000 (or its equivalent in other currencies calculated as described herein) outstanding at any time. The Issuers may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
<b>Distribution:</b>	Subject to applicable selling restrictions, Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
<b>Currencies:</b>	Subject to any applicable legal or regulatory or central bank requirements, such currencies as may be agreed between the relevant Issuer and the relevant Dealer including, without limitation, Australian dollars, Canadian dollars, Danish

kroner, euro, Hong Kong dollars, Yen, New Zealand dollars, Norwegian kroner, Romanian New Lei, Sterling, Swedish kronor, Swiss francs and USD (as indicated in the applicable Final Terms or the Drawdown Prospectus (as the case may be)).

**Maturities:**

Such maturities as may be agreed between the relevant Issuer and the relevant Dealer and as indicated in the applicable Final Terms or the Drawdown Prospectus (as the case may be), subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer and/or the Guarantor, if applicable, or the relevant Specified Currency.

*Dated Subordinated Notes must have a maturity date falling at least five years after the Issue Date of such Dated Subordinated Notes (as defined below).*

**Issue Price:**

Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.

**Form of Notes:**

The Notes will be issued in bearer form.

Notes to be issued under the Programme will be either (i) senior Notes (“**Senior Notes**”) or (ii) dated subordinated Notes (“**Dated Subordinated Notes**”) as indicated in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be)) initially be represented by a temporary global Note. Each global Note which is not intended to be issued in new global note form (a “**Classic Global Note**” or “**CGN**”), as specified in the relevant Final Terms, will be deposited on the relevant Issue Date with a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system as specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) and each global Note which is intended to be issued in new global note form (a “**New Global Note**” or “**NGN**”), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Interests in each temporary global Note will be exchangeable, upon request as described therein, for either interests in a permanent global Note or definitive Notes (as indicated in the applicable Final Terms or the Drawdown Prospectus (as the case may be) and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be)), in either case not earlier than 40 days after the Issue Date upon certification of non-

US beneficial ownership as required by US Treasury regulations. The applicable Final Terms or the Drawdown Prospectus (as the case may be) will specify that a permanent global Note either (i) is exchangeable (in whole but not in part) for definitive Notes upon not less than 60 days' notice or (ii) is only exchangeable (in whole but not in part) for definitive Notes upon the occurrence of an Exchange Event, as described in "*Form of the Notes*" below. Any interest in a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or any other agreed clearing system, as appropriate.

**Fixed Rate Notes:**

Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer (as indicated in the applicable Final Terms or the Drawdown Prospectus (as the case may be)) and on redemption.

**Reset Notes:**

Reset Notes will, in respect of an initial period, bear interest at the initial fixed rate of interest specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be). Thereafter, the fixed rate of interest will be reset on one or more date(s) specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) by reference to a mid-market swap rate for the relevant Specified Currency, and for a period equal to the reset period, as adjusted for any applicable margin, in each case as may be specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be). Such interest will be payable in arrear on the Interest Payment Date(s) specified in or as determined pursuant to the applicable Final Terms or the Drawdown Prospectus (as the case may be).

**Floating Rate Notes:**

Floating Rate Notes will bear interest at a rate determined:

- (a) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series; or
- (b) on the basis of the reference rate set out in the applicable Final Terms or Drawdown Prospectus (as the case may be).

The Margin (if any) relating to such Floating Rate Notes will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as selected prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates specified in, or determined pursuant to, the applicable Final Terms or Drawdown Prospectus (as the case may be) and will be calculated on the basis of the relevant Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.

**Zero Coupon Notes:**

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest other than in the case of late payment.

**Change of Interest Basis Notes:**

Notes may be converted from one interest basis to another if so provided in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

**Redemption:**

The applicable Final Terms or Drawdown Prospectus (as the case may be) relating to each Tranche of Notes will indicate either that the Notes of such Tranche cannot be redeemed prior to their stated maturity (other than subject to certain conditions, at the option of the relevant Issuer for taxation reasons or (in relation to Dated Subordinated Notes only subject to the following paragraph) if they cease to be included in the Group's or (if the Issuer is Alpha Bank only) the Bank's tier 2 capital or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer ("**Issuer Call**") and/or the Noteholders ("**Investor Put**") upon giving not less than the minimum nor more than the maximum days' irrevocable notice as is indicated in the applicable Final Terms or Drawdown Prospectus (as the case may be)) to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms or Drawdown Prospectus (as the case may be).

Prior to their stated maturity, Dated Subordinated Notes may not be redeemed at the option of the Noteholders of any such Notes and only by the Issuer with the permission of the Bank of Greece (if required) and otherwise in accordance with applicable regulatory capital requirements.

Unless otherwise permitted by the current laws and regulations, Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see "*Certain Restrictions: Notes issued by Alpha PLC having a maturity of less than one year*" above.

Unless previously redeemed or purchased and cancelled, each Note will be redeemed by the relevant Issuer at least 100 per cent. of its nominal value on its scheduled Maturity Date.

**Denomination of Notes:**

The Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer and as indicated in the applicable Final Terms or Drawdown Prospectus (as the case may be) save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see "*Certain Restrictions: Notes issued by Alpha PLC having a maturity of less than one year*" above) and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

**Rating**

The Programme has been rated CCC+ for Senior Unsecured Debt maturing in one year or more, C for Senior Unsecured Debt maturing in less than one year and CC for Subordinated Debt by Standard & Poor's Credit Market Services Italy S.r.l., (P)Ca for Senior Unsecured Debt, (P)C for Subordinated Debt and (P)NP for Short-Term Debt by Moody's Investors Service Cyprus Limited and C for Long-Term Debt and C for Short-Term Debt by Fitch Ratings Limited. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms or Drawdown Prospectus (as the case may be) and will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

**Listing and Admission to Trading:**

The Base Prospectus has been approved by the CSSF and each Series may be admitted to listing on the official list of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange appearing on the list of regulated markets issued by the European Union.

The Programme also provides that Notes may be admitted to listing, trading and/or quotation by such other or further listing authority, stock exchange and/or quotations systems. The relevant Issuer may issue Notes, which are not admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.

**Selling Restrictions:**

There are restrictions on the offer, sale and transfer of the Notes in the United States, Japan, the European Economic

Area (including France, the United Kingdom, Cyprus, Romania and Greece) and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See “*Subscription and Sale*” below. Notes may be issued to qualified investors (as defined in the Prospectus Directive) and non-qualified investors, in each case in accordance with such restrictions.

**United States Selling Restrictions:**

Regulation S; Category 2. TEFRA D/TEFRA C/TEFRA not applicable, as specified in the applicable Final Terms.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published, shall be incorporated in, and form part of, this Base Prospectus:

1. Audited non-consolidated financial statements for the financial year ended 31 December 2015 for Alpha PLC and annual report, including:
  - (i) Statement of Comprehensive Income set out on page 7 of the 2015 annual report and financial statements;
  - (ii) Statement of Financial Position set out on page 8 of the 2015 annual report and financial statements;
  - (iii) Statement of Changes in Equity set out on page 9 of the 2015 annual report and financial statements;
  - (iv) Statement of Cash Flows set out on page 10 of the 2015 annual report and financial statements;
  - (v) Notes to the Financial Statements set out on pages 11 to 25 of the 2015 annual report and financial statements; and
  - (vi) Independent Auditors' Report to the Members of Alpha Credit Group PLC set out on page 6 of the 2015 annual report and financial statements.

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information that is not required by the relevant Annexes of the Prospectus Regulation.

2. Audited non-consolidated financial statements for the financial year ended 31 December 2014 for Alpha PLC and annual report, including:
  - (i) Statement of Comprehensive Income set out on page 8 of the 2014 annual report and financial statements;
  - (ii) Statement of Financial Position set out on page 9 of the 2014 annual report and financial statements;
  - (iii) Statement of Changes in Equity set out on page 10 of the 2014 annual report and financial statements;
  - (iv) Statement of Cash Flows set out on page 11 of the 2014 annual report and financial statements;
  - (v) Notes to the Financial Statements set out on pages 12 to 29 of the 2014 annual report and financial statements; and
  - (vi) Independent Auditors' Report to the Members of Alpha Credit Group PLC set out on page 7 of the 2014 annual report and financial statements.

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information that is not required by the relevant Annexes of the Prospectus Regulation.

3. Annual financial report (produced in accordance with International Financial Reporting Standards) for the financial year ended 31 December 2015 for Alpha Bank, including:

- |        |   |   |
|--------|---|---|
| (i)    | Consolidated Balance Sheet  | set out on page 38 of the 2015 annual financial report;             |
| (ii)   | Balance Sheet   | set out on page 194 of the 2015 annual financial report;            |
| (iii)  | Consolidated Income Statement   | set out on page 37 of the 2015 annual financial report;             |
| (iv)   | Income Statement  | set out on page 193 of the 2015 annual financial report;            |
| (v)    | Consolidated Statement of Comprehensive Income                                | set out on page 39 of the 2015 annual financial report;             |
| (vi)   | Statement of Comprehensive Income   | set out on page 195 of the 2015 annual financial report;            |
| (vii)  | Consolidated Statement of Changes in Equity                                   | set out on pages 40 and 41 of the 2015 annual financial report;     |
| (viii) | Statement of Changes in Equity  | set out on page 197 of the 2015 annual financial report;            |
| (ix)   | Consolidated Statement of Cash Flows  | set out on page 42 of the 2015 annual financial report;             |
| (x)    | Statement of Cash Flows   | set out on page 197 of the 2015 annual financial report;            |
| (xi)   | Notes to the Group Financial Statements                                       | set out on pages 43 to 186 of the 2015 annual financial report;     |
| (xii)  | Notes to the Financial Statements   | set out on pages 198 to 328 of the 2015 annual financial report;    |
| (xiii) | Independent Auditors' Report: report on the consolidated financial statements | set out on pages 35 and 36 of the 2015 annual financial report; and |
| (xiv)  | Independent Auditors' Report: report on the financial statements              | set out on pages 187 and 188 of the 2015 annual financial report.   |

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information that is not required by the relevant Annexes of the Prospectus Regulation.

4. Annual financial report (produced in accordance with International Financial Reporting Standards) for the financial year ended 31 December 2014 for Alpha Bank, including:

- |       |                               |  |
|-------|-------------------------------|--|
| (i)   | Consolidated Balance Sheet    | set out on page 40 of the 2014 annual financial report;          |
| (ii)  | Balance Sheet                 | set out on page 184 of the 2014 annual financial sheet report;   |
| (iii) | Consolidated Income Statement | set out on page 39 of the 2014 annual financial accounts report; |

(iv)	Income Statement	set out on page 183 of the 2014 annual financial accounts report;
(v)	Consolidated Statement of Comprehensive Income	set out on page 41 of the 2014 annual financial report;
(vi)	Statement of Comprehensive Income	set out on page 185 of the 2014 annual financial report;
(vii)	Consolidated Statement of Changes in Equity	set out on pages 42 and 43 of the 2014 annual financial accounts report;
(viii)	Statement of Changes in Equity	set out on page 186 of the 2014 annual financial statements report;
(ix)	Consolidated Statement of Cash Flows	set out on page 44 of the 2014 annual financial accounts report;
(x)	Statement of Cash Flows	set out on page 187 of the 2014 annual financial statements report;
(xi)	Notes to the Group Financial Statements	set out on pages 45 to 180 of the 2014 annual financial report;
(xii)	Notes to the Financial Statements	set out on pages 188 to 304 of the 2014 annual financial report;
(xiii)	Independent Auditors' Report: report on the consolidated financial statements	set out on pages 37 and 38 of the 2014 annual financial report; and
(xiv)	Independent Auditors' Report: report on the financial statements	set out on pages 181 and 182 of the 2014 annual financial report.

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information that is not required by the relevant Annexes of the Prospectus Regulation.

5. the terms and conditions contained in the offering circular dated 6 December 2004 on pages 21 to 43 inclusive;
6. the terms and conditions contained in the base prospectus dated 2 February 2006 on pages 32 to 55 inclusive;
7. the terms and conditions contained in the base prospectus dated 7 February 2007 on page 33 to 54 inclusive;
8. the terms and conditions contained in the base prospectus dated 6 March 2008 on pages 47 to 87 inclusive;
9. the terms and conditions contained in the base prospectus dated 16 March 2009 on pages 48 to 87 inclusive;
10. the terms and conditions contained in the base prospectus dated 16 April 2010 on pages 48 to 87 inclusive;

11. the terms and conditions contained in the base prospectus dated 28 April 2011 on pages 49 to 92 inclusive;
12. the terms and conditions contained in the base prospectus dated 30 May 2012 on pages 54 to 97 inclusive;
13. the terms and conditions contained in the base prospectus dated 18 June 2013 on pages 81 to 107; and
14. the terms and conditions contained in the base prospectus dated 18 June 2014 on pages 95 to 127.

For the purposes of items 5 to 14 above, any supplement(s) to the base prospectuses mentioned in these items are not incorporated by reference as they are deemed not relevant for an investor.

Alpha PLC does not produce consolidated financial statements.

Any non-incorporated parts of a document (i.e. the page references not indicated in the cross reference list above) referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus.

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

The Issuers will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the written request of such person, a copy of any or all of the documents incorporated herein by reference unless such documents have been modified or superseded as specified above. Requests for such documents should be directed to either Issuer at its registered office set out at the end of this Base Prospectus. In addition, copies of such documents will be available, without charge, from KBL European Private Bankers S.A. in its capacity as listing agent (the “**Luxembourg Listing Agent**”) for Notes admitted to trading on the Luxembourg Stock Exchange and from each Paying Agent set out at the end of this Base Prospectus during normal business hours and as long as any of the Notes are outstanding.

The relevant Issuer and/or the Guarantor, if applicable, has undertaken, in connection with the admission to trading of Notes on the Luxembourg Stock Exchange, so long as any Note remains outstanding and admitted to trading on such exchange, in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Base Prospectus, to prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes to be admitted to trading on the Luxembourg Stock Exchange.

All documents incorporated by reference in this Base Prospectus will be made available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Such documents may also be obtained, free of charge, at the offices of each Paying Agent set out at the end of this Base Prospectus during normal business hours and as long as any of the Notes are outstanding.

## FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression “**necessary information**” means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuers and of the rights attaching to the Notes. In relation to the different types of Notes which may be issued under the Programme the Issuers have endeavoured to include in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus. Such information will be contained in the relevant Final Terms unless any of such information constitutes a significant new factor relating to the information contained in this Base Prospectus in which case such information, together with all of the other necessary information in relation to the relevant series of Notes, may be contained in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, supplement this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions as completed to the extent described in the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuer and the relevant Notes or (2) by a registration document (the “**Registration Document**”) containing the necessary information relating to the Issuer, a securities note (the “**Securities Note**”) containing the necessary information relating to the relevant Notes and, if necessary, a summary note. In addition, if the Drawdown Prospectus is constituted by a Registration Document and a Securities Note, any significant new factor, material mistake or inaccuracy relating to the information included in the Registration Document which arises or is noted between the date of the Registration Document and the date of the Securities Note which is capable of affecting the assessment of the relevant Notes will be included in the Securities Note.

## FORM OF THE NOTES

Each Tranche of Notes will be in bearer form and will (unless otherwise specified in the applicable Final Terms or Drawdown Prospectus (as the case may be)) be initially represented by a temporary global Note without interest coupons or talons. Each temporary global Note which is not intended to be issued in NGN form, as specified in the relevant Final Terms will be delivered on or prior to the original issue date of the relevant Tranche to a common depositary for Euroclear and Clearstream, Luxembourg and each temporary global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the original issue date of the relevant Tranche of Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Whilst any Note is represented by a temporary global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the temporary global Note if the temporary global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not US persons or persons who have purchased for resale to any US person, as required by US Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent. Any reference in this section “*Form of the Notes*” to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the relevant Issuer and the Agent, and in case of the issue of Alpha Bank Notes (as defined below) by the Alpha Bank Noteholders Agent (as defined below).

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms or Drawdown Prospectus (as the case may be) will also indicate whether or not such Global Notes are intended to be held in a manner that would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg, as indicated in the applicable Final Terms or Drawdown Prospectus (as the case may be).

- On and after the date (the “Exchange Date”) which is the later of (i) 40 days after the date on which any temporary global Note is issued and (ii) 40 days after the completion of the distribution of the relevant Tranche, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant lead manager (in the case of a syndicated issue) (the “Distribution Compliance Period”), interests in such temporary global Note will be exchangeable (free of charge) upon request as described therein either for interests in a permanent global Note without interest coupons or talons, or for definitive Notes with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms or the Drawdown Prospectus (as the case may be) and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be)), in each case against certification of non-U.S. beneficial ownership as described above. The holder of a temporary global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the temporary global Note for an interest in a permanent global Note or for definitive Notes is improperly withheld or refused.

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*” below) the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be temporarily assigned a common code and ISIN by Euroclear and

Clearstream, Luxembourg, which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the Distribution Compliance Period applicable to Notes of such Tranche.

In case of an issue of Notes by Alpha Bank to which Law 3156/2003 applies and for the purposes of which the appointment of an Alpha Bank Noteholders Agent (as defined below) is required (if so), as per Law 3156/2003 (the “**Alpha Bank Notes**”), Alpha Bank shall appoint an agent of the holders of Alpha Bank Notes (the “**Alpha Bank Noteholders Agent**”) in accordance with Condition 17 of the Notes below.

Payments of principal, interest (if any) or any other amounts on a permanent global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the permanent global Note if the permanent global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms or the Drawdown Prospectus (as the case may be) will specify that either (i) a permanent global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached upon not less than 60 days’ written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such permanent global Note) to the Agent and, in case of issue of Alpha Bank Notes, to the Alpha Bank Noteholders Agent as described therein or (ii) a permanent global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached only upon the occurrence of an Exchange Event as described therein. “**Exchange Event**” means (i) in the case of Senior Notes, an Event of Default has occurred and is continuing or in the case of Dated Subordinated Notes any Subordinated Default Event has occurred and is continuing, (ii) the relevant Issuer has been notified that either Euroclear or Clearstream, Luxembourg has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system is available or (iii) at the option of the relevant Issuer at any time; **provided that**, in the case of an issue of Notes with denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, only Exchange Events (i) or (ii) will apply. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event as described in (i) or (ii) above, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such permanent global Note) may give notice to the Agent and, in case of issue of Alpha Bank Notes, to the Alpha Bank Noteholders Agent requesting exchange and in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may give notice to the Agent and, in case of issue of Alpha Bank Notes, to the Alpha Bank Noteholders Agent requesting exchange. Any such exchange shall not occur not later than 30 days after the date of receipt of the first relevant notice by the Agent and, in case of issue of Alpha Bank Notes, to the Alpha Bank Noteholders Agent.

The following legend will appear on all global Notes, definitive Notes, interest coupons and talons:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to provide that holders who are United States persons (as defined in the United States Revenue Code of 1986, as amended), with certain exceptions, will not be entitled to deduct any loss on any Notes or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Notes or interest coupons.

In the event that a global Note (or any part thereof) has become due and repayable in accordance with the terms and conditions of the Notes or that the Maturity Date has occurred and, in either case, payment in full of the amount due has not been made in accordance with the provisions of the global Note then, unless within the period of seven days commencing on the relevant due date payment in full of the amount due in respect of the global Note is received by the bearer in accordance with the provisions of the global Note, the global Note will become void at 8.00 p.m. (London time) on such seventh day and the bearer will have no further rights under the global Note. At the same time, holders of interest in such global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the relevant Issuer on the basis of statements of account provided by Euroclear and Clearstream, Luxembourg, on and subject to the terms of an amended and restated deed of covenant (the “**Deed of Covenant**”) dated 16 March 2009 executed by the Issuers.

## APPLICABLE FINAL TERMS

### NOTES WITH A DENOMINATION OF LESS THAN €100,000 (OR ITS EQUIVALENT IN ANY OTHER CURRENCY)

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes which have a denomination of less than €100,000 (or its equivalent in any other currency) issued under the Programme.*

Final Terms dated [ ]

**[ALPHA CREDIT GROUP PLC (the “Issuer”) [(acting through its [ ] branch) (the “Issuing Branch”)]/**

**ALPHA BANK AE (the “Issuer”) [(acting through its [ ] branch) (the “Issuing Branch”)]]**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the EUR 30,000,000,000 Euro Medium Term Note Programme

**[guaranteed by ALPHA BANK AE (the “Guarantor”) [(acting through its [ ] branch) (the “Guaranteeing Branch”)]]**

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 22 April 2016 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the “**Base Prospectus**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. A summary of the Notes (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. The Base Prospectus has been published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

*[The following alternate language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date. N.B. when using a post – 1 July 2012 approved Base Prospectus to tap a previous issue under a pre – 1 July 2012 approved Base Prospectus, the final terms in the post – 1 July 2012 Base Prospectus will take a different form due to the more restrictive approach to final terms. The Conditions of the original issue being tapped should be reviewed to ensure that they would not require the final terms documenting the further issue to include information which is no longer permitted in final terms. Where the final terms documenting the further issue would need to include such information, it will not be possible to tap using final terms and a drawdown prospectus (incorporating the original Conditions and final terms) will instead need to be prepared.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated [[6 December 2004][2 February 2006][7 February 2007][6 March 2008][16 March 2009][16 April 2010][28 April 2011][30 May 2012][18 June 2013][18 June 2014]] which are incorporated by reference in the Base Prospectus dated 22 April 2016. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 22 April 2016 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the “**Base Prospectus**”), including the Conditions incorporated by reference in the Base Prospectus. Full information on the Issuer [, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the

Base Prospectus. A summary of the Notes (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. The Base Prospectus has been published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

*[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]*

1. (a) Series Number: [ ]
- (b) Tranche Number: [ ]
- (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with *[Provide issue amount/ISIN/maturity date/issue date of earlier Tranches]* on *[the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 24(a) below, which is expected to occur on or about [date]]**[Not Applicable]*
2. Specified Currency or Currencies: [ ]
3. Aggregate Nominal Amount:
  - (a) Series: [ ]
  - (b) Tranche: [ ]
4. Issue Price: [ ] per cent. of the Aggregate Nominal Amount *[plus accrued interest from [insert date] (if applicable)]*
5. (a) Specified Denominations: [ ]
- (b) Calculation Amount: [ ]  
*(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
6. (a) Issue Date: [ ]
- (b) Interest Commencement Date: *[specify/Issue Date/Not Applicable]*  
*(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
7. Maturity Date: *[Specify date or for Floating rate notes - Interest Payment Date falling in or nearest to [specify month and year]]*  
*(NB: The Maturity Date of Notes issued by Alpha PLC should not be less than one year after the Issue Date)*  
  
*(N.B. in the case of Dated Subordinated Notes this must be at least five years after the Issue Date)*

8. Interest Basis: [[ ] per cent. Fixed Rate]  
 [Reset Notes]  
 [[[ ] month [LIBOR/EURIBOR/ROBOR]] +/- [ ] per cent. Floating Rate]  
 [Zero Coupon]  
 (further particulars specified below)
9. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [ ] per cent. of their nominal amount
10. Change of Interest Basis: [*Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 13 and 14 below and identify there*] [Not Applicable]
11. Put/Call Options: [Not Applicable]  
 [Investor Put]  
 [Issuer Call]  
 [(further particulars specified below)]
12. (a) Status of the Notes: [Senior/Dated Subordinated]  
 (b) [Status of the Guarantee: [Senior/Dated Subordinated]]  
 (c) Date [Board] approval for [ ] [and [ ], respectively][Not Applicable]  
 issuance of Notes [and (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee*)  
 Guarantee] obtained:

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions: [Applicable/Not Applicable]  
 (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Rate(s) of Interest: [ ] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear] on each Interest Payment Date
- (b) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date
- (c) Fixed Coupon Amount(s): [ ] per Calculation Amount  
 (*Applicable to Notes in definitive form*)
- (d) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]  
 (*Applicable to Notes in definitive form*)
- (e) Day Count Fraction: [Actual/Actual (ICMA)  
 30/360 or 360/360 or Bond Basis  
 30E/360 or Eurobond Basis  
 30E/360 (ISDA)]
- (f) Determination Date(s): [[ ] in each year][Not Applicable]  
 (*Only relevant where Day Count Fraction is*

*Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon).*

14. Reset Note Provisions: [Applicable/Not Applicable]
- (a) Initial Rate of Interest: [ ] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear on each Interest Payment Date]
  - (b) First Margin: [+/-][ ] per cent. per annum
  - (c) Subsequent Margin: [[+/-][ ] per cent. per annum] [Not Applicable]
  - (d) Interest Payment Date(s): [[ ] [and [ ]]] in each year up to and including the Maturity Date
  - (e) Fixed Coupon Amount to (but excluding) the First Reset Date:  
*(Applicable to Notes in definitive form)* [ ] per Calculation Amount
  - (f) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]  
*(Applicable to Notes in definitive form)*
  - (g) First Reset Date: [ ]
  - (h) Second Reset Date: [ ]/[Not Applicable]
  - (i) Subsequent Reset Date(s): [ ] [and [ ]]] [Not Applicable]
  - (j) Relevant Screen Page: [ ]
  - (k) Mid-Swap Rate: [Single Mid-Swap Rate/Mean Mid-Swap Rate]
  - (l) Mid-Swap Maturity: [ ]
  - (m) Fixed Leg Swap Duration: [ ]
  - (n) Day Count Fraction: [Actual/Actual (ICMA)  
30/360 or 360/360 or Bond Basis  
30E/360 or Eurobond Basis  
30E/360 (ISDA)]
  - (o) Determination Date(s): [[ ] in each year][Not Applicable]  
*(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon).*
  - (p) Business Centre(s): [ ]
  - (q) Calculation Agent: [ ]
15. Floating Rate Note Provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (a) Specified Period(s)/Specified Interest Payment Dates: [ ], subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to any adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
- (c) Additional Business Centre(s): [ ] [Not Applicable]
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [ ] [Not Applicable]
- (f) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [ ] month [LIBOR/EURIBOR/ROBOR].
  - Interest Determination Date(s): [ ]  
(*Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR, the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR and the second Bucharest business day prior to the start of each Interest Period if ROBOR.*)
  - Relevant Screen Page: [ ]  
(*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
- (g) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]
- (h) Linear Interpolation: [Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (i) Margin(s): [+/-] [ ] per cent. per annum
- (j) Minimum Rate of Interest: [Applicable/Not Applicable/[ ] per cent. per annum]

- (k) Maximum Rate of Interest: [Applicable/Not Applicable/[ ] per cent. per annum]
- (l) Day Count Fraction: [Actual/365 or Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/360  
30/360 or 360/360 or Bond Basis  
30E/360 or Eurobond basis  
30E/360 (ISDA)]
16. Zero Coupon Note Provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Accrual Yield: [ ] per cent. per annum
- (b) Reference Price: [ ]
- (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360]  
[Actual/360]  
[Actual/365]

#### **PROVISIONS RELATING TO REDEMPTION**

17. Condition 6(b)(iii) (*Proceeds On-Loan Tax Call*): [Applicable/Not Applicable]
18. Condition 6(c) (*Capital Disqualification Event*): [Applicable/Not Applicable]
19. Notice periods for Condition 6(b) [and Condition 6(c)]: [Minimum period: [30] days]  
[Maximum period: [60] days]  
[Not Applicable]
20. Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount: [ ] per Calculation Amount
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [[ ] per Calculation Amount] [Not Applicable]
- (ii) Maximum Redemption Amount: [[ ] per Calculation Amount] [Not Applicable]
- (d) Notice periods: [Minimum period: [15] days]  
[Maximum period: [30] days]  
[Not Applicable]  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business*

*days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)*

21. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount: [ ] per Calculation Amount
- (c) Notice periods: [Minimum period: [15] days]  
[Maximum period: [30] days]  
[Not Applicable]  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
22. Final Redemption Amount: [ ] per Calculation Amount
23. Early Redemption Amount payable on redemption for taxation reasons, on a Capital Disqualification Event or on event of default: [ ] per Calculation Amount

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24. Form of Notes:
- (a) Form: *(Delete as appropriate)*
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on 60 days' notice given at any time/only upon an Exchange Event]
- [Temporary Global Note exchangeable for Definitive Notes on 60 days' notice]
- [Permanent Global Note exchangeable for Definitive Notes on 60 days' notice given at any time/only upon an Exchange Event]
- (N.B. Ensure that this is consistent with the wording in the "Form of the Notes" section in the Base Prospectus and the Notes themselves. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 5 includes language substantially to the following effect: "[●] and integral multiples of [●] in excess thereof up to and including [●].")*

- (b) [New Global Note: [Yes][No]]
25. Additional Financial Centre(s): [Not Applicable/give details]  
*(Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which sub-paragraph 15(c) relates)*
26. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

**[THIRD PARTY INFORMATION**

[ ] has been extracted from [*specify source*]. [Each of the] [The] Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

**Signed on behalf of [Alpha Credit Group] [Alpha Bank AE]: [Signed on behalf of [Alpha Bank AE]]**

**By: ..... By: .....**

**Duly authorised Duly authorised]**

## PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING** [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant regulated market (for example the Luxembourg Stock Exchange’s regulated market, the London Stock Exchange’s regulated market or the regulated market of the Irish Stock Exchange)*] and, if relevant, listing on an official list (for example, the Official List of the UK Listing Authority or the Official List of the Luxembourg Stock Exchange)] with effect from [ ].]

[Not Applicable]

*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*

## 2. RATINGS

Ratings:

[The Notes to be issued [[have been]/[are expected to be]] rated]:

*[insert details]*] by *[insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms]*.

[Each of *[defined terms]* is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”).]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*

[The Notes to be issued have not been rated.]

## 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business - *Amend as appropriate if there are other interests*]

*[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]*

## 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) [Reasons for the offer:

[ ]

*(See “Use of Proceeds” wording in Base Prospectus – if reasons for offer different from making profit and/or*

*hedging certain risks will need to include those reasons here.)]*

(ii) Estimated net proceeds: [ ]  
*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

(iii) Estimated total expenses: [ ]  
*[Expenses are required to be broken down into each principal intended “use” and presented in order of priority of such “uses”.]*

## 5. YIELD (*Fixed Rate Notes only*)

Indication of yield: [ ] [Not Applicable]

## 6. HISTORIC INTEREST RATES (*FLOATING RATE NOTES ONLY*)

Details of historic [LIBOR/EURIBOR/ROBOR] rates can be obtained from [Reuters].

## 7. OPERATIONAL INFORMATION

(i) ISIN: [ ]

(ii) Common Code: [ ]

(iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, the relevant identification number(s) and address(es): [Not Applicable/*give name(s), number(s) and address(es)*]

(iv) Delivery: Delivery [against/free of] payment

(v) Names and addresses of additional Paying Agent(s) (if any): [ ]

(vi) [Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common

safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

## 8. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names and addresses of Managers and underwriting commitments/quotas (material features): [Not Applicable/give names, addresses and underwriting commitments]
- (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)*
- (iii) Date of [Subscription] Agreement: [ ]
- (iv) Stabilisation Manager(s) (if any): [Not Applicable/give name]
- (v) If non-syndicated, name and address of relevant Dealer: [Not Applicable/give name and address]
- (vi) Total commission and concession: [ ] per cent. of the Aggregate Nominal Amount
- (vii) U.S. Selling Restrictions: [Reg. S Compliance Category [1/2/3]; TEFRA D/TEFRA C/TEFRA not applicable]]
- (viii) Non-exempt Offer: [Applicable] [Not Applicable]*(if not applicable, delete the remaining placeholders of this sub paragraph (viii) and also paragraph 9 below).*
- (ix) Non-exempt Offer Jurisdictions: *[Specify relevant Member State(s) where the issuer intends to make Non-exempt Offers (where the Base Prospectus lists the Non-exempt Offer Jurisdictions, select from that list), which must therefore be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]*
- (x) Offer Period: [Specify date] until [specify date or a formula such as “the Issue Date” or “the date which falls [●] Business Days thereafter”] (the “Offer Period”)
- (xi) Financial intermediaries granted specific consent to use the Base *[Insert names and addresses of financial intermediaries receiving consent (specific consent)]*

Prospectus in accordance with the  
Conditions in it:

- (xii) General Consent: [Not Applicable][Applicable]
- (xiii) Other Authorised Offeror Terms: [Not Applicable][Add here any other Authorised Offeror Terms].

*(Authorised Offeror Terms should only be included here where General Consent is applicable.)*

*(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a Non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)*

## 9. [TERMS AND CONDITIONS OF THE OFFER

*(Delete whole section if sub-paragraph 8(viii) above is specified to be Not Applicable because there is no Non-exempt Offer)*

Offer Price: [Issue Price/Not Applicable/specify]

Conditions to which the offer is subject: [Not Applicable/give details]

Description of the application process: [Not Applicable/give details]

Details of the minimum and/or maximum amount of application: [Not Applicable/give details]

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not Applicable/give details]

Details of the method and time limits for paying up and delivering the Notes: [Not Applicable/give details]

Manner in and date on which results of the offer are to be made public: [Not Applicable/give details]

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/give details]

Whether tranche(s) have been reserved for certain countries: [Not Applicable/give details]

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Not Applicable/give details]

Amount of any expenses and taxes [Not Applicable/give details]

specifically charged to the subscriber or purchaser:

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: [The Authorised Offerors identified in paragraph 8 above and identifiable from the Base Prospectus/None/*give details*].

[Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment:] [None/*give details*]

**ANNEX**  
**SUMMARY OF THE NOTES**

[ ]

**NOTES WITH A DENOMINATION OF AT LEAST €100,000 (OR ITS EQUIVALENT IN ANY OTHER CURRENCY) OR MORE**

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes which have a denomination of at least €100,000 (or its equivalent in any other currency) or more issued under the Programme.*

Final Terms dated [ ]

**[ALPHA CREDIT GROUP PLC (the “Issuer”) [(acting through its [ ] branch) (the “Issuing Branch”)]/**

**ALPHA BANK AE (the “Issuer”) [(acting through its [ ] branch) (the “Issuing Branch”)]]**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the EUR 30,000,000,000 Euro Medium Term Note Programme

**[guaranteed by ALPHA BANK AE (the “Guarantor”) [(acting through its [ ] branch) (the “Guaranteeing Branch”)]]**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 22 April 2016 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the “**Base Prospectus**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

*[The following alternate language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date. N.B. when using a post – 1 July 2012 approved Base Prospectus to tap a previous issue under a pre – 1 July 2012 approved Base Prospectus, the final terms in the post – 1 July 2012 Base Prospectus will take a different form due to the more restrictive approach to final terms. The Conditions of the original issue being tapped should be reviewed to ensure that they would not require the final terms documenting the further issue to include information which is no longer permitted in final terms. Where the final terms documenting the further issue would need to include such information, it will not be possible to tap using final terms and a drawdown prospectus (incorporating the original Conditions and final terms) will instead need to be prepared.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated [[6 December 2004][2 February 2006][7 February 2007][6 March 2008][16 March 2009][16 April 2010][28 April 2011][30 May 2012][18 June 2013][18 June 2014]] which are incorporated by reference in the Base Prospectus dated 22 April 2016. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 22 April 2016 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the “**Base Prospectus**”), including the Conditions incorporated by reference in the Base Prospectus. Full information on the Issuer [, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

*[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]*

1. (a) Series Number: [ ]
- (b) Tranche Number: [ ]
- (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with *[Provide issue amount/ISIN/maturity date/issue date of earlier Tranches]* on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 24(a) below, which is expected to occur on or about *[date]*][Not Applicable]
2. Specified Currency or Currencies: [ ]
3. Aggregate Nominal Amount:
  - (a) Series: [ ]
  - (b) Tranche: [ ]
4. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
5. (a) Specified Denominations: [ ]  
*(N.B. Notes must have a minimum denomination of EUR 100,000 (or equivalent))*  
*(Note – where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed:*  
*“[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”)*
- (b) Calculation Amount: [ ]  
*(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
6. (a) Issue Date: [ ]
- (b) Interest Commencement Date: *[specify/Issue Date/Not Applicable]*  
*(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*

7. Maturity Date: *[Specify date or for Floating rate notes - Interest Payment Date falling in or nearest to [specify month and year]]*  
*(N.B. in the case of Dated Subordinated Notes this must be at least five years after the Issue Date)*  
*(N.B. If the Maturity Date is less than one year from the Issue Date, any Notes issued by Alpha PLC must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to professional investors (or another applicable exception from section 19 of the Financial Services and Markets Act 2000 must be available).)*
8. Interest Basis:  per cent. Fixed Rate]  
 [Reset Notes]  
 month [LIBOR/EURIBOR/ROBOR]]  
 +/-  per cent. Floating Rate]  
 [Zero Coupon]  
 (further particulars specified below)
9. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at  per cent. of their nominal amount
10. Change of Interest Basis: *[Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 13 and 14 below and identify there]*[Not Applicable]
11. Put/Call Options: [Not Applicable]  
 [Investor Put]  
 [Issuer Call]  
 [(further particulars specified below)]
12. (a) Status of the Notes: [Senior/Dated Subordinated]  
 (b) [Status of the Guarantee: [Senior/Dated Subordinated]]  
 (c) Date [Board] approval for  [and  ], respectively]] [Not Applicable]  
 issuance of Notes [and *(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)*  
 Guarantee] obtained:

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

13. Fixed Rate Note Provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Rate(s) of Interest:  per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear] on each Interest Payment Date
- (b) Interest Payment Date(s):  in each year up to and including the Maturity Date
- (c) Fixed Coupon Amount(s):  per Calculation Amount

*(Applicable to Notes in definitive form)*

- (d) Broken Amount(s): *(Applicable to Notes in definitive form)* [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]] [Not Applicable]
- (e) Day Count Fraction: [Actual/Actual (ICMA)  
30/360 or 360/360 or Bond Basis  
30E/360 or Eurobond Basis  
30E/360 (ISDA)]
- (f) Determination Date(s): [[ ] in each year][Not Applicable]  
*(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)*
14. Reset Note Provisions: [Applicable/Not Applicable]
- (a) Initial Rate of Interest: [ ] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear on each Interest Payment Date]
- (b) First Margin: [+/-][ ] per cent. per annum
- (c) Subsequent Margin: [[+/-][ ] per cent. per annum] [Not Applicable]
- (d) Interest Payment Date(s): [[ ]][and [ ]] in each year up to and including the Maturity Date
- (e) Fixed Coupon Amount to (but excluding) the First Reset Date: *(Applicable to Notes in definitive form)* [ ] per Calculation Amount
- (f) Broken Amount(s): *(Applicable to Notes in definitive form)* [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]
- (g) First Reset Date: [ ]
- (h) Second Reset Date: [ ]/[Not Applicable]
- (i) Subsequent Reset Date(s): [ ] [and [ ]] [Not Applicable]
- (j) Relevant Screen Page: [ ]
- (k) Mid-Swap Rate: [Single Mid-Swap Rate/Mean Mid-Swap Rate]
- (l) Mid-Swap Maturity: [ ]
- (m) Fixed Leg Swap Duration: [ ]
- (n) Day Count Fraction: [Actual/Actual (ICMA)  
30/360 or 360/360 or Bond Basis  
30E/360 or Eurobond Basis]

30E/360 (ISDA)]

- (o) Determination Date(s):  in each year][Not Applicable]  
*(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon).*
- (p) Business Centre(s):  ]
- (q) Calculation Agent:  ]
15. Floating Rate Note Provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Specified Period(s)/ Specified Interest Payment Dates:  ], subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to any adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
- (c) Additional Business Centre(s):  ] [Not Applicable]
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):  ] [Not Applicable]
- (f) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate:  ] month [LIBOR/EURIBOR/ROBOR]
  - Interest Determination Date(s):  ]  
*(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR, the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR and the second Bucharest business day prior to the start of each Interest Period if ROBOR.)*
  - Relevant Screen Page:  ]  
*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*

- (g) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]
- (h) Linear Interpolation: [Not Applicable/Applicable - the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (i) Margin(s): [+/-] [ ] per cent. per annum
- (j) Minimum Rate of Interest: [Applicable/Not Applicable/[ ] per cent. per annum]
- (k) Maximum Rate of Interest: [Applicable/Not Applicable/[ ] per cent. per annum]
- (l) Day Count Fraction: [Actual/365 or Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/360  
30/360 or 360/360 or Bond Basis  
30E/360 or Eurobond Basis  
30E/360 (ISDA)]
16. Zero Coupon Note Provisions: [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Accrual Yield: [ ] per cent. per annum
  - (b) Reference Price: [ ]
  - (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360]  
[Actual/360]  
[Actual/365]

#### **PROVISIONS RELATING TO REDEMPTION**

17. Condition 6(b)(iii) (*Proceeds On-Loan Tax Call*): [Applicable/Not Applicable]
18. Condition 6(c) (*Capital Disqualification Event*): [Applicable/Not Applicable]
19. Notice periods for Condition 6(b) [and Condition 6(c)]: [Minimum period: [30] days]  
[Maximum period: [60] days]  
[Not Applicable]
20. Issuer Call: [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Optional Redemption Date(s): [ ]
  - (b) Optional Redemption Amount: [ ] per Calculation Amount
  - (c) If redeemable in part:

- (i) Minimum Redemption Amount: [[ ] per Calculation Amount] [Not Applicable]
- (ii) Maximum Redemption Amount: [[ ] per Calculation Amount] [Not Applicable]
- (d) Notice periods: [Minimum period: [15] days]  
[Maximum period: [30] days]  
[Not Applicable]  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
21. Investor Put: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount: [ ] per Calculation Amount
- (c) Notice periods: [Minimum period: [15] days]  
[Maximum period: [30] days]  
[Not Applicable]  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
22. Final Redemption Amount: [ ] per Calculation Amount
23. Early Redemption Amount payable on redemption for taxation reasons, on a Capital Disqualification Event or on event of default: [ ] per Calculation Amount

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24. Form of Notes:
- (a) Form: *(Delete as appropriate)*
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on 60 days' notice given at any time/only upon an Exchange Event]
- [Temporary Global Note exchangeable for Definitive Notes on 60 days' notice]
- [Permanent Global Note exchangeable for Definitive

Notes on 60 days' notice given at any time/only upon an Exchange Event]

*(N.B. Ensure that this is consistent with the wording in the "Form of the Notes" section in the Base Prospectus and the Notes themselves. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 5 includes language substantially to the following effect: "[100,000] and integral multiples of [1,000] in excess thereof up to and including [199,000].")*

- (b) [New Global Note: [Yes][No]]
25. Additional Financial Centre(s): [Not Applicable/give details]  
*(Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which sub-paragraph 15(c) relates)*
26. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

**[THIRD PARTY INFORMATION]**

[[ ] has been extracted from *[specify source]*. [Each of the] [The] Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by *[specify source]*, no facts have been omitted which would render the reproduced information inaccurate or misleading.]

**Signed on behalf of [Alpha Credit Group] [Alpha Bank AE]: [Signed on behalf of [Alpha Bank AE]]**

**By: ..... By: .....**

**Duly authorised Duly authorised]**

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant regulated market (for example the Luxembourg Stock Exchange's regulated market, the London Stock Exchange's regulated market or the regulated market of the Irish Stock Exchange)*] and, if relevant, listing on an official list (for example, the Official List of the UK Listing Authority or the Official List of the Luxembourg Stock Exchange)] with effect from [ ].]

[Not Applicable]

*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*

- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

Ratings: [The Notes to be issued [[have been]/[are expected to be]] rated];

*[insert details]*] by *[insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms]*.

[Each of *[defined terms]* is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”).]

[The Notes to be issued have not been rated.]

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business - *Amend as appropriate if there are other interests*]

*[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]*

### 4. YIELD (*Fixed Rate Notes only*)

Indication of yield: [ ] [Not Applicable]

**5. HISTORIC INTEREST RATES (*FLOATING RATE NOTES ONLY*)**

Details of historic [LIBOR/EURIBOR/ROBOR] rates can be obtained from [Reuters].

**6. OPERATIONAL INFORMATION**

- (i) ISIN: [ ]
- (ii) Common Code: [ ]
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, the relevant identification number(s) and address(es): [Not Applicable/*give name(s), number(s) and address(es)*]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of additional Paying Agent(s) (if any): [ ]
- (vi) [Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/  
  
[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]
- (vii) U.S. Selling Restrictions: [Reg. S Compliance Category [1/2/3]; TEFRA D/TEFRA C/TEFRA not applicable]]

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each global Note and each definitive Note, in the latter case only if permitted by the relevant stock exchange (if any) and agreed by the relevant Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, each definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The term "Issuer" as used in these Terms and Conditions refers to the Issuer specified as such in the applicable Final Terms or the Drawdown Prospectus (as the case may be) in relation to a particular Tranche of Notes. The applicable Drawdown Prospectus in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms or the Drawdown Prospectus (as the case may be) (or the relevant provisions thereof) will be endorsed upon, or attached to, each global Note and each definitive Note. Reference should be made to "Form of the Notes" and the "Final Terms or Drawdown Prospectus" for a description of the content of Final Terms or the Drawdown Prospectus (as the case may be) which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series of notes issued by the Issuer specified as such in the applicable Final Terms or the Drawdown Prospectus (as the case may be) (as defined below), being either Alpha Credit Group PLC ("**Alpha PLC**") or Alpha Bank AE ("**Alpha Bank**"), acting through its Issuing Branch (as specified in the applicable Final Terms) (together the "**Issuers**") the notes of such Series being hereinafter called the "**Notes**", which expression shall mean (i) in relation to any Notes represented by a global Note, units of each Specified Denomination in the Specified Currency, (ii) definitive Notes issued in exchange for a global Note and (iii) any global Note each as issued in accordance with an amended and restated Fiscal Agency Agreement (the "**Agency Agreement**", which expression shall include any amendments or supplements thereto) dated 22 April 2016 and made between the Alpha PLC, Alpha Bank and Citibank, N.A. in its capacity as Issuing and Principal Paying Agent (the "**Agent**", which expression shall include any successor to Citibank, N.A. in its capacity as such) and the other Paying Agents named therein (the "**Paying Agents**", which expression shall include the Agent and any substitute or additional Paying Agents appointed in accordance with the Agency Agreement).

The Notes and the Coupons (each as defined below) have the benefit of an amended and restated deed of covenant (the "**Deed of Covenant**", which expression shall include any amendments or supplements thereto) dated 16 March 2009 executed by the Issuers in relation to the Notes. The original Deed of Covenant is held by the common depository for Euroclear and Clearstream, Luxembourg (each as defined below).

Notes issued by Alpha PLC are the subject of a deed of guarantee (the "**Guarantee**") dated 18 June 2013 (as amended or supplemented from time to time, the "**Deed of Guarantee**") entered into by Alpha Bank (in such capacity, the "**Guarantor**").

Interest bearing definitive Notes will (unless otherwise indicated in the applicable Final Terms or the Drawdown Prospectus (as the case may be)) have interest coupons ("**Coupons**") and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons.

The Final Terms or the Drawdown Prospectus (as the case may be) for this Note (or the relevant provisions thereof) is attached hereto or endorsed hereon and supplements these Terms and Conditions and the Drawdown Prospectus (if applicable) for this Note may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References herein to

“**applicable Final Terms or the Drawdown Prospectus (as the case may be)**” are to the Final Terms or the Drawdown Prospectus (as the case may be) attached hereto or endorsed hereon.

The Final Terms or the Drawdown Prospectus (as the case may be) for each Tranche of Notes will state in particular whether this Note is (i) a senior Note (a “**Senior Note**”) or (ii) a dated subordinated Note (a “**Dated Subordinated Note**”).

In case of issue of Notes by Alpha Bank to which Law 3156/2003 applies and for the purposes of which the appointment of an Alpha Bank Noteholders Agent (as defined below) is required (if so), as per Law 3156/2003 (the “**Alpha Bank Notes**”), Alpha Bank shall appoint an agent of the holders of Alpha Bank Notes (the “**Alpha Bank Noteholders Agent**”) in accordance with Condition 17 of the Notes below.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which (i) are expressed to be consolidated and form a single series and (ii) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Any reference to “**Noteholders**” or “**holders**” in relation to any Notes shall mean the holders of the Notes and shall, in relation to any Notes represented by a global Note, be construed as provided below. Any reference to “**Alpha Bank Noteholders**” in relation to any Notes shall mean the holders of Alpha Bank Notes, as defined in Condition 17 below, and shall, in relation to any Notes represented by a global Note, be construed as provided below. Any reference herein to “**Couponholders**” shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Guarantee and subject to their detailed provisions. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant, the Deed of Guarantee and the applicable Final Terms or the Drawdown Prospectus (as the case may be) which are applicable to them. Copies of the Agency Agreement, the Deed of Covenant and the Deed of Guarantee are available for inspection and copies of the applicable Final Terms or the Drawdown Prospectus (as the case may be) may be obtained during normal business hours at the specified office of each of the Agent and the other Paying Agents and, in case of issue of Alpha Bank Notes, of the Alpha Bank Noteholders Agent, save that, if this Note is an unlisted Note of a Series, the applicable Final Terms or the Drawdown Prospectus (as the case may be) may only be obtained by a Noteholder holding one or more unlisted Notes of any Series and such Noteholder must produce evidence satisfactory to the relevant Paying Agent as to its holding of Notes and as to identity. If the Notes are to be admitted to trading on the regulated market of the Luxembourg Stock Exchange, the applicable Final Terms or the Drawdown Prospectus (as the case may be) will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Words and expressions defined in the Agency Agreement, the Deed of Covenant or the Deed of Guarantee or which are used in the applicable Final Terms or the Drawdown Prospectus (as the case may be) shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between the Agency Agreement, Deed of Covenant or the Deed of Guarantee and the applicable Final Terms or the Drawdown Prospectus (as the case may be), the applicable Final Terms or the Drawdown Prospectus (as the case may be) will prevail.

In the Conditions, “**euro**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, and “**RON**” are to Romanian New Lei.

## 1. Form, Denomination and Title

The Notes are in bearer form in the currency (“**Specified Currency**”) and the denominations (the “**Specified Denomination(s)**”) and, in the case of definitive Notes, serially numbered as specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may (i) bear interest calculated by reference to one or more fixed rates of interest (such Note, a “**Fixed Rate Note**”), (ii) bear interest calculated by reference to, in the case of an initial period, an initial fixed rate of interest and, thereafter, the applicable fixed rate of interest that has been determined pursuant to the reset provisions contained in these Terms and Conditions by reference to a mid-market swap rate for the Specified Currency (such Note, a “**Reset Note**”), (iii) bear interest calculated by reference to one or more floating rates of interest (such Note, a “**Floating Rate Note**”), (iv) be issued on a non-interest bearing basis and be offered and sold at a discount to its nominal amount (such Note, a “**Zero Coupon Note**”) or (v) a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

This Note may be a Senior Note or a Dated Subordinated Note depending upon the Status of the Notes shown in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

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

Subject as set out below, title to the Notes and Coupons will pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the Issuer and any Paying Agent shall (subject as provided below) be entitled to deem and treat (and no such person will be liable for so deeming and treating) the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a global Note held on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and/or Clearstream Banking, *société anonyme* (“**Clearstream, Luxembourg**”) each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer and/or the Guarantor, if applicable, the Agent, any other Paying Agent and, in case of issue of Alpha Bank Notes, the Alpha Bank Noteholders Agent as the holder of such nominal amount of Notes for all purposes other than with respect to the payment of principal or interest on such Notes, for which purpose the bearer of the relevant global Note shall be treated by the relevant Issuer and/or the Guarantor, if applicable, the Agent, any other Paying Agent and, in case of issue of Alpha Bank Notes, the Alpha Bank Noteholders Agent as the holder of such nominal amount of Notes in accordance with and subject to the terms of the relevant global Note (and the expressions “**Noteholder**”, “**holder of Notes**” and “**Alpha Bank Noteholders**” and related expressions shall be construed accordingly). Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the relevant Issuer and/or the Guarantor, if applicable, and the Agent and specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

**2. Status of the Senior Notes and the Guarantee in respect of Senior Notes issued by Alpha PLC**

- (a) If the Notes are specified as Senior Notes in the applicable Final Terms or the Drawdown Prospectus (as the case may be), the Notes and any relative Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer which will at all times rank *pari passu* without any preference among themselves and at least *pari passu* with all other present and future unsecured (subject as aforesaid) and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.
- (b) The obligations of the Guarantor under the Guarantee in respect of Senior Notes issued by Alpha PLC constitute direct, general, unconditional and unsubordinated obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured (subject as aforesaid) and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by mandatory provisions of law.

**3. Status of Dated Subordinated Notes and the Guarantee in respect of Dated Subordinated Notes**

- (a) If the Notes are specified as Dated Subordinated Notes in the applicable Final Terms or Drawdown Prospectus (as the case may be), the Notes and any relative Coupons are and will be, direct, unsecured and subordinated obligations of the Issuer and rank at all times *pari passu* among themselves.

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

“**Senior Creditors of the Issuer**” means creditors of the Issuer (a) who are unsubordinated creditors of the Issuer, or (b) who are subordinated creditors of the Issuer whose claims are expressed to rank in priority to the claims of the holders of Dated Subordinated Notes (whether only in the winding up of the Issuer or otherwise).

In case of dissolution, liquidation and/or bankruptcy of the Issuer the holders of Dated Subordinated Notes will only be paid by the Issuer after all Senior Creditors of the Issuer have been paid in full and the holders of Dated Subordinated Notes irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Issuer in such circumstances.

- (b) The payment of principal and interest in respect of the Dated Subordinated Notes has been irrevocably guaranteed on a subordinated basis by the Guarantor.

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

“**Senior Creditors of the Guarantor**” means creditors of the Guarantor (a) who are unsubordinated creditors of the Guarantor, or (b) who are subordinated creditors of the Guarantor whose claims are expressed to rank in priority to the claims of the holders of Dated Subordinated Notes or other persons claiming under the Guarantee (whether only in the winding up of the Guarantor or otherwise).

In case of dissolution, liquidation and/or bankruptcy of the Guarantor the holders of Dated Subordinated Notes will only be paid by the Guarantor after all Senior Creditors of the Guarantor have been paid in full and the holders of Dated Subordinated Notes irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Guarantor.

#### 4. **Negative Pledge**

This Condition 4 shall apply only to Senior Notes and references to “**Notes**” and “**Noteholders**” shall be construed accordingly. So long as any of the Notes remains outstanding (as defined in the Agency Agreement), neither the Issuer nor the Guarantor (if applicable) shall create or permit to be outstanding any mortgage, charge, lien, pledge or other similar encumbrance or security interest upon the whole or any part of its undertaking or assets, present or future (including any uncalled capital), to secure any Indebtedness (as defined below) or any guarantee or indemnity given in respect of any Indebtedness, without, in the case of the creation of an encumbrance or security interest, at the same time and, in any other case, promptly according to the Noteholders an equal and rateable interest in the same or providing to the Noteholders such other security as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders save that the Issuer or the Guarantor (if applicable) may create or permit to subsist a security interest to secure Indebtedness and/or any guarantee or indemnity given in respect of Indebtedness of any person, in each case as aforesaid, (but without the obligation to accord or provide to the Noteholders either, an equal and rateable interest in the same or such other security as aforesaid) where such security interest:

- (a) is created pursuant to any securitisation, asset-backed financing or like arrangement in accordance with normal market practice and whereby the amount of Indebtedness secured by such security interest or in respect of which any guarantee or indemnity is secured by such security interest is limited to the value of the assets secured; or
- (b) is granted in relation to assets-backed bonds issued by Alpha Bank under Greek law as “covered bonds”.

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

5. **Interest**

(a) ***Interest on Fixed Rate Notes***

Each Fixed Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) at the rate(s) per annum equal to the Rate(s) of Interest so specified payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date so specified if that does not fall on an Interest Payment Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms or the Drawdown Prospectus (as the case may be), the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on such date shall be the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be), amount to the Broken Amount so specified.

As used in these Terms and Conditions, “**Fixed Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be), interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (i) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying each sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) of the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

“**Calculation Amount**” will be as specified in the applicable Final Terms.

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or the applicable Final Terms or the Drawdown Prospectus (as the case may be) and:

- (A) if “**Actual/Actual (ICMA)**” is so specified, this means:
  - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (b) where the Calculation Period is longer than one Regular Period, the sum of:

- (X) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
- (Y) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (B) if “**30/360**” or “**360/360**” or “**Bond Basis**” is so specified, means the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and **D<sub>1</sub>** is greater than 29, in which case **D<sub>2</sub>** will be 30;

- (C) if “**30E/360**” or “**Eurobond Basis**” is so specified, means:

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D<sub>2</sub>** will be 30; and

- (D) if “**30E/360 (ISDA)**” is so specified, means the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D<sub>2</sub>** will be 30;

In these Terms and Conditions:

“**Regular Period**” means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls

other than the Interest Payment Date falling at the end of the irregular Interest Period; and

“**sub-unit**” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

(b) ***Interest on Reset Notes***

(i) ***Rates of Interest and Interest Payment Dates***

Each Reset Note bears interest:

- (A) from (and including) the Interest Commencement Date specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) to (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;
- (B) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be), the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and
- (C) if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date (if any), and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (if any) (each a “**Subsequent Reset Period**”) at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) payable, in each case, in arrear on the Interest Payment Date(s) in each year and on the Maturity Date so specified if that does not fall on an Interest Payment Date.

The Rate of Interest and the amount of interest (the “**Interest Amount**”) payable shall be determined by the Calculation Agent, (A) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, and (B) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Condition 5(a) and, for such purposes, references in the fourth paragraph of Condition 5(a) to “Fixed Rate Notes” shall be deemed to be to “Reset Notes” and Condition 5(a) shall be construed accordingly.

In these Conditions:

“**First Margin**” means the margin specified as such in the applicable Final Terms;

“**First Reset Date**” means the date specified in the applicable Final Terms;

“**First Reset Period**” means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be), the Maturity Date;

**“First Reset Rate of Interest”** means, in respect of the First Reset Period and subject to Condition 5(b)(ii), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum, converted from a basis equivalent to the Fixed Leg Swap Duration specified in the applicable Final Terms to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it), of (A) the relevant Mid-Swap Rate and (B) the First Margin;

**“Initial Rate of Interest”** has the meaning specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be);

**“Mid-Market Swap Rate”** means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Fixed Leg Swap Duration specified in the applicable Final Terms or Drawdown Prospectus (as the case may be) (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be)) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

**“Mid-Market Swap Rate Quotation”** means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

**“Mid-Swap Floating Leg Benchmark Rate”** means EURIBOR if the Specified Currency is euro, ROBOR if the Specified Currency is RON or LIBOR for the Specified Currency if the Specified Currency is not euro;

**“Mid-Swap Rate”** means, in relation to a Reset Determination Date and subject to Condition 5(b)(ii), either:

- (i) if Single Mid-Swap Rate is specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be), the rate for swaps in the Specified Currency:
  - (A) with a term equal to the relevant Reset Period; and
  - (B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page or such replacement page on that service which displays the information; or

- (ii) if Mean Mid-Swap Rate is specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be), the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:
  - (A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page or such replacement page on that service which displays the information,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

“**Rate of Interest**” means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

“**Reset Business Day**” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Business Centre specified in the applicable Final Terms of Drawdown Prospectus (as the case may be);

“**Reset Date**” means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable);

“**Reset Determination Date**” means, in respect of the First Reset Period, the second Reset Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Reset Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

“**Reset Period**” means the First Reset Period or a Subsequent Reset Period, as the case may be;

“**Second Reset Date**” means the date specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be);

“**Subsequent Margin**” means the margin specified as such in the applicable Final Terms or the Drawdown Prospectus (as the case may be);

“**Subsequent Reset Date**” means the date or dates specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be); and

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period and subject to Condition 5(b)(ii), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum, converted from a basis equivalent to the Fixed Leg Swap Duration specified in the applicable Final Terms to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it), of (A) the relevant Mid-Swap Rate and (B) the relevant Subsequent Margin.

(ii) *Fallbacks*

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately

11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum (converted as set out in the definition of such term above) of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be the sum (converted as set out in the definition of such term above) of (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotation and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined by the Calculation Agent in its sole discretion following consultation with the Issuer.

For the purposes of this Condition 5(b)(ii) “**Reference Banks**” means the principal office in the principal financial centre of the Specified Currency of four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute.

(iii) *Notification of First Reset Rate of Interest, Subsequent Reset Rate of Interest and Interest Amount*

The Calculation Agent will cause the First Reset Rate of Interest, any Subsequent Reset Rate of Interest and, in respect of a Reset Period, the Interest Amount payable on each Interest Payment Date falling in such Reset Period to be notified to the Issuer, the Agent and to any stock exchange on which the relevant Reset Notes are for the time being listed and notice thereof to be published in accordance with Condition 15 (Notices) as soon as possible after their determination but in no event later than the fourth London Business Day (as defined in Condition 5(c)(H)) thereafter.

(iv) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(b) shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) **Interest on Floating Rate Notes**

(i) **Interest Payment Dates**

Each Floating Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) (each an “**Interest Payment Date**”) in each year specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be); or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be), each date (each an “**Interest Payment Date**”) which (save as otherwise mentioned in these Terms and Conditions or the applicable Final Terms or the Drawdown Prospectus (as the case may be)) falls the number of months or other period specified as the Specified Period in the applicable Final Terms or the Drawdown Prospectus (as the case may be) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Terms and Conditions, “**Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

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

- (1) in any case where Specified Periods are specified in accordance with Condition 5(c)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

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

In these Terms and Conditions:

“**Business Day**” means (unless otherwise stated in the applicable Final Terms or the Drawdown Prospectus (as the case may be)) a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be); and
- (B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007 (the “**TARGET2 System**”) is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

(iii) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms or the Drawdown Prospectus (as the case may be)) the Margin (if any). For the purposes of this sub-paragraph (iii), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent or other person specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) under an interest rate swap transaction if the Agent or that other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the “**ISDA Definitions**”) and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be);
- (B) the Designated Maturity is a period specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be); and
- (C) the relevant Reset Date is the day specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

For purposes of this sub-paragraph (iii), (a) “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**” and “**Reset Date**” have the meanings given to those terms in the ISDA Definitions, (b) the definition of “**Banking Day**” in the ISDA Definitions shall be amended to insert after the words “are open for” in the second line the word “**general**” and (c) “**Euro-zone**” means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty.

Where this sub-paragraph (iii) applies, in respect of each relevant Interest Period, the Agent will be deemed to have discharged its obligations under subparagraph (iv) below in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this subparagraph (iii).

Unless otherwise stated in the applicable Final Terms or the Drawdown Prospectus (as the case may be), the Minimum Rate of Interest shall be deemed to be zero.

(iv) *Screen Rate Determination for Floating Rate Notes*

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

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

(B) the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

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

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above no such quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

(v) *Minimum and/or Maximum Rate of Interest*

If the applicable Final Terms or the Drawdown Prospectus (as the case may be) specifies a Minimum Rate of Interest for any Interest Period then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with

the above provisions is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest. If the applicable Final Terms or the Drawdown Prospectus (as the case may be) specifies a Maximum Rate of Interest for any Interest Period then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(vi) *Determination of Rate of Interest and Calculation of Interest Amount*

The Agent, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. The Agent will calculate the amount of interest (the “**Interest Amount**”) payable on each Floating Rate Note in respect of each Calculation Amount for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest cent (or its approximate equivalent sub-unit of the relevant Specified Currency, half of any sub-unit being rounded upwards or otherwise in accordance with applicable market convention). The amount of interest in respect of each Calculation Amount will be aggregated for each Note of each Specified Denomination.

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or the applicable Final Terms or the Drawdown Prospectus (as the case may be) and:

- (A) if “**Actual/365**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (B) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period in respect of which payment is being made divided by 365;
- (C) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;
- (D) if “**30/360**” or “**360/360**” or “**Bond Basis**” is so specified, means the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and **D<sub>1</sub>** is greater than 29, in which case **D<sub>2</sub>** will be 30;

(E) if “**30E/360**” or “**Eurobond Basis**” is so specified, means

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D<sub>2</sub>** will be 30; and

(F) if “**30E/360 (ISDA)**” is so specified, means the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D<sub>2</sub>** will be 30.

(G) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate and at such time and by reference to such sources as it determines appropriate.

“**Designated Maturity**” means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(H) Notification of Rate of Interest and Interest Amount

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified *inter alia* to the Issuer and to any stock exchange on which the relevant Floating Rate Notes are for the time being listed, and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open for general business in London.

(I) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(c) shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(d) ***Accrual of Interest***

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the due date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue thereon (as well after as before any demand or judgment) at the rate then applicable to the principal amount of the Notes or such other rate as may be specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) until whichever is the earlier of (1) the date on which all amounts due in respect of such Note have been paid, and (2) the date on which the Agent having received the funds required to make such payment, notice is given to the Noteholders in accordance with Condition 15 of that circumstance (except to the extent that there is failure in the subsequent payment thereof to the relevant Noteholder).

**6. Redemption and Purchase**

(a) ***Redemption at Maturity***

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, the applicable Final Terms or the Drawdown Prospectus (as the case may be) in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

(b) ***Redemption for Tax Reasons***

If, as a result of any amendment to or change in the laws or regulations of:

- (x) in respect of subparagraphs (i) or (ii) below, the jurisdiction of incorporation of the Issuer or, if applicable, the Guarantor or, in the case of Alpha Bank issuing or guaranteeing Notes through a branch situated in a jurisdiction other than the Hellenic Republic, such other jurisdiction; or
- (y) in respect of subparagraph (iii) below, the Hellenic Republic, or in the case of Alpha Bank acting as Proceeds Recipient (as defined below) through a branch situated in a jurisdiction other than the Hellenic Republic, such other jurisdiction;

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

- (i) the Issuer would be required to pay additional amounts as provided in Condition 10, or the Guarantor (if applicable) would be unable for reasons outside its control to

procure payment by the Issuer and in making payment itself would be required to pay additional amounts as provided in Condition 10;

- (ii) (in the case of Dated Subordinated Notes only) interest payments under or with respect to the Dated Subordinated Notes are no longer (partly or fully) deductible for tax purposes in the jurisdiction of the incorporation of the Issuer or, in the case of Alpha Bank issuing Notes through a branch situated in a jurisdiction other than the Hellenic Republic, such other jurisdiction; or
- (iii) (in the case of Notes issued by Alpha PLC only) if a Proceeds On-Loan Tax Call is specified as being applicable in the applicable Final Terms or the Drawdown Prospectus (as the case may be) and the Proceeds Recipient is required to make any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, collected, withheld, assessed or levied by or on behalf of the Hellenic Republic, or in the case of Alpha Bank acting as Proceeds Recipient through a branch situated in a jurisdiction other than the Hellenic Republic, such other jurisdiction, or in each case any political subdivision thereof or any authority or agency therein or thereof having power to tax, in respect of any amounts of principal, premium and interest in respect of any Proceeds On-Loan (as defined below) payable by or on behalf of the Proceeds Recipient,

the Issuer may (subject, in the case of Dated Subordinated Notes, to Condition 6(j)), at its option and having given no less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms or Drawdown Prospectus (as the case may be) (ending, in the case of Notes which bear interest at a floating rate, on any Interest Payment Date) to the Agent and, in case of the issue of Alpha Bank Notes, to the Alpha Bank Noteholders Agent, and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes at their Early Redemption Amount as may be specified in, the applicable Final Terms or the Drawdown Prospectus (as the case may be) together (if appropriate) with interest accrued to (but excluding) the date of redemption **provided that** in the case of redemption pursuant to subparagraph (i) above, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor (if applicable) would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

In these Conditions, “**Proceeds On-Loan**” means any loan made by Alpha PLC to Alpha Bank (or any branch of Alpha Bank) (the “**Proceeds Recipient**”) with all (or substantially all) of the net proceeds of the Notes.

(c) ***Redemption following the occurrence of a Capital Disqualification Event***

This Condition 6(c) is applicable only in relation to Notes specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) as being Dated Subordinated Notes and references to “**Notes**” and “**Noteholders**” shall be construed accordingly.

Where this Condition 6(c) is specified as being applicable in the Final Terms or the Drawdown Prospectus (as the case may be), if immediately prior to the giving of the notice referred to below, a Capital Disqualification Event has occurred and is continuing, the Issuer may (subject to Condition 6(j)), at its option and having given no less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms or Drawdown Prospectus (as the case may be) (ending, in the case of Notes which bear interest at a floating rate, on any Interest Payment Date) to the Agent and, in case of issue of

Alpha Bank Notes, to the Alpha Bank Noteholders Agent, and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes at their Early Redemption Amount as may be specified in, the applicable Final Terms or the Drawdown Prospectus (as the case may be) together (if appropriate) with interest accrued to (but excluding) the date of redemption. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

In these Conditions:

A “**Capital Disqualification Event**” will occur if at any time Alpha Bank determines that as a result of a change (or prospective future change which the Relevant Regulator considers to be sufficiently certain) to the regulatory classification of the relevant series of Dated Subordinated Notes, in any such case becoming effective on or after the Issue Date, all of the aggregate principal amount of such Dated Subordinated Notes fully ceases (or would fully cease) to be included in, or count towards the Tier 2 Capital of the Group or the Bank (other than as a result of any applicable limitation on the amount of such capital as applicable to the Group or Alpha Bank (as applicable)).

“**Group**” means Alpha Bank and its subsidiaries and subsidiary undertakings from time to time.

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

“**Tier 2 Capital**” has the meaning given to it by the Relevant Regulator from time to time.

(d) ***Redemption at the Option of the Issuer (Issuer Call)***

If an Issuer Call is specified as being applicable in the applicable Final Terms or the Drawdown Prospectus (as the case may be), the Issuer may, (subject, in the case of Dated Subordinated Notes, to Condition 6(j)), having (unless otherwise specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be)) given not more than the maximum period nor less than minimum period of notice specified in the applicable Final Terms or Drawdown Prospectus (as the case may be) to the Agent and, in case of the issue of Alpha Bank Notes, to the Alpha Bank Noteholders Agent, and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

In the event of a redemption of some only of the Notes, such redemption must be of a nominal amount being not less than the Minimum Redemption Amount or not more than a Maximum Redemption Amount, both as indicated in the applicable Final Terms or the Drawdown Prospectus (as the case may be). In the case of a partial redemption of definitive Notes, the Notes to be redeemed will be selected individually by not more than 30 days prior to the date fixed for redemption and a list of the Notes called for redemption will be published in accordance with Condition 15 not less than 15 days prior to such date. In the case of a partial redemption of Notes which are represented by a global Note, the relevant Notes will be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount at their discretion).

(e) ***Redemption at the Option of the Noteholders (Investor Put)***

This Condition 6(e) is applicable only in relation to Notes specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) as being Senior Notes and references to “Notes” and “Noteholders” shall be construed accordingly.

If Investor Put is specified as being applicable in the applicable Final Terms or the Drawdown Prospectus (as the case may be), upon any Noteholder giving to the Issuer in accordance with Condition 15 not more than the maximum period of notice nor less than the minimum period of notice specified in the applicable Final Terms or Drawdown Prospectus (as the case may be) (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem subject to, and in accordance with, the terms specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date.

If this Note is in definitive form, to exercise any right to require redemption of this Note the holder of this Note must deliver such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a “Put Notice”) and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition.

Any Put Notice given by a holder of any Note pursuant to this Condition 6(e) shall be irrevocable except where prior to the due date of repayment an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6(e) .

(f) **Early Redemption Amounts**

For the purposes of Condition 6(b) above and Condition 11, each Note will be redeemed at an amount (the “Early Redemption Amount”) determined or calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price of the first Tranche of the Series, at the Final Redemption Amount thereof; or
- (ii) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price of the first Tranche of the Series, at the amount set out in the applicable Final Terms or the Drawdown Prospectus (as the case may be) or, if no such amount or manner is set out in that Final Terms or the Drawdown Prospectus (as the case may be), at their nominal amount; or
- (iii) in the case of a Zero Coupon Note, at an amount (the “Amortised Face Amount”) calculated in accordance with the following formula:

$$\text{EarlyRedemptionAmount} = \text{RP} \times (1 + \text{AY})^y$$

where:

**RP** means the Reference Price;

**AY** means the Accrual Yield expressed as a decimal; and

**y** is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the

number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

(g) ***Purchases***

The Issuer, the Guarantor (if applicable) or any Subsidiary (as defined in the Agency Agreement) of the Issuer or the Guarantor (if applicable) may (subject, in the case of Dated Subordinated Notes, to Condition 6(j)), at any time purchase Notes (together, in the case of definitive Notes, with all Coupons and Talons appertaining thereto) in any manner and at any price. Such Notes may be held, reissued, resold or, at the option of the Issuer or the Guarantor, as the case may be, surrendered to any Paying Agent for cancellation.

(h) ***Cancellation***

All Notes which are redeemed in full will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes which are purchased and cancelled pursuant to Condition 6(g) (above) (together with all unmatured Coupons and Talons attached thereto or delivered therewith) shall be forwarded to the Agent and cannot be reissued or resold.

(i) ***Late Payment on Zero Coupon Notes***

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Conditions 6(a), (b), (c), (d) or (e) above or upon its becoming due and repayable as provided in Condition 11 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 6(f)(iii) above as though the references therein to the date fixed for redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:

- (1) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and
- (2) the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.

(j) ***Conditions to Redemption and Purchase of Dated Subordinated Notes***

Any redemption or purchase of Dated Subordinated Notes in accordance with Condition 6(b), (c), (d) or (g) above is subject to:

- (1) Alpha Bank giving notice to the Relevant Regulator and the Relevant Regulator granting permission to redeem or purchase the relevant Dated Subordinated Notes (in

each case to the extent, and in the manner, required by the relevant Regulatory Capital Requirements); and

- (2) compliance by Alpha Bank with any alternative or additional pre-conditions to redemption or purchase, as applicable, set out in the relevant Regulatory Capital Requirements for the time being.

In these Conditions, “**Regulatory Capital Requirements**” means any applicable minimum capital or capital requirement specified for banks or financial groups by the Relevant Regulator.

*Article 78 of Commission Regulation (EU) No. 575/2013 (as amended from time to time) (the “**CRR**”) provides that the Relevant Regulator shall, subject as provided in Article 78 and below, grant permission to redeem Dated Subordinated Notes where either:*

- (i) on or before the relevant redemption date, the Bank replaces the Dated Subordinated Notes with instruments qualifying as own funds of equal or higher quality on terms that are sustainable for the income capacity of Alpha Bank; or*
- (ii) Alpha Bank has demonstrated to the satisfaction of the Relevant Regulator that its tier 1 capital and tier 2 capital would, following such redemption, exceed the capital ratios required under Directive (EU) 2013/36 of the European Parliament and the Council (as amended from time to time) (the “**CRD IV**”) by a margin that the Relevant Regulator may consider necessary on the basis set out in CRD IV.*

*Further, Article 78 provides that the Relevant Regulator may only permit the redemption of the Dated Subordinated Notes before the fifth anniversary of their Issue Date not only if either of the conditions referred to in subparagraphs (i) or (ii) above is met, but also:*

- (a) in the case of redemption pursuant to Condition 6(c), (x) the Relevant Regulator considers such change to be sufficiently certain and (y) Alpha Bank demonstrates to the satisfaction of the Relevant Regulator that the relevant change was not reasonably foreseeable at the Issue Date; or*
- (b) in the case of redemption pursuant to Condition 6(b), Alpha Bank demonstrates to the satisfaction of the Relevant Regulator that the relevant change or event is material and was not reasonably foreseeable at the Issue Date.*

## **7. Payments**

### **(a) Method of Payment**

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Melbourne or Auckland, respectively); and
- (ii) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

(b) ***Payments subject to Fiscal and other laws***

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in any jurisdiction, but without prejudice to the provisions of Condition 10, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 10) any law implementing an intergovernmental approach thereto.

(c) ***Presentation of Notes and Coupons***

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 7(a) above only against presentation and surrender (or, in the case of part payment only, endorsement) of definitive Notes and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid against presentation and surrender (or, in the case of part payment only, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (as referred to below).

Fixed Rate Notes in definitive form should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons) failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 10) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 14) or, if later, five years from the date on which such Coupon would otherwise have become due but in no event thereafter. Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Reset Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

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

Payments of principal and interest (if any) in respect of Notes represented by any global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant global Note against presentation or surrender (or, in the case of part payment only, endorsement), as the case may be, of such global Note at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America and its possessions). A record of each payment made against presentation or surrender of such global Note, distinguishing between any payment of principal and any payment of interest, will be made on

such global Note by the Paying Agent to which it was presented and such record shall be *prima facie* evidence that the payment in question has been made.

The holder of the relevant global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer, or to the order of, the holder of the relevant global Note. No person other than the holder of the relevant global Note shall have any claim against the Issuer in respect of any payments due in respect of the Notes represented by such global Note.

Payments of principal and/or interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer or the Guarantor (if applicable).

(d) ***Payment Day***

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, unless otherwise specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be), “**Payment Day**” means any day which (subject to Condition 14) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (a) in the case of Notes in definitive form only, the relevant place of presentation;
  - (b) any Additional Financial Centre specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be); and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(e) ***Interpretation of Principal and Interest***

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 10;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(f)); and
- (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10.

**8. Agent and Paying Agents**

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in relation with any series, the names of such Paying Agents will be specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

The Issuer and, if applicable, the Guarantor is/are entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, **provided that:**

- (i) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority);
- (ii) there will at all times be a Paying Agent with a specified office in a city in continental Europe; and
- (iii) there will at all times be an Agent.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 7(c). Notice of any variation, termination, appointment or change in Paying Agents will be given to the Alpha Bank Noteholders Agent (in case of issue of Alpha Bank Notes) and the Noteholders promptly by the Issuer in accordance with Condition 15.

**9. Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Notes to which it appertains) a

further Talon, subject to the provisions of Condition 14. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

#### 10. Taxation

All amounts of principal, premium and interest in respect of the Notes and Coupons payable by or on behalf of the Issuer or the Guarantor (if applicable) shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, collected, withheld, assessed or levied by or on behalf of, in the case of Alpha PLC, the United Kingdom or, in the case of Alpha Bank, the Hellenic Republic and, in the case of Alpha Bank issuing or guaranteeing Notes through a branch situated in a jurisdiction other than the Hellenic Republic, the jurisdiction where such branch is situated and, in the case of Alpha Bank guaranteeing Notes issued by Alpha PLC, the United Kingdom or, in each case, any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless such withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In such event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as may be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (i) presented for payment by or on behalf of, a Noteholder or Couponholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of such Note or Coupon; or
- (ii) presented for payment more than 30 days after the Relevant Date (as defined below), except to the extent that the relevant Noteholder or Couponholder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such period of 30 days; or
- (iii) presented for payment by or on behalf of a Noteholder who would not be liable or subject to such withholding or deduction if it were to comply with a statutory requirement or to make a declaration of non-residence or other similar claim for exemption and fails to do so.

For the purposes of these Terms and Conditions, the “**Relevant Date**” means, in respect of any payment, the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Agent on or prior to such due date, it means the first date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

*Taxing jurisdiction:* If the Issuer becomes subject at any time to any taxing jurisdiction other than, in the case of Alpha PLC, the United Kingdom or, in the case of Alpha Bank, the Hellenic Republic, references in these Conditions to the United Kingdom or the Hellenic Republic, as the case may be, shall be construed as references to the United Kingdom or the Hellenic Republic, as the case may be, and/or in each case, such other jurisdiction.

## 11. Events of Default

### (1) Senior Notes

This Condition 11(1) is applicable only in relation to Notes specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) as being Senior Notes and references to “Notes” and “Noteholders” shall be construed accordingly.

- (a) Unless otherwise specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be), the following events or circumstances (each an “Event of Default”) shall be acceleration events in relation to the Notes, namely:
- (i) default by the Issuer in the payment in the Specified Currency when due of the principal of or interest on any of the Notes or the delivery when due of any other amount in respect of any Note and the continuance of any such default for a period of 14 days after the due date; or
  - (ii) the Issuer or, if applicable, the Guarantor defaults in the performance or observance of any of its other obligations under or in respect of the Notes or Coupons and such default remains unremedied for 30 days after written notice thereof has been delivered by a Noteholder to the Issuer or the Guarantor, as the case may be, requiring the same to be remedied; or
  - (iii) the repayment of any indebtedness owing by the Issuer or, if applicable, the Guarantor or any Material Subsidiary is accelerated by reason of default and such acceleration has not been rescinded or annulled, or the Issuer or, if applicable, the Guarantor or any Material Subsidiary defaults (after whichever is the longer of any originally applicable period of grace and 14 days after the due date) in any payment of any indebtedness or in the honouring of any guarantee or indemnity in respect of any indebtedness **provided that** no such event shall constitute an Event of Default unless the indebtedness whether alone or when aggregated with other indebtedness relating to all (if any) other such events which shall have occurred and be continuing shall exceed EUR25,000,000 (or its equivalent in any other currency or currencies); or
  - (iv) any order shall be made by any competent court or resolution passed for the winding up or dissolution of the Issuer or, if applicable, the Guarantor or any Material Subsidiary (other than for the purpose of amalgamation, merger or reconstruction (1) on terms approved by an Extraordinary Resolution of the Noteholders or (2) in the case of a Material Subsidiary whereby the undertaking and the assets of the Material Subsidiary are transferred to or otherwise vested in Alpha Bank or another of its Subsidiaries); or
  - (v) the Issuer or, if applicable, the Guarantor or any Material Subsidiary shall cease to carry on the whole or substantially the whole of its business (other than for the purpose of an amalgamation, merger or reconstruction (1) on terms approved by an Extraordinary Resolution of the Noteholders or (2) in the case of a Material Subsidiary whereby the undertaking and the assets of the Material Subsidiary are transferred to or otherwise vested in Alpha Bank or another of its Subsidiaries); or
  - (vi) the Issuer or, if applicable, the Guarantor or any Material Subsidiary shall stop payment or shall be unable to, or shall admit inability to, pay its debts as they fall due, or shall be adjudicated or found bankrupt or insolvent by a court of competent jurisdiction or shall make a conveyance or assignment for the benefit of, or shall enter into any composition or other arrangement with, its creditors generally; or

- (vii) a receiver, trustee or other similar official shall be appointed in relation to the Issuer or, if applicable, the Guarantor or any Material Subsidiary or in relation to the whole or over half of the assets of the Issuer or, if applicable, the Guarantor or any Material Subsidiary or an interim supervisor of Alpha Bank is appointed by the European Central Bank or the Single Resolution Board or an encumbrancer shall take possession of the whole or over half of the assets of the Issuer or, if applicable, the Guarantor or any Material Subsidiary, or a distress or execution or other process shall be levied or enforced upon or sued out against the whole or a substantial part of the assets of the Issuer or, if applicable, the Guarantor and in any of the foregoing cases it or he shall not be discharged within 60 days; or
- (viii) the Issuer or, if applicable, the Guarantor or any Material Subsidiary sells, transfers, lends or otherwise disposes of the whole or a major part of its undertaking or assets (including shareholdings in its Subsidiaries or associated companies) and such disposal is substantial in relation to the assets of the Issuer or Alpha Bank and its Subsidiaries as a whole, other than selling, transferring, lending or otherwise disposing on an arm's length basis, or of any present or future undertakings or assets (including uncalled capital), receivables, remittances or the payment rights of the Issuer, Alpha Bank or any Material Subsidiary pursuant to any securitisation, covered bond issuance or like arrangement in accordance with normal market practice;
- (ix) with respect to any Notes issued by Alpha PLC, the Guarantee is not in full force and effect.

For the purposes of this Condition 11(1)(a) “**Material Subsidiary**” means at any time any Subsidiary of Alpha Bank:

- (i) whose profits or (in the case of a Subsidiary which has subsidiaries) consolidated profits, before taxation and extraordinary items or before taxation and after extraordinary items as shown by its latest audited profit and loss account are at least 15 per cent. of the consolidated profits before taxation and extraordinary items of Alpha Bank and its Subsidiaries as shown by the latest published audited consolidated profit and loss account of Alpha Bank and its Subsidiaries; or
  - (ii) whose gross assets or (in the case of a Subsidiary which has subsidiaries) gross consolidated assets as shown by its latest audited balance sheet are at least 15 per cent. of the gross consolidated assets of Alpha Bank and its Subsidiaries as shown by the then latest published audited consolidated balance sheet of Alpha Bank and its Subsidiaries; or
  - (iii) to which is transferred the whole or substantially the whole of the assets and undertaking of a Subsidiary which immediately prior to such transfer is a Material Subsidiary **provided that**, in such a case, the Subsidiary so transferring its assets and undertaking shall thereupon cease to be a Material Subsidiary.
- (b) If any Event of Default shall occur and be continuing in relation to any Note, any Noteholder may, by written notice to the Issuer at the specified office of the Agent, declare that such Note shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its Early Redemption Amount as may be specified in or determined in accordance with the applicable Final Terms or the Drawdown Prospectus (as the case may be), together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(2) ***Dated Subordinated Notes***

This Condition 11(2) is applicable only in relation to Notes specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) as being Dated Subordinated Notes and any references to “Notes” or “Noteholders” shall be construed accordingly. The events specified below are both “**Subordinated Default Events**”:

- (a) If default is made in the payment of any amount due in respect of the Notes on the due date and such default continues for a period of 7 days, any Noteholder may institute proceedings for the winding up of the Issuer.
- (b) If, otherwise than for the purposes of a reconstruction or amalgamation on terms previously approved by Extraordinary Resolution of the Noteholders, an order is made or an effective resolution is passed for the winding up of the Issuer, any Noteholder may, by written notice to the Agent, declare such Note to be due and payable whereupon the same shall become immediately due and payable at its Early Redemption Amount as may be specified in or determined in accordance with the applicable Final Terms or the Drawdown Prospectus (as the case may be), together (if appropriate) with interest accrued to (but excluding) the date of redemption unless such Subordinated Default Event shall have been remedied prior to receipt of such notice by the Agent.

**12. Meetings of Noteholders, Modification and Waiver**

Without prejudice to the provisions on the meetings of the Alpha Bank Noteholders, included in Condition 17 below, the Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of the Noteholders to consider any matter affecting their interests, including (without limitation) the modification by Extraordinary Resolution (as defined in the Agency Agreement) of these Terms and Conditions. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders whether or not they are present at the meeting, and on all holders of Coupons relating to the Notes.

The Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

- (i) any modification (except such modifications in respect of which an increased quorum is required, as described in the Agency Agreement) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (ii) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

**13. Replacement of Notes, Coupons and Talons**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent in London (or such other place as may be notified to the Noteholders), in accordance with all applicable laws and regulations, upon payment by the claimant of the costs and expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

#### 14. Prescription

The Notes and Coupons will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 10) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 14 or Condition 7(c) or any Talon which would be void pursuant to Condition 7(c).

#### 15. Notices

All notices to Noteholders regarding the Notes shall be valid if published in the *Financial Times* or another leading English language daily newspaper with circulation in London. Until such time as any definitive Notes are issued, there may, so long as the global Note(s) representing the Notes is or are held in its or their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication as aforesaid the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg, as appropriate, for communication by them to the Noteholders. Any such notice shall be deemed to have been given to the Noteholders on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg, as appropriate.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a global Note, such notice may be given by any Noteholder to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

Any such notices will, if published more than once, be deemed to have been given on the date of the first publication, as provided above.

The holders of Coupons and Talons will be deemed for all purposes to have notice of the contents of any notice given to Noteholders in accordance with this Condition.

The relevant Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading.

Any notice concerning the Alpha Bank Notes shall be given to the Alpha Bank Noteholders Agent. Any such notice shall be deemed to have been given to the Alpha Bank Noteholders on the seventh day after the day on which the said notice was given to the Alpha Bank Noteholders Agent unless the Alpha Bank Notes have been placed and sold by way of a Public Offer in Greece in the sense of article 2 paragraph 1(d) of Greek law 3401/2005 implementing into Greek law Directive 2003/71/EC, in which case any such notice will also be published in accordance with the provisions of article 5 of Greek law 3156/2003 should such law 3156/2003 apply to Alpha Bank Notes.

#### 16. Substitution of the Issuer

- (a) The Issuer may, without the consent of any Noteholder or Couponholder, substitute for itself any other body corporate incorporated in any country in the world as the debtor in respect of the Notes, any Coupons, the Deed of Covenant, the Alpha Bank Noteholders Agency Agreement (as defined in Condition 17 below), in case of issue of Alpha Bank Notes, and the Agency Agreement (the “**Substituted Debtor**”) upon notice by the Issuer and the Substituted Debtor to be given in accordance with Condition 15, **provided that:**

- (i) the Issuer is not in default in respect of any amount payable under the Notes;
  - (ii) the Issuer and the Substituted Debtor have entered into such documents (the “**Documents**”) as are necessary to give effect to the substitution and in which the Substituted Debtor has undertaken in favour of each Noteholder to be bound by these Terms and Conditions and the provisions of the Agency Agreement as the debtor in respect of the Notes in place of the Issuer (or of any previous substitute under this Condition 16);
  - (iii) if the Issuer is Alpha Bank, Alpha Bank shall unconditionally and irrevocably guarantee (the “**New Guarantee**”) in favour of each Noteholder the payment of all sums payable by the Substituted Debtor as such principal debtor with Alpha Bank's obligations under the New Guarantee ranking *pari passu* with Alpha Bank's obligations under the Notes prior to the substitution becoming effective;
  - (iv) the Substituted Debtor shall enter into a deed of covenant in favour of the holders of the Notes then represented by a global Note on terms no less favourable than the Deed of Covenant then in force in respect of the Notes;
  - (v) if the Issuer is Alpha PLC and the Substituted Debtor is not Alpha Bank, the Guarantee extends to the obligations of the Substituted Debtor under or in respect of the Notes, any Coupons, the Deed of Covenant and the Agency Agreement and continues to be in full force and effect;
  - (vi) if the Substituted Debtor is resident for tax purposes in a territory (the “**New Residence**”) other than that in which the Issuer prior to such substitution was resident for tax purposes (the “**Former Residence**”), the Documents contain an undertaking and/or such other provisions as may be necessary to ensure that following substitution, each Noteholder would have the benefit of an undertaking in terms corresponding to the provisions of Condition 10, with (a) the substitution of references to the Issuer with references to the Substituted Debtor (to the extent that this is not achieved by Condition 16(a)(ii)) and (b) the substitution of references to the Former Residence with references to both the New Residence and the Former Residence;
  - (vii) the Substituted Debtor and the Issuer have obtained all necessary governmental approvals and consents for such substitution and for the performance by the Substituted Debtor of its obligations under the Documents;
  - (viii) legal opinions shall have been delivered to the Agent from lawyers of recognised standing in the jurisdiction of incorporation of the Substituted Debtor, in England and in Greece as to the fulfilment of the requirements of this Condition 16 and that the Notes and any Coupon and/or Talons are legal, valid and binding obligations of the Substituted Debtor;
  - (ix) each stock exchange on which the Notes are listed shall have confirmed that, following the proposed substitution of the Substituted Debtor, the Notes will continue to be listed on such stock exchange; and
  - (x) if applicable, the Substituted Debtor has appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Notes and any Coupons.
- (b) Upon such substitution the Substituted Debtor shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Notes, any Coupons, the Deed of

Covenant and the Agency Agreement with the same effect as if the Substituted Debtor had been named as the Issuer herein, and the Issuer shall be released from its obligations under the Notes, any Coupons and/or Talons, the Deed of Covenant and under the Agency Agreement.

- (c) After a substitution pursuant to Condition 16(a) the Substituted Debtor may, without the consent of any Noteholder or Couponholder, effect a further substitution. All the provisions specified in Conditions 16(a) and 16(b) shall apply *mutatis mutandis*, and references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substituted Debtor.
- (d) After a substitution pursuant to Condition 16(a) or 16(c) any Substituted Debtor may, without the consent of any Noteholder or Couponholder, reverse the substitution, *mutatis mutandis*.
- (e) The Documents shall be delivered to, and kept by, the Agent. Copies of the Documents will be available free of charge during normal business hours at the specified office of each of the Paying Agents.

#### **17. Alpha Bank Noteholders Agent**

Prior to the completion of an issue of Alpha Bank Notes, if so required by Law 3156/2003 of Greece (to the extent applicable), Alpha Bank shall appoint an Alpha Bank Noteholders Agent by way of a written contract (the “**Alpha Bank Noteholders Agency Agreement**”) and in accordance with provisions of Law 3156/2003.

The Alpha Bank Noteholders Agent shall be either a Credit Institution or an Investment Firm under Law 3606/2007, implementing into Greek Law Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments (“**MiFID**”), which shall be authorised to render in Greece the regulated investment service of underwriting in respect of issues of any of the instruments listed in Section C of the Annex I of the MiFID and/or placing of such issues.

The Alpha Bank Noteholders Agent shall *inter alia*:

- (i) represent the interests of the Alpha Bank Noteholders *vis-à-vis* Alpha Bank and any third parties;
- (ii) co-operate with Euroclear or Clearstream, Luxembourg, for the registration of the interests of the Alpha Bank Noteholders in the accounts of Euroclear System;
- (iii) represent, in accordance with the provisions of Law 3156/2003, the Alpha Bank Noteholders before the competent Courts, as regards any issues concerning the Alpha Bank Notes; and
- (iv) generally perform any other duties and obligations, as set in Law 3156/2003 and the Terms and Conditions of the Alpha Bank Notes.

The Alpha Bank Noteholders Agency Agreement shall include, among others, provisions for the meetings of the Alpha Bank Noteholders in accordance with Law 3156/2003.

The meetings of the Alpha Bank Noteholders shall be entitled to vary or terminate the appointment of the Alpha Bank Noteholders Agent in accordance with the provisions of Law 3156/2003 and the Terms and Conditions of the Alpha Bank Notes.

The particular duties, rights and liabilities of the Alpha Bank Noteholders Agent and any amendment to the Conditions of this Base Prospectus, inherent to (i) the appointment of the Alpha Bank Noteholders Agent; and (ii) the entering into the Alpha Bank Noteholders Agency

Agreement, shall be included in the applicable Final Terms or the Drawdown Prospectus (as the case may be) and/or, if necessary, any supplement to this Base Prospectus which will be prepared for the issue of the Alpha Bank Notes.

**18. Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes ranking *pari passu* in all respects (or in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue) with the outstanding Notes and so that the same shall be consolidated and form a single series with the outstanding Notes.

**19. Governing Law and Jurisdiction**

- (a) The Agency Agreement, the Deed of Covenant, the Deed of Guarantee, the Notes and the Coupons and all non-contractual obligations arising out of or in connection with each of them are governed by English law except that (i) Condition 17, (ii) in the case of Dated Subordinated Notes issued by Alpha Bank, Condition 3(a) and, (iii) in the case of Dated Subordinated Notes issued by Alpha PLC, Condition 3(b) and Clause 5.8 of the Guarantee are governed by and shall be construed in accordance with Greek law.
- (b) Alpha Bank irrevocably agrees, for the exclusive benefit of the Noteholders that the courts of England shall have 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 Agency Agreement, the Deed of Covenant and the Notes (including any suit, action, proceeding or dispute relating to any non-contractual obligation arising out of or in connection with the Agency Agreement, the Deed of Covenant and the Notes) (together “**Proceedings**”) and, for such purpose, irrevocably submits to the jurisdiction of such courts.
- (c) Alpha Bank irrevocably and unconditionally waives and agrees not to raise any objection which it may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been brought in an inconvenient forum and further irrevocably and unconditionally agrees that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction. To the extent permitted by law, nothing in this Condition shall limit any right to take Proceedings against Alpha Bank in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.
- (d) Alpha Bank irrevocably and unconditionally agrees that service in respect of any Proceedings may be effected upon Alpha Bank AE, London branch at 66 Cannon Street, London EC4N 6EP and undertakes that in the event of it ceasing to maintain a London branch Alpha Bank will forthwith appoint a further person as its agent for that purpose and notify the name and address of such person to the Agent and agrees that, failing such appointment within fifteen days, any Noteholder shall be entitled to appoint such a person by written notice addressed to Alpha Bank and delivered to Alpha Bank or to the specified office of the Agent. Nothing contained herein shall affect the right of any Noteholder to serve process in any other manner permitted by law.

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

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be used by the relevant Issuer for the general corporate and financing purposes of the Group.

## ALPHA CREDIT GROUP PLC

### Introduction

Alpha PLC was incorporated under the laws of England on 1 April 1999 as a public limited company in England with number 3747110. The registered office of Alpha PLC is at 66 Cannon Street, London EC4N 6EP.

### Position within the Group

Alpha PLC was acquired by Alpha Bank on 14 July 1999 and the share capital of Alpha PLC continues to be held directly by Alpha Bank. Alpha PLC has no subsidiaries.

### Directors

The Directors of Alpha PLC, their respective business addresses and principal activities in relation to Alpha PLC and Alpha Bank are:

<u>Name</u>	<u>Address</u>	<u>Principal activities in relation to Alpha PLC and Alpha Bank</u>
W. Lindsay Mackay	66 Cannon Street, London EC4N 6EP	— Chief Executive Officer, Alpha Bank London Limited  — General Manager, Alpha Bank AE (London Branch)  — Director, Emporiki Group Finance PLC
Martin J. Waghorn	66 Cannon Street, London EC4N 6EP	— Director, Alpha Bank London Limited  — Director, Emporiki Group Finance PLC  — Director, Alpha Group Jersey Limited
John Coxon	66 Cannon Street, London EC4N 6EP	— Chief Financial Officer & Company Secretary, Alpha Bank London Limited  — Senior Manager, Finance, Alpha Bank AE (London Branch)  — Director, Alpha Group Jersey Limited  — Director, Emporiki Group Finance PLC
Monika Ahmed	66 Cannon Street, London EC4N 6EP	— Group Chief Accountant, Alpha Bank London Limited  — Manager, Finance Alpha Bank AE (London Branch)

Name	Address	Principal activities in relation to Alpha PLC and Alpha Bank
Graham Ballantyne	66 Cannon Street, London EC4N 6EP	<p>— Director, Emporiki Group Finance PLC</p> <p>— General Manager, Alpha Bank London Limited</p> <p>— Assistant General Manager Alpha Bank AE (London Branch)</p> <p>— Director, Emporiki Group Finance PLC</p>

The Secretary of Alpha PLC is Ricardo Yacoob.

Alpha PLC has no employees or non-executive Directors.

The Directors and Secretary of Alpha PLC have no directorships or principal business activities outside of the Group which are significant to Alpha Bank or Alpha PLC. There are no potential conflicts of interest between the duties to Alpha PLC of the persons listed above and their private interests or duties. Alpha PLC has no audit committee. To the best of its knowledge and belief Alpha PLC complies with corporate governance rules applicable to it in the United Kingdom.

### Principal Activities

Alpha PLC is a financing subsidiary of Alpha Bank and the Group. In addition to being an Issuer of Notes under the Programme, Alpha PLC also issues Euro-Commercial Paper under a EUR 5,000,000,000 programme, guaranteed by Alpha Bank, which was established in December 2007. Alpha PLC has not made any principal investments since its incorporation. The objects of Alpha PLC as set out in Article 4 of the Articles of Association of Alpha PLC are unrestricted in accordance with the Companies Act 2006.

### General

Alpha PLC has made no investments since the date of the last published financial statements and has made no firm commitments on principal future investments.

As Alpha PLC is a finance company whose sole business is raising debt to be on-lent to Alpha Bank and other subsidiaries of Alpha Bank on an arm's-length basis, Alpha PLC is dependent upon Alpha Bank and other subsidiaries of Alpha Bank servicing these loans.

To the best of its knowledge and belief, Alpha PLC complies with the laws and regulations of the United Kingdom regarding corporate governance.

### Share Capital

The authorised and issued share capital of Alpha PLC comprises 100,000 ordinary shares of €1 each. All of the shares are of the same class and all of the issued share capital of Alpha PLC has been fully paid up.

### **Accounts and Dividends**

The audited income statement and balance sheet of Alpha PLC for the years ended 31 December 2015 and 31 December 2014 are set out below. There was no payment of dividends by Alpha PLC in 2015 or 2014.

## SELECTED FINANCIAL INFORMATION OF ALPHA CREDIT GROUP PLC

### Selected Income Statement Figures

	<b>Year ended 31 December 2015</b>	<b>Year ended 31 December 2014</b>
	<i>(Thousands of Euro)</i>	
Profit before tax	6,393	11
Income tax expense.....	(135)	(25)
<b>Total comprehensive /(expense) for the year attributable to owners.....</b>	<b>6,258</b>	<b>(14)</b>

### Selected Balance Sheet Figures

	<b>Year ended 31 December 2015</b>	<b>Year ended 31 December 2014</b>
	<i>(Thousands of Euro)</i>	
<b>Assets</b>		
Non-current assets .....	7	1,212,165
Current assets.....	9,686	104,189
<b>Total Assets .....</b>	<b>9,693</b>	<b>1,316,354</b>
<b>Equity</b>		
Equity attributable to the owners of the company.....	9,324	1,176
<b>Liabilities</b>		
Current liabilities .....	369	94,766
Non-current liabilities .....	-	1,220,412
<b>Total equity and liabilities .....</b>	<b>9,693</b>	<b>1,316,354</b>

## ALPHA BANK AE AND THE ALPHA BANK GROUP

### Definitions

In this Base Prospectus the following expressions have the following meanings, unless the context otherwise requires or unless it is otherwise specifically provided.

“**Athex**” means the Athens Exchange A.E.; and

“**ATM**” means automatic teller machine.

All references herein to “**Greece**”, the “**Republic**” or the “**Greek State**” are to the Hellenic Republic. All references herein to “**Central Bank**” or “**Bank of Greece**” are to the Bank of Greece.

Unless the context otherwise requires, references to the “**Bank**” are to Alpha Bank and references to the “**Group**” are to the Bank and its subsidiaries that are included in the consolidated financial statements of the Bank included elsewhere in this Base Prospectus. References to “**Ionian Bank**” are to Ionian and Popular Bank of Greece S.A.

## THE GROUP

The Group is one of the leading banking and financial services groups in Greece, offering a wide range of services including retail banking, corporate banking, asset management and private banking, insurance distribution, investment banking and brokerage, treasury and real estate management. The Group is active in Greece, its principal market, and in most markets of South-eastern Europe (Romania, Cyprus, Serbia, FYROM and Albania). The Group also maintains a presence in London and in Jersey. The Bank is the parent company of the Group and its principal bank.

According to estimates on the basis of data published by the Bank of Greece, the Group has a strong market share in each of its four domestic lines of business (retail banking, corporate banking, asset management, and investment banking and treasury) and this demonstrates resilience to the economic crisis. The Group's client base comprises of retail clients, small and medium-sized enterprises, self-employed professionals, large corporations, high-net worth individuals, private and institutional investors and the Greek government.

The Group, through an extensive national and international branch and ATM network, in combination with advanced online and telephone channels, offers banking and financial services to its individual and corporate customers. These features extend the Group's presence in the domestic Greek market, as well as in the international markets in which it operates.

The Bank's management considers other competitive strengths of the Group as being its large customer base, its highly motivated and trained personnel, its advanced IT systems and its fairly recently reorganised and modernised branch network, which has extended its ability in product innovation and in offering a wide range of services and opportunities for cross-selling products of the Group through its traditional and alternative distribution channels.

The Bank's financial performance showed resilience despite the challenging environment during 2015. Core pre-provision income<sup>3</sup> amounted to EUR1,149.3 million for the full year of 2015, up by 8.4 per cent. year-on-year, an increase that was driven mainly by the resilience of net interest income and a reduction in operating expenses. More specifically, net interest income in 2015 stood at EUR1,931.7 million, a slight increase year on year to 2014 (+0.6 per cent.), as the benefit from the ongoing reduction of time deposit costs throughout 2015 was offset, first by the burden from the higher dependence on the ELA following the significant deposit outflows that occurred in the first half of 2015 and secondly from the reduction of net loan balances by EUR3.4 billion year-on-year. Deposit costs benefited from the phasing-in of re-pricing of new time deposit rates, which accelerated following the imposition of capital controls in Greece, reaching circa 1 per cent. at the end of December, as well as the change in deposit mix towards core deposits. In Q4 2015, the Group's net interest income stood at EUR486.5 million, flat quarter-on-quarter, as the lower contribution from loans due to increased provisioning counterbalanced the benefit from the lower cost of deposits and the decline in the wholesale funding cost, as a result of the lower reliance on the ELA and better collateral management. Net fee and commission income stood at EUR314.7 million, down by 5.8 per cent. year-on-year as the fragile economic environment and imposition of capital controls adversely affected business economic activities, customer loans restructuring efforts as well as contribution from brokerage. On the other hand, a switch of customers' payment behaviour enhanced the fee generation income from increased cards usage. In addition the exceptional tourist season in Greece positively affected commissions from foreign exchange transactions. In Q4 2015, net fee and commission income restored to more sustainable levels following a disruption in activity in 2015, especially in Q3, and amounted to EUR83 million, up by 20.1 per cent. quarter-on-quarter benefiting from the Bank's intensified restructuring efforts as well as the resumption of brokerage and asset management activity, following the recapitalisation of the Greek banks.

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<sup>3</sup> Core Revenues are defined as total income excluding income from financial operations and Core Pre-Provision Income (PPI) is defined as the Core Revenues minus operating expenses adjusted for integration and extraordinary costs.

Operating expenses (excluding extraordinary items and integration costs) were down by 7.6 per cent. year-on-year to EUR1,153.8 million, beating the Group's target of EUR1.2 billion annual cost base for 2015. Cost to income ratio stood at 50.1 per cent. in 2015, down from 54.1 per cent. in 2014. At the end of December 2015, personnel expenses amounted to EUR533.2 million, down by 21 per cent., adjusted for the acquisition of Citibank's retail operations in Greece, mainly as a result of the reduced headcount following the successful Voluntary Separation Scheme (VSS), at the end of 2014, leading to the departure of 2,208 people and the benefits of the salary realignments phasing-in. Group headcount, at the end of Q4 2015, stood at 13,847 Employees, excluding staff of the discontinued operations of Bulgaria and FYROM. General expenses stood at EUR515.6 million, down by 3.4 per cent. year-on-year on a comparable basis, on the back of the ongoing realisation of synergies from Emporiki Bank and Citibank acquisitions. The Group network at the end of December 2015, reached a total number of 897 Branches, excluding the branches in Bulgaria and FYROM.

As at 31 December 2015 Alpha Bank had total assets of EUR69.3 billion, total customer deposits (including debt securities in issue held by customers) of EUR31.4 billion and total net loans of EUR46.2 billion.

As at 31 December 2015 the share capital of the Bank, following the recent capital increase that was concluded on 24 November 2015, amounted to EUR461,064,360.00 divided into 1,536,881,200 shares, of which:

- 1,367,706,054 are common, nominal, paperless shares with voting rights, of a nominal value of EUR0.30 each, which are listed for trading on the Securities Market of Athex; and
- 169,175,146 are common, nominal, voting, dematerialised shares in accordance with the restrictions foreseen in the provision of article 7a of Law 3864/2010, owned by the Hellenic Financial Stability Fund – of a nominal value of EUR0.30 each. These shares, which are listed for trading on the Securities Market of Athex, have rights stipulated by law and are subject to the restrictions of the law.

As at 31 December 2015, the Bank's equity was held by approximately 127,000 shareholders. On the same date, the shareholder base comprised the HFSF, representing approximately 11 per cent., and private shareholders representing approximately 34 per cent. of the common shareholder base. The private shareholders are analysed as follows:

- institutional shareholders representing approximately 86 per cent. of the shareholder base (of which approximately 81 per cent. were foreign institutional investors and 5 per cent. were Greek institutional investors); and
- individuals representing approximately 3 per cent. of the shareholder base.

### **The Acquisition of Emporiki**

On 1 February 2013 the bank completed the acquisition of Emporiki from Crédit Agricole. As of the date of acquisition Emporiki was consolidated in the financial statements of the Group. On 28 June 2013, Emporiki was merged into the Bank.

As a result of the acquisition of **Emporiki**, in 2013 the Bank recognised negative goodwill of €3,283 million resulting from the difference between the fair value of the net assets acquired and the purchase price. The negative goodwill recognised is not subject to income tax. Emporiki offered a large variety of banking products and services to individuals, SMEs and large companies and enjoyed a strong market presence in Greece and Cyprus through an extensive network of branches in both countries. The transaction represented a major step in the restructuring of the Greek banking sector and strengthened the position of the Bank within the market, creating one of the largest financial groups in Greece and

adding total assets of €19.1 billion to the Group's balance sheet as of 1 February 2013, significantly strengthening the Group's Core Tier 1 position.

In addition, at the completion of the transaction, Crédit Agricole also subscribed for €150 million convertible bonds issued by the Bank. The transaction resulted in a net recapitalisation of the combined entity by an aggregate amount of approximately €2.9 billion and contributed towards the Bank's own recapitalisation plan.

### **2013 Capital Increase**

On 16 April 2013, the second iterative meeting of the Extraordinary General Meeting of the Bank's Shareholders convened and approved the Bank's €4,571 million Capital Strengthening Plan (announced on 2 April 2013) and granted the power to the Board of Directors to implement, assessing the financial conditions, the General Meeting's resolutions (the "**Capital Strengthening Plan**"). On 3 June 2013, Alpha Bank announced the successful completion of its €457.1 million rights issue (the "**Rights Issue**"), and the allotment of all of the shares offered in the €92.9 million private placement to institutional and other qualified private investors. As a consequence, Alpha Bank was the first among the Greek banks to raise more than 10 per cent. of its total recapitalisation amount and thus to meet successfully the required private sector contribution test set by Greek Law 3864/2010. The remaining part of the €4,571 million Capital Strengthening Plan was covered by the HFSF through direct subscription to shares. The Rights Issue was fully underwritten by a syndicate of international investment banks.

For each new share subscribed for in the capital increase by private sector investors, the HFSF issued on 10 June 2013 separately traded warrants which allow their holders to purchase shares subscribed by the HFSF at selected intervals over the four and a half years that follow the share capital increase, at the subscription price of €0.44 per share increased by an annual margin.

### **2014 Capital Increase**

On 28 March 2014 the Extraordinary General Meeting of the shareholders of Alpha Bank approved the raising of capital by the Bank, up to the amount of EUR1.2 billion through a private placement with qualified investors, with the issuance of 1,846,153,846 new, ordinary, registered shares offered at EUR0.65 each. The offering, which was fully underwritten by a syndicate of international banks, was priced on 25 March 2014, while the new shares commenced trading on Athex on 4 April 2014.

The proceeds from the capital increase were used to strengthen the Bank's capital base with high-quality common equity capital and allow for the redemption of Greek State preference shares in issuance of EUR940 million, whereas the remaining amount of the capital raised was directed to cover the EUR262 million capital needs assessed in the 2014 Stress Test (as described under '*ECB's Comprehensive Assessment*' below). The Greek State preference shares of EUR940 million were subsequently redeemed on 17 April 2014.

### **Acquisition of Citi's Greek retail operations**

On 13 June 2014 Alpha Bank announced that it had entered into a definitive agreement with Citi for the acquisition of Citi's Greek retail banking business, including Diners Club of Greece. Under the agreement, the acquired operations comprise Citi's wealth management unit with customers' assets under management of approximately Euro 2.0 billion, out of which deposits amount to approximately EUR0.9 billion and net loans, mainly credit card balances, amount to EUR0.4 billion, as well as a retail branch network of 20 units which serves 480 thousand clients. The acquisition was completed on 30 September 2014. As a result of the acquisition, the personnel working in the retail banking network of Citi joined the Bank.

## **ECB's Comprehensive Assessment**

On 26 October 2014 the ECB and the EBA announced the outcome of the Comprehensive Assessment. The assumptions and methodological approach of the Comprehensive Assessment were established to assess banks' capital adequacy against an 8 per cent. and a 5.5 per cent. CET1 capital benchmark under the baseline and adverse scenarios respectively. The Stress Test period covered a three-year time horizon (2014-2016). In the static scenario, the Stress Test has been carried out using a static balance sheet assumption as at 31 December 2013 and did not take into account any business actions already implemented after 31 December 2013, which would have impacted the capital position and/or the financial standing of the Bank.

Alpha Bank completed the Comprehensive Assessment successfully and was the only Greek systemic bank that registered no capital shortfall for the baseline and adverse scenarios under both the static and the dynamic assumptions, producing excess capital, without taking into account developments with direct capital impact realised post December 2013.

The Bank exceeded the hurdle rates of 5.5 per cent. and 8 per cent. for the adverse and baseline scenarios for both static and dynamic assumptions with a (safe) margin ranging between EUR1.3 and EUR3.2 billion. More specifically Alpha Bank concluded the adverse scenarios with a CET1 of 8.07 per cent. and a capital surplus of EUR1.3 billion in the static assumption and CET1 of 8.45 per cent. with a capital surplus of EUR1.8 billion under the dynamic assumption.

The quality and level of the Bank's capital were further strengthened due to the capital issuance of EUR1,200 million, which took place in the first quarter of 2014, and the repayment of Greek State preference shares of EUR940 million (as described in "2014 Capital Increase" above). This net capital impact, amounting to EUR260 million, which was not included in the "join-up" result, due to the methodology applied, led to a CET1 capital ratio of 8.6 per cent. and a surplus of 3.1 per cent. in the static adverse scenario.

## **Asset Quality Review (AQR)**

During the third quarter of 2015 the negotiations of the Hellenic Republic for the coverage of the financing needs of the Greek economy were completed on the basis of the announcements at the Euro Summit on 12 July 2015, resulting in an agreement for new financial support by the ESM. The agreement with the ESM, that was signed on 19 August 2015, provided for the assessment of the four Greek systemic credit institutions (including the Bank) by the SSM in order to determine the impact from the deterioration of the Greek economy on their financial positions as well as any capital needs (the "2015 Comprehensive Assessment").

The 2015 Comprehensive Assessment comprised the AQR and a forward-looking stress test, including a baseline and an adverse scenario, in order to assess the specific recapitalisation needs of the individual banks under the third economic adjustment programme for Greece.

On 31 October 2015 the ECB announced that the 2015 Comprehensive Assessment revealed a total capital shortfall of €262.6 million and €2,743 million for the Bank under the baseline and the adverse scenarios respectively, including an AQR adjustment (€1.7 billion), after comparing the projected solvency ratios against the thresholds defined for the exercise. On 13 November 2015 in connection with its approval of the Bank's capital raising plans, the ECB recognised internal capital measures of €180 million, thus reducing the remaining adverse scenario capital shortfall that had to be addressed by the Bank to €2,563 million.

## **2015 Capital Increase**

By virtue of the resolution of the Extraordinary General Meeting of the shareholders of the Bank that took place on 14 November 2015 the following items (among other things) were resolved: (i) the

increase of the nominal value of each share by way of a reverse split from EUR0.30 to EUR15.00 along with a decrease of the total number of the existing shares (including the capitalisation of an amount of EUR42.60 in order to create an integral number of shares) from 12,769,059,858 to 255,381,200 ordinary, dematerialised, registered shares, with voting rights (each an “**Ordinary Share**”), by a ratio of one (1) new share to fifty (50) old shares and the subsequent decrease of the nominal value of each Ordinary Share from EUR15.00 to EUR0.30 and credit of the amount arising from the decrease to the special reserve of article 4 par. 4a of Greek Law 2190/1920; and (ii) the share capital increase by payment in cash (including the equivalent to cash capitalisation of money claims), along with the abolition of pre-emption rights of the shareholders of the Bank, by the issuance of new, ordinary, registered, dematerialised shares, with voting rights to be specified by the Board of Directors of the Bank.

The Bank's Board of Directors at its meeting on 19 November 2015 specified the above resolution of the General Meeting regarding the share capital increase by the issuance of 1,281,500,000 new ordinary, registered, dematerialised shares of the Bank, of a nominal value of Euro 0.30 per share at a EUR2.00 price per share (post reverse split) through: (i) payment in cash of an amount of EUR1,552,169,172.00 via a private placement through a book-building process, which commenced and was completed outside Greece, pursuant to the exception of article 3 par. 2 indent (α), to qualified investors, in accordance with article 2 par. 1 indent (σ) of Greek Law 3401/2005 and pursuant to article 3 par. 2 indent (γ) of Greek Law 3401/2005, and (ii) capitalisation of monetary claims of an amount of EUR1,010,830,828.00, in the context of the voluntary exchange of outstanding securities by their holders that participated in a liability management exercise. The proceeds from the capital increase were intended to strengthen the Bank's capital adequacy ratios.

The Bank was the first systemic bank in the Greek banking system in 2015 to be recapitalised by private funds, with its private placement having been subscribed by 1.72 times with no further HFSF participation, as the latter held approximately 11 per cent. in the share capital of the Bank with restricted voting rights.

#### **Disposal of subsidiaries / branches**

On 12 December 2014 Alpha Bank announced the agreement to sell all of the shares held in its insurance subsidiary in Cyprus, Alpha Insurance Limited, in a transaction valued at EUR14.5 million. The transaction was completed on 16 January 2015.

On 23 January 2015 the Bank announced the sale of the entire share capital of Cardlink S.A., formerly held by Alpha Bank and Eurobank Ergasias S.A. at 50 per cent. each, for a total transaction consideration of EUR15 million. Cardlink S.A. operates in the area of network service provision of point of sale terminals for electronic transactions with payment cards.

On 6 November 2015 the Bank concluded a definitive agreement regarding the acquisition of the Bank's branch in Bulgaria by Eurobank's subsidiary in Bulgaria, Postbank, subject to the receipt of regulatory and supervisory approvals. The sale was completed on 29 February 2016.

#### **Other material transactions**

On 12 June 2014 the Bank successfully issued a EUR500 million senior unsecured bond, with a 3-year maturity and 3.5 per cent. yield to maturity, with the book being oversubscribed by four times.

On 9 July 2014 the European Commission announced its approval of Alpha Bank's restructuring plan, as submitted to the European Commission by the Greek Ministry of Finance on 12 June 2014.

On 6 October 2014 the Bank successfully completed a voluntary separation scheme for its personnel, in line with its planning and with the participation of circa 2,200 employees.

On 4 December 2014 the Bank completed a shipping securitisation transaction in excess of USD 500 million, the first such Greek transaction since 2008.

On 24 December 2014 Alpha Bank announced it had signed a memorandum of understanding with Spain's Aktua Soluciones Financieras, a leading Spanish special servicer, to create and launch an innovative special servicing joint venture, Aktua Hellas. The entity will be 45 per cent. owned by Alpha Bank and 55 per cent. owned by Aktua Soluciones Financieras and its affiliates. On 12 November 2015 the Bank concluded its Liability Management Exercise, launched on 28 October 2015. The total accepted amount of the validly tendered securities amounted to EUR 1,010,845,000.00 and contributed to the 2015 share capital increase. The offer was voluntary and offered the exchange of specific series of notes to shares, achieving a high participation rate of 93 per cent.

On 26 November 2015 the DGComp approved the Bank's revised restructuring plan, which was found to be in line with EU state aid rules and aims to enable Alpha Bank to return to viability.

## BUSINESS OF THE ALPHA BANK GROUP

### Introduction

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

Alpha Bank was incorporated and registered in the Hellenic Republic as a public company under Greek Codified Law 2190/20 with limited liability (General Commercial Registry number 223701000, former Registry of Corporations number 6066/06/B/86/05) on 10 March 1918. The Bank is subject to regulation and supervision by the ECB, the Bank of Greece, the Hellenic Capital Market Commission (the “HCMC”), the Greek Ministry of Development and Greek banking, securities and accounting laws.

The purpose of the Bank as set out in Article 4 of the Bank’s Articles of Incorporation is “to engage, on its account or on behalf of third parties, in Greece and abroad, independently or collaboratively, including a joint venture with third parties, in any and all (main and secondary) banking operations, activities, transactions and services allowed to credit institutions, in conformity with whatever rules and regulations may be in force each time.”

The Bank is the parent company of the Group and its principal bank. Under its current organisational structure, implemented in 2006 and updated in May 2012, all of the activities of each of its companies are divided into five business units, with enhanced management and administrative responsibilities, as well as a sixth category for its other activities. The management of its overall strategy and the coordination of activities between business units is undertaken by its executive committee. Furthermore, the Bank has strengthened the distinction between retail and wholesale banking and extended this organisational principle across the Group to apply to its operations in Southeastern Europe (Cyprus, Romania, Serbia, FYROM and Albania). It also maintains a presence in the United Kingdom and in Jersey. On 6 November 2015 the Bank reached a definitive agreement regarding the sale of Alpha Bank's branch in Bulgaria to Eurobank's Postbank (subject to regulatory and supervisory approvals). The sale was completed on 29 February 2016.

At the income-generation level the Bank operates the following business units:

- **Retail Banking**, which includes all of the Bank’s individual banking customers in Greece, including professionals and small businesses. Through its Greek branch network, the Bank offers products such as savings accounts, current accounts, investment facilities, term deposits, repos, swaps, loan facilities (housing consumer and corporate loans and letters of guarantee) and debit and credit cards to the above customers.
- **Corporate Banking (Wholesale Banking)**, which includes all medium and large-sized corporate clients, including corporations with international activities and shipping corporations. To these corporate customers the Bank offers a full range of working capital facilities, corporate loans and letters of guarantee, and a variety of primarily short-term investment options to cover their excess liquidity placement requirements. Alpha also offers these clients leasing and factoring services through the Bank's specialised subsidiaries, Alpha Leasing S.A. and ABC Factors S.A., respectively.
- **Asset Management/Insurance**, which offers a range of asset management services through the Bank’s private banking business and its subsidiary Alpha Asset Management. In addition, a range of insurance products are also distributed by the Bank to individuals and corporations through AXA (formerly known as Alpha Insurance A.E. prior to its sale to AXA by the Bank in March 2007) or through the Bank's subsidiary Alphalife.

- ***Investment Banking and Treasury***, which offers stock exchange, advisory and brokerage services relating to capital markets, investment banking facilities and treasury services, and also includes the Bank's interbank dealing room for bonds, futures, interest rate swaps, foreign exchange swaps, interbank placements and borrowings. These services are provided by the Bank directly or through its specialised subsidiaries, Alpha Finance A.E.P.E.Y. and Alpha Ventures A.E.
- ***South Eastern Europe***, which consists of the Bank's branches and subsidiaries that operate in Romania, Cyprus, Serbia and Albania. Following the recent restructuring exercise, the Bank's foreign operations are organised primarily around the distinction between retail and corporate banking, as is the case with its Greek banking operations.
- ***Other activities***, which relate to the administration of the Bank and non-financial subsidiaries and participations. Such activities consist of custody services, real estate management and advisory services carried out by Alpha Astika Akinita.

A more detailed description of each business unit follows:

### **Retail Banking**

Alpha Bank is a major participant in the retail banking sector in Greece and as at 31 December 2015 had a domestic network of 608 branches, 9 corporate (commercial) centres and 9 private banking (customer service centres). Each Greek branch network is supported by a nationwide network of approximately 1,100 ATMs. Its retail banking activities and products include deposits, investment products, distribution of bancassurance and standard insurance products (most commonly, policies attached to mortgage sales), banking activities on commission (mutual funds, credit cards, capital transfers, brokerage activities and payroll services), loans to individuals (consumer and housing loans) and loans to small-sized firms.

#### *Retail deposits*

The retail deposits of the Greek private sector contracted at the end of December 2015 at a rate of 25.4 per cent. on an annual basis due to the prevailing political uncertainty at sovereign level, which resulted in a bank holiday and the imposition of capital controls in Greece in June 2015. Deposits in Greece in H1 2015 recorded severe outflows of EUR10.6 billion affected by the increased uncertainty at the sovereign level, while deposit mix shifted towards core deposits. However, following the imposition of capital controls, balances have steadied, while, in Q4 2015, the Group recorded inflows of EUR1 billion stemming from corporates, increasing Alpha Bank's deposits base to EUR31.4 billion. In Greece, deposits stood at EUR26.7 billion at the end of December 2015, up by EUR0.7 billion in Q4 2015 from Q3 2015 with core deposits mainly from businesses accounting for the majority of inflows.

The Bank's market share of Greek deposits at the end of December 2015 stood at 21.04 per cent., marginally decreased by 0.54 per cent. on a year-on-year basis. The Bank's market share in individuals' deposits stood at 20.43 per cent.

#### *Retail loans*

The downturn in economic activity and the consequent reduction in households' disposable income, in combination with the low level of consumer and business confidence, have brought about a clear fall in demand for new loans and a decline in credit expansion in Greece. At this difficult juncture, the Bank has continued to support its customers and to assist in the effort to restore stability to the Greek economy.

Total gross loans on a consolidated basis attributed to the Retail Banking business unit (before provisions for loan impairment) amounted to €34.9 billion as at 31 December 2015 on a group basis, whereas for Greece they stood at EUR30.4 bn.

### *Mortgage loans*

Despite the economic downturn in the last few years, Alpha Bank has maintained its position as one of the leading banks in the housing credit market by offering a full range of products designed to cover all housing needs.

The Bank has recently added to its range of products the new programme ‘Alpha Housing Low Start’, which allows reduced instalments for the first years of the loan.

Additionally, Alpha Housing Loans introduced the acclaimed ‘Bonus Loyalty Programme’. Every new housing loan earns Bonus points from the very first Euro with a maximum of 100,000 Bonus points per loan contract. Bonus points can be redeemed immediately at a wide selection of participating ‘Bonus Merchants’.

At the same time, Alpha Bank continues to support its existing customers by offering comprehensive solutions to allow them to service their loans promptly. During 2015 particular emphasis has been placed on developing and supporting housing loan restructuring and settlement products. As at 31 December 2015 the Group’s mortgage lending stood at €20.8 billion.

### *Consumer loans*

Alpha Bank has a portfolio of consumer loans in Greece of €5.1 billion as at 31 December 2015.

During 2015 in Greece, special emphasis was given by the Group to new disbursements mainly through purpose loans, such as autoloans. In addition, the Bank currently offers a wide variety of consumer finance solutions through a consumer loans product mix that it has designed to respond to the needs of its retail banking customers (i.e. Alpha Epilogi, Alpha Metron Ariston, Alpha Green Solution, etc.).

The Bank, taking into consideration the needs of the customers in the current financial climate, has launched several restructuring products under the programme “Alpha Convenience”. Alpha Convenience aims to help customers to better control and schedule the repayment of their consumer loans and credit cards. Moreover, through this programme, the Bank offers custom-made solutions to customers with specific requirements, such as the unemployed.

### *Credit cards*

After the transfer of Citi’s consumer banking business in Greece, Alpha Bank has approximately 3.6 million credit and debit cards in issue, and further strengthened its leading position in the Greek market for both card issuance and acquiring. Since 1995, the Bank has been the selected American Express card issuer and merchant acquirer in the Greek market. Currently Alpha Bank is the only issuer and acquirer in Greece of all the major payment schemes: American Express, Visa, MasterCard and Diners. The sales and cash advance volume of credit and debit cards in 2015 was approximately €3.1 billion. As at 31 December 2015, outstanding balances reached €1.55 billion. With respect to its acquiring business, the Bank operates a network of approximately 120,000 associated merchants, holding a significant position in the Greek market as at 31 December 2015.

### *Loans to small businesses*

Small businesses financing facilities (annual turnover up to €2.5 million and credit limit up to €1 million) in the Greek market had an outstanding balance of €6.7 billion as at 31 December 2015.

## **Wholesale Banking**

### *Corporate Banking*

The Bank provides a full range of corporate banking services to Greek companies, foreign corporations active in Greece and, to a lesser degree, public sector entities. Corporate clients serviced by the Bank's Corporate Banking division generally have an annual turnover of at least €75 million. The Bank's credit portfolio in 2015 was mainly concentrated in the manufacturing and trade sectors, while the rest of the portfolio was spread among entities in the construction and real estate, transportation, tourism and public sectors.

The Bank offers a number of services to the Bank's commercial customers, including acceptance of deposits, short-medium and long-term lending both in euro and foreign currencies, cashing cheques, foreign exchange transactions, transactions in treasury and money market instruments, letters of guarantee, factoring and leasing. Moreover services offered include other cash and risk management services. The Bank also provides certain other banking services to corporate customers, including arrangement and participation in syndicated loans to large-sized companies and participation in bilateral restructuring transactions, according to clients' capital and financial needs.

#### *Corporate Centres*

The Bank operates nine corporate centres that provide services to approximately 8,100 medium-sized companies, with credit limits over €1 million and/or annual turnover between €2.5 million and €75 million.

Through these corporate centres, the Bank provides this sector with a centralised customer relationship management system, which under the current adverse economic conditions has enabled the Bank to maintain a high-quality medium-size companies portfolio, mainly by focusing on balancing the collateral provided by each company with the assessment of the company's credit-worthiness.

#### *Shipping Finance*

The Bank has been involved in shipping finance, providing specialised products and services to Greek owned shipping companies (ocean – going and coastal) for almost 19 years.

The Bank remains one of the main lenders in the Greek shipping industry and, in that respect during 2015, it granted a small number of new loans with conservative criteria. With a loan portfolio of around €2 billion in this sector as of 31 December 2015, exposure to ocean-going shipping companies accounted for 91 per cent. (36 per cent. dry bulk carriers, 47 per cent. tankers, 8 per cent. container carriers), while loans to coastal shipping accounted for 9 per cent. Furthermore, 23 per cent. of shipping loans involve participations in syndicated loans and 77 per cent. are bilateral loans. At the same time, the Bank maintains a leading position in the provision of other traditional and specialised products (remittances, foreign exchange transactions, hedging solutions etc.) to the Greek shipping industry.

Despite the fluctuations in the freight market, as well as in the global economy, Greek ship owners preserve their dedication and dynamism in the sector. In that respect, catering to the Bank's clients' business requirements remains a main focus.

#### *Alpha Leasing*

Alpha Leasing, established in 1981, is a wholly owned subsidiary of the Bank, and provides a wide range of financial leasing services and products to its customers. Alpha Leasing is service-oriented, focusing on the selective implementation of its customers' investment plans (2,094 customers as at 31 December 2015), while securing low risk and acceptable return levels for its portfolio. As at 31 December 2015 total receivables from leasing (post provisions) amounted to €653 million (compared with €770 million at 31 December 2014). Alpha Leasing currently has 45 employees.

#### *ABC Factors*

Through ABC Factors, the Bank provides a wide range of factoring services (domestic factoring with and without recourse, reverse factoring, invoice discounting, accounts receivables control, management and collection services, import and export factoring and forfaiting). Since its establishment in 1995, ABC Factors has held a leading position in the Greek factoring market based on the value of the assigned receivables and profit before taxes, according to a comparative analysis of the competition (Source: Hellenic Factoring Association). ABC Factors continued its growth during 2015, achieving an increase of the turnover (amount of trade receivables) of 3.7 per cent. compared with 2014, denoting €4.4 billion, and engaging 86 employees.

### **Asset Management & Insurance**

The Asset Management & Insurance Unit includes private banking, asset management, and insurance services.

#### *Private Banking Unit*

Since 1993, the Bank has been providing a full range of portfolio management services as well as banking services to high net-worth clients. The services are provided under the trade name Alpha Private Bank, by a network of eight exclusively designated 'Private Banking Centres', ten service points at selected Alpha Bank branches in Greece's largest cities and one 'Private Banking Centre' in the United Kingdom, Alpha Bank London, a 100 per cent. owned subsidiary bank, regulated by the Bank of England.

Aiming to optimise the advisory and portfolio management services, the Bank introduced in 2015 a brand new support unit under the supervision of the Private and Investment Banking Executive General Manager. The unit, named the 'Investment Portfolio and Analysis Division', consists of a team of 16 portfolio management counsellors and analysts with the objective to provide continuous and cutting edge supporting guidance to front line relationship managers as well as to selected clients.

The Bank's network is staffed with 77 specialised and certified private bankers in Greece and six bankers in London. The operational integration of the former Citibank Greece contributed new assets under management of €0.7 billion resulting in total funds of over €4 billion and 6,700 investment portfolios with a domestic market share of 15 per cent. as at 31 December 2015. The integration of former Citibank activities served the Bank's goal to upgrade the Bank's operational efficiency by adopting best practices and know-how widely tested by a global financial organisation such as Citibank.

#### *Alpha Asset Management A.E.D.A.K.*

Alpha Asset Management A.E.D.A.K.'s objective is the development and management of mutual funds, offered to private and institutional clients of Alpha Bank. Additionally, it is actively engaged in the portfolio management of institutional investors such as pension/occupational funds, insurance companies and other entities. The company offers a wide range of investment solutions, consisting of 27 mutual funds covering almost all investment categories (equities, bonds, money market and alternative investments), providing access both to developed and emerging markets.

Alpha Asset Management A.E.D.A.K. is the second largest mutual funds management company in Greece and as of 31 December 2015, its market share stood at 14.8 per cent. of the entire mutual funds industry (Source: Hellenic Fund & Asset Management Association, Total Assets of Mutual Funds by Management Company on 31 December 2015). As of 31 December 2014 total assets under management of the company stood at €1.7 billion, of which €1.2 billion were invested in mutual funds and €500 million in segregated accounts of institutional clients. As of 31 December 2015 total assets under management of the company stood at €1.2 billion, of which €1.07 billion were invested in mutual funds and €158 million in segregated accounts of institutional clients.

## *Alphalife A.A.E.Z.*

Alphalife A.A.E.Z., a wholly owned subsidiary of the Bank, is active exclusively in the Bancassurance market of investment and pension life insurance products, solely through the branch network of the Bank.

Despite the fact that the commencement of its business in 2010 coincided with the economic recession in Greece, there has been an increase in premium production, in the portfolio of insurance contracts and in reserves and assets under the management of AlphaLife during the period between 2010 and 31 December 2015. Key figures for the year ending 31 December 2015 are: insurance premiums received of €39.7 million, assets under management of €183.5 million and net profits before tax of €2.8 million.

## **Investment Banking and Treasury**

### *Investment Banking*

The Investment Banking Unit includes the activities of Corporate Finance, Project Finance and Real Estate Investments, as these are described below.

#### Corporate Finance

Corporate Finance offers services relating to mergers and acquisitions, restructurings, privatisation projects, valuations, capital markets transactions, public tenders and concessions and holds a leading position among the local investment banking units.

Corporate finance services in 2015 focused primarily on the provision of advisory services to private sector companies relating to valuations, mergers and acquisitions (“M&A”) transactions, as well as in privatisation projects under the Hellenic Asset Development Fund. In 2015, Corporate Finance completed its first cross-border M&A transaction in Romania, in the healthcare sector. In addition advisory services were offered to private companies trading on the Athex, in connection with rights issues and debt capitalisation, as well as the Bank, where Corporate Finance was involved in its recent recapitalisation.

#### Project Finance

The Bank holds a leading position in the Greek structured finance market, offering project financing on a non-recourse basis for large projects in infrastructure (toll roads, airports, ports etc.) and energy (renewable energy sources; chiefly, wind parks, thermal power plants, and co-generation plants), either on a bilateral or a syndicated basis, in Greece and abroad. The Bank is also active in structured financings of real estate projects in Greece and South Eastern Europe, on the basis of projected cash flows.

In 2015, the Bank provided financings for several renewable energy projects and undertook the debt arrangement for three large scale energy and public private partnership (“PPP”) transactions. Furthermore, the division provided financial advisory services for the structuring and arrangement of the financing of the Greek regional airports’ privatisation and a large PPP project in the waste management sector. The division's loan balances remained at the same level of approximately €1.20 billion over this period due to scheduled repayments.

#### Real Estate Investments

The Bank continues with its operations in the area of Real Estate Investments in Greece and in SEE, including the formulation and execution of related strategic and business plans of real estate assets acquired as a result of the enforcement of the respective securities under loan facility agreements. The aim of the Investment Banking division's management is to safeguard and maximise recovery value of

those assets, as well as to secure their efficient and risk-fenced management through the establishment of special purpose vehicle companies. The Investment Banking division acts in close collaboration with Alpha Astika Akinita S.A., as well as with its subsidiaries in SEE and other external partners.

#### *Brokerage Services*

##### Alpha Finance Investments Services S.A.

Alpha Finance Investment Services S.A. is a member of Athex and the Cyprus Stock Exchange. It offers a wide range of products and services to both retail and institutional clients, including access to the major foreign equity markets. In addition, Alpha Finance Investment Services S.A. acts as a market maker for Alpha ETF FTSE Athex Large Cap Equity Fund and for stocks and derivatives traded on Athex.

For the financial year ending 31 December 2015 Alpha Finance Investment Services S.A. reported net after tax losses of €780,000 million on revenues of €8.95 million, with shareholders' funds amounting to €33.1 million, compared to net after tax income of €60,000 million on revenues of €10.7 million and shareholders' funds of €33.8 million for the respective period in 2014.

#### *Treasury*

The Bank participates in the interbank spot, money, bond and derivatives markets. Its use of sophisticated systems to measure risk, along with the Bank's conservative trading profile, have contributed to limiting risk, to enhancing flexibility in adapting to changing market conditions, and to improved performance. The Treasury Division is particularly active in both the Greek primary and secondary bond markets as well as in the primary and secondary European and international debt capital markets.

#### **South Eastern & rest of Europe**

The Group is active in SEE, having a presence in Cyprus, Romania, Serbia, Albania and FYROM as well as in the United Kingdom through its London Branch and the subsidiary Alpha Bank London Ltd. The Group also has a presence in Jersey. As at 31 December 2015, the Group in SEE and the rest of Europe had a total of 289 Branches and 4,407 employees. On 6 November 2015 the Bank concluded a definitive agreement regarding the acquisition of the Bank's branch in Bulgaria by Eurobank Bulgaria A.D., which was completed in the first quarter of 2016.

As at 31 December 2015 gross loans in SEE amounted to €9.2 billion corresponding to 14.9 per cent. of total loans of the Group on a consolidated basis, while deposits amounted to €3.9 billion corresponding to 12.5 per cent. of total deposits of the Group on a consolidated basis.

In the countries in which the Group operates, uniform systems and policies across key operations (such as risk management and internal audit for processing and monitoring retail applications, NPLs and credit risk assessments for corporate loans) have been implemented. These are built on the standards applicable to the Group's Greek operations and are adapted to each country's local regulatory and legal framework.

#### **Other Activities**

##### *Alpha Astika Akinita A.E.*

Alpha Astika Akinita S.A. was founded in 1942 and since 1999 the company's shares have been listed on Athex. The company is operating mainly in the Greek real estate market. It also extends its activities to the markets of Serbia, Romania, Bulgaria and FYROM through its subsidiaries, Alpha Real Estate D.O.O. BEOGRAD, Alpha Real Estate Services S.R.L., Alpha Real Estate Bulgaria E.O.O.D., Chardash Trading E.O.O.D. and Alpha Astika Akinita D.O.O.E.L. Skopje.

The main objective of Alpha Astika Akinita S.A. is to manage and value real estate properties and rights owned by the Group. Furthermore, it offers appraisal, technical consultation and comprehensive services for exploiting real estate owned by third parties. Regarding its property management services, brokerage, property valuation, investment appraisals, project management and evaluation of property development projects, Alpha Astika Akinita S.A. has been certified with ISO 9001.

Moreover, the company owns the 18.42 per cent. of the share capital of Propindex S.A., a company which creates, calculates and produces indicators related to the real estate market.

Emporiki Management S.A., a subsidiary of the Bank, provides services related to asset liquidation, debt collection, management and liquidation of companies, as well as financial advice related to these activities.

#### *Ionian Hotel Enterprises (“IHE”)*

IHE was established in 1957 with the aim of constructing and operating high-quality hotel units. IHE is listed on the Athex, and its market capitalisation, as at 31st December 2015, amounted to €78,321,601,93 million. As at 31 December 2015, IHE had a total of 362 permanent employees.

IHE owns the Athens Hilton Hotel. In June 2000, IHE concluded a 10-year agreement with Hilton International to manage the Athens Hilton Hotel, effective from 1 January 2004. In 2015, the agreement was extended until 31 December 2017.

#### *Custodial Services*

The Bank has a specialised organisational unit that performs custodial functions servicing institutional clients. As at 31 December 2015, the value of the clientele’s portfolio amounted approximately to €3.1 billion, while the fees for 2015 amounted to approximately €2.4 million. The main categories of institutional clients under custody are insurance companies, banks and asset management companies, including Alpha Asset Management A.E.D.A.K., which is the largest client under custody.

#### *NPL Management*

As a result of the sustained downturn of the Greek economy, where GDP has declined by more than 30 per cent. since 2009, the quality of the Bank’s loan book has deteriorated, and the Bank experienced increased NPLs across all business segments. In response to this, the Bank has focused on three core NPL prevention and resolution strategies:

- emphasis on collection efforts, particularly with respect to borrowers in early arrear;
- improvement of security position through additional pre-notations on physical collateral; and
- offering of loan modifications to borrowers in an attempt to alleviate their short term financial difficulties. This ensured that the Bank could supplement these modifications, if required, once performance visibility improved in a more stable environment.

As conditions have remained very tight amidst a very challenging economic outlook, the Bank has continuously reviewed and adapted its NPL strategy to address this unfavourable economic environment. During 2014 and 2015 the Bank has undertaken a major overhaul of its NPL management infrastructure and strategy, leveraging, among others, the recommendations of the Bank of Greece’s ongoing ‘Troubled Asset Review’, as well as provisions in the Bank of Greece Executive Acts 42/2014 and 47/2015.

The development of targeted long-term sustainable modifications represents a major shift from the previously shorter-term focus, while collection efforts and improved security position continue to be

core aspects of the Bank's strategy. At the same time, key operational features were also reviewed and updated as appropriate:

- **Organisational Restructuring:** Significant redesign and development of a dedicated and independent NPL management structure, including improvements to the organisational structure, heightened governance, and thorough NPL policies and processes; the establishment of the Troubled Assets Committee, in compliance with Bank of Greece Executive Committee's Act 47 recommendations, constitutes the most significant organisational restructuring, through which NPL strategy is approved and performance is assessed and monitored;
- **Portfolio Segmentation and Analytics:** Defined and detailed execution strategies with roll-out currently ongoing, including a robust segmentation framework;
- **Flexible and advanced modification products (e.g. split balance) and closure procedures (e.g. court settlements);**
- **Operations and Resource Management with specialised teams and targeted training; and**
- **Substantial investments in technology and automations, including auto dealers and frontline decision making tools (e.g. net present value calculators and an auctions IT system).**

These operational changes have been combined with major strategic components, in particular:

- **Joint venture with special servicer Aktua Soluciones Financieras (owned by Centerbridge):** This joint venture, which, based on current negotiations is expected to commence operations in the second half of 2016, will enable the Bank to more actively and efficiently manage NPLs and Real Estate Owned (“**REOs**”) by leveraging the expertise of a leader in the special servicing industry.
- **Loss Budget Framework:** A detailed loss budget framework was developed in co-operation with an international strategic consultant to facilitate the execution of the NPL resolution strategy. The framework enables the Bank to:
  - allocate yearly loss budgets by (sub-)portfolio to best meet NPL management targets;
  - monitor key performance indicators of NPL resolution strategy performance of the bank; and
  - Identify ‘top down’ strategies per cohort / segment.
- **Wholesale REO Strategy:** A review of the existing REO strategy to determine the best way to maximise value for the Bank in the current economic environment.

Furthermore, these strategic initiatives and the execution of the resolution strategy may benefit from a number of changes in the Greek legislative landscape and economic environment, including:

- **Structural reforms:** The structural reforms as part of the third Greek bailout package may benefit the Bank's ability to execute its resolution strategy; in particular the state-wide Juridical System Reform, the new Civil Procedure Code, the expansion of the loan servicing industry, removal or alleviation of the residential real estate moratorium, and ultimately any potential re-emergence of a secondary loan market.
- **Macroeconomic recovery:** Any improvement in Global or Greek economic performance, as well as any release of capital controls in Greece, may assist borrowers in meeting modified obligations, improve collateral valuations, and give greater transparency on projected borrower performance.

## **Distribution Network**

### *Branch Networks*

The Bank's presence in Greece and the other countries in which it operates is supported by a network comprising 897 branches at 31 December 2015 (excluding FYROM), which includes approximately 608 retail branches in Greece, 9 commercial centres in Greece, 9 Private Banking customer service centres in Greece and 271 retail branches outside Greece (excluding FYROM).

### *Alternative Networks*

As of 31 December 2015, customer transactions executed during 2015 through alternative distribution channels reached €340 million (65.1 per cent. of total volume of customer transactions), compared to €234.6 million (56.5 per cent.) during the same period at the previous year.

During 2015 three major projects were completed: the redesign of Alpha Web Banking for Individuals, along with the informative Alpha e-Banking site ([www.alpha.gr/e-banking](http://www.alpha.gr/e-banking)); the redesign of Alpha Mobile Banking; and the upgrade of customer service with natural language technology. In its final stage is also the new digital wallet, My Alpha Wallet, which is expected to be gradually completed during 2016.

The growing confidence of Alpha Bank e-banking customers is being evidenced by increasing usage levels. In the year 2015, monetary transactions that were carried out via e-banking services represented more than 70 per cent. of all Bank transactions. That increase was partly attributed to the capital controls that were imposed in Greece in the summer of 2015, driving customers to alternative channels for their banking transactions.

The alternative distribution channels and electronic banking services offered by the Bank are the following:

#### Automated Banking Devices

The Automated Banking Network of Alpha Bank includes the ATMs and the Automated Cash Transaction Centres ("ACTCs"), for cash transactions.

In 2015, the project to upgrade the fleet of ATMs to Windows 7 commenced, and is expected to be completed in 2016. Under this project, 306 old technology ATMs (125 off-site and 181 on-site) were replaced with new ones, and 583 (53.17 per cent.) of the fleet were upgraded.

At the end of the year 2015, the Bank owned 1,095 ATMs (659 on-site and 436 off-site) 5.85 per cent. less, as compared to the 2014 numbers. However, the number of transactions in 2015 amounted to 81.3 million, up by 13.24 per cent. compared to the previous year, with a value of €11.22 billion, an increase by 2.49 per cent. compared to 2014; this increase was, to some extent, accredited to the capital controls imposed in Greece in the summer of 2015.

In 2015 ACTCs totalled 285 units. Transaction volume reached 5.8 million showing a marginal decrease of 0.75 per cent. compared to 2014 (despite the limitations of the capital controls), while the corresponding value of transactions amounted to €1.27 billion, decreased by 12.80 per cent. as compared to 2014. Revenue from trading fees amounted to €999,282, representing an annual decrease of 6.11 per cent.

#### Alpha Web Banking

The Bank, in 1993, was the first Greek bank to introduce online banking with Alpha Line, a PC-banking application. Soon after the internet became available in Greece, Alpha Bank introduced Alpha

Web Banking for retail and corporate banking customers, with a constant focus on usability and safety of transactions.

Responding to the current e-banking international trend, Alpha Bank handed over in June 2015 the redesigned Alpha Web Banking for Individuals to its customer base. The new web banking platform, a highly friendly and secure electronic trading environment, with a more pleasant and modern design and easy and friendly navigation, provides significant benefits to all Alpha Bank customers.

The 2015 recorded significant increases compared to 2014 in the following areas:

- 550,000 active subscribers (47 per cent. increase);
- 212 million transactions volume (70 per cent. increase);
- 22 million monetary transactions volume (32 per cent. increase); and
- EUR 34 billion transactions value (22 per cent. increase).

#### Alpha Mobile Banking

Alpha Mobile Banking provides banking services via mobile phone. Customers can monitor their account and credit card balances, transfer funds and make payments to third parties, as well as be informed about foreign exchange rates and share prices.

In 2015 the Bank upgraded Alpha Mobile Banking for smart phones, running iOS and Android operational systems. The service was designed in order to provide a uniform user experience to the new Alpha Web Banking, implementing the characteristics of "smart" devices, for better navigation and usability levels.

The year 2015 recorded a significant increase, compared with 2014 in the following areas:

- 90,000 active subscribers (75.68 per cent. increase);
- 25 million transactions volume (173.06 per cent. increase);
- 623,500 monetary transactions volume (95.71 per cent. increase); and
- EUR 321.4 million transactions value (81.36 per cent. increase).

#### Alpha Phone Banking

Alpha Phone Banking offers banking services by phone, either with the usage of an automated system (IVR technology), or through the single telephone customer service centre (call centre).

In line with the development and delivery of new innovative services to its clientele, Alpha Bank upgraded, in March 2015, its customer service with natural language technology. An increase (again, partly due to capital controls imposed in Greece in 2015) in usage of over 100 per cent. was recorded, with the number of incoming customer service calls doubling from approximately 500,000 in 2014 to approximately 1,000,000 in 2015. There were also significant increases in the number of transactions carried out via phone compared with 2014, where:

- active subscribers increased by 40.29 per cent.;
- monetary transactions volume increased by 15.36 per cent.; and
- transactions value increased by 14.86 per cent.

#### Alpha Global Cash Management

Aiming to serve the needs of Greek internationalised enterprises, the Bank offers the Alpha Global Cash Management service, providing to its users the ability to manage the cash flows of their enterprise or group, in real time.

Using the new electronic service, the need to operate multiple web banking systems from all the banks where the client is holding bank accounts, is eliminated. The service includes:

- Single view of account balances and transaction activity:
  - Online – real time update for accounts held with the Group; and
  - Same day and / or intraday update for accounts held with other banks using SWIFT messages.
- Liquidity management:
  - Online transfers to and from Alpha Bank accounts for (currently excluding cross-border transfers); and
  - Transfer orders to other Bank's accounts using SWIFT MT101 messages; and
- Special clearing services for stock companies operating in the Athex.

#### Alpha Web International Trade

Alpha Web International Trade, which launched in 2007, has been designed to satisfy international trade needs of the Bank's corporate customers. Specifically, clients can monitor the status of transactions, send electronic requests for settlements and for import documentary credits, as well as submit required documentation in electronic form.

At the end of 2015, the service was used by 1,082 companies, which carried out 3,983 imports – exports transactions.

#### Mass Collections/Payments Services through Electronic Transmission of Files

Alpha Mass Payments is a web based solution offered to SMEs and corporate customers that enables businesses to carry out mass payments and customers' proceeds online, in an easy, secure and fast way. Transactions include payments through standing orders as well as mass payments, such as payroll or payments of suppliers/partners. The platform provides an easy to use interface that enables users to create, send and track bulk orders (e.g. salary or payment of suppliers) in a fast and reliable manner. At the end of 2015, Alpha Mass Payments served 3,918 subscribers.

#### Alpha e-Commerce

In the field of e-commerce, Alpha Bank continued to support the modern enterprise, evolving Alpha e-Commerce, a complete solution that enables credit and debit card acquiring for all card schemes (Visa, Amex, MasterCard, Diners and Union Pay).

In order to increase the usability of its e-commerce platform, the Bank upgraded the Alpha e-Commerce payments page in 2015, providing additional information to Alpha Bank cardholders, enabling them to view the available Reward Bonus points on their card, as well as the new Reward Points Balance following each transaction. The ability to redeem Bonus points was also implemented, with special offers from partner organisations participating in the Alpha e-Commerce and Bonus programme.

Finally, the security protocol American Express SafeKey, regarding customer identification, equivalent to the Verified by Visa and MasterCard SecureCode protocols, was implemented in 2015 to further

strengthen the security of electronic payments and assure partner organisations in the field of disputed transactions.

E-commerce acquirers reached approximately 2,000 in 2015 (a 15 per cent. increase over 2014) while e-commerce transaction volume increased by 22.4 per cent. over 2014 and reached approximately 2.3 million in 2015.

#### Alpha e-Statements

The Alpha e-statements service is offered through Alpha Web Banking for individuals and enterprises, and gives access to copies of the statements of accounts, credit cards, business loans, and mortgage and consumer loans. Towards the end of 2015 a project regarding the automated integration of approximately 250,000 active Alpha Web Banking subscribers to the Alpha e-statements service commenced, aiming at more direct and secure customer information levels and better control of operating costs, whilst actively contributing towards the Bank's energy footprint. The project is expected to be completed in 2016. The number of bank accounts that joined e-statements by the end of 2015 were:

- approximately 164,000 for deposit and loan accounts, an increase of 55 per cent. compared to 2014; and
- approximately 230,000 for cards, an increase of 93.66 per cent. compared to 2014.

#### **Risk Management**

The Group has established a comprehensive risk management framework, which has evolved over time and takes into account the common European legislation and the banking system rules, regulatory principles and supervisory guidance and the best international practices. This risk management framework is implemented in the course of day-to-day business, enabling corporate governance to remain effective.

The Group's focus is to maintain the highest operating standards, ensure compliance with regulatory risk rules and retain confidence in the conduct of its business activities through the sound provision of sustainable financial services.

The Group's risk governance framework, including risk management strategy and business model, is further developed and enhanced with a view to comply with the heightened standards and extensive guidelines of the new regulatory (Basel III implementation) and supervisory (SSM) framework, covering risk data governance, aggregation and reporting.

Risk culture is embedded into all business units through the implementation of the ALPHA BANK Group Risk Framework and initiatives aligned to the Group Risk Strategy.

The Group Risk Management Unit (the "RMU") has been assigned with the responsibility of implementing the Group Risk Management Framework, according to the directions of the Group Risk Management Committee and operates independently from any executing processes.

Under the supervision of the General Manager – Group Chief Risk Officer, the following Credit and Risk Management Divisions operate within the Group and have been assigned with the responsibility of implementing the risk management framework, according to the directions of the Risk Management Committee:

- Market and Operational Risk Division
- Wholesale Banking Credit Risk Division
  - Wholesale Banking Credit Risk Methodologies Development Division

- Wholesale Banking Credit Risk Analysis Division
- Retail Banking Credit Risk Division
  - Retail Banking Credit Risk Methodologies Development Division
  - Retail Banking Credit Risk Analysis Division
- Wholesale Credit Division-Greece
- Wholesale Credit Division- International
- Retail Credit Division

Within the Group's firm-wide risk governance and management framework, each risk and credit unit of its international network adapts its risk management framework and policy to the local regulatory and legal requirements while, at the same time, being coherent with those of the Bank, as established in the risk governance framework.

To this end, dedicated regional Risk and Credit Division Managers of the International Network have been appointed to establish the enterprise risk management coverage and have a direct reporting line to the Group Chief Risk Officer.

During 2015, in light of the ongoing developments in the domestic and international macroeconomic environment and the effectively adjusted regulatory framework, the Group's Credit Policy Framework and the Credit Risk Management Framework were revised and updated with the incorporation of the institutional and regulatory requirements<sup>4</sup> relating to the effective management of loans in arrears and non-performing exposures, including the establishment of new independent credit risk monitoring bodies, new reporting requirements and the definitions set out in the aforementioned regulatory framework.

Furthermore, the Group has subsequently revised and upgraded its internal risk assessment systems and credit risk management processes in order to ensure compliance of internal and external risk reporting with the above reporting templates and data aggregation practices.

The Group's Risk Strategy is based on the Risk Policies & Procedures defined by the Group Risk Management Committee and approved by the Alpha Bank A.E. Board of Directors, which include all central rules of conduct for handling risks, are set out in specific manuals for each risk and reviewed and refined regularly so as to be adapted by the RMU of the Group.

#### *Credit Risk*

As a commercial banking group, one of the main types of risks inherent in the Group's business is credit risk. Credit risk is the risk that a borrower or counterparty fails to meet their contractual obligations in a timely manner, thus resulting in a financial loss for the Group.

The provision of a complete and timely support for the decision making process of business units and the continuous and systematic monitoring of its loan portfolio, in accordance with the provisions set out in the Group policies and procedures, the harmonisation with the regulatory framework and international best practices constituted the main objectives for the Bank's credit risk management and the minimisation of potential losses. These objectives materialise through a continuously evolving framework of methodologies and systems for measuring and monitoring credit risk, customised to the challenges of the prevailing economic circumstances and the nature as well as the extent of the business activities of the Group.

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<sup>4</sup> Implementing Regulation (EU) 2015/227/09.01.2015, the Bank of Greece Executive Committee Acts No. 47/09.02.2015 and No. 42/30.05.2014 and "EBA Final Draft Implementing Technical Standards on Supervisory Reporting on Forbearance and Non-Performing Exposures" (EBA/ITS/2013/03).

A marked deterioration of the economic environment in Greece and the Bank's other markets has had a negative impact on the quality of its loan portfolio. Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in the Group's businesses. Non-performing or low credit quality loans have in the past, and may continue to, negatively impact the Group's operating results, financial condition and prospects. In this respect, high importance is given to provisions to cover credit risk. As of 2015 the cost of risk reached to 4.26 per cent. of the Group's average loans and advances to customers. The resulting reserves totalled €15.8 billion and translated to coverage of 25.5 per cent. of the loan portfolio as at 31 December 2015<sup>5</sup>. Loans in arrears as a percentage of total loans stood at 36.8 per cent., as at 31 December 2015. As a result of the Bank's prudent provisioning policy loans in arrears coverage stood at 69.3 per cent. as at 31 December 2015, increasing to 125.9 per cent. when collateral is taken into account.

### **Internal Audit**

The Audit Committee comprises four Members, out of whom three are Non Executive Independent Members. One of the Independent Members is appointed the Chairman of the Committee and the remainder are appointed Members of the Committee. The Chairman has the required expertise and experience to supervise the auditing procedures and accounting and financial issues within the scope of responsibilities of the Committee. All Members of the Committee are appointed by the General Meeting of Shareholders.

The Audit Committee oversees the preparation and publication of the annual Financial Statements of the Bank and the Group, as well as the internal and external audits of the Bank. It ensures communication of the Internal Auditor, the External Auditors and the Regulatory Authorities with the Board of Directors and evaluates the performance of the Audit and Compliance Divisions. It ensures the independence of the certified auditors and assesses the adequacy and effectiveness of the Internal Control System of the Bank and the Group Companies.

### **Asset and Liability Management ("ALM")**

The Alpha Bank Group manages its assets and liabilities in accordance with regulatory guidelines, its strategic goals and current and planned activities. The Group's ALM infrastructure comprises of systems, methodologies and procedures that facilitate the identification, measurement, monitoring, controlling and reporting of interest rates, structural foreign exchange, and liquidity and optionality risks embedded in the Group's banking book in an objective and consistent manner across the Group. It is designed with the aim of preserving the Group's net interest margin, in line with its risk tolerance and business objectives.

#### *Capital Adequacy*

The current regulatory environment in the Eurozone is characterised by the entry into force of the Capital Requirements Regulation (CRR 575/2013), the Capital Requirements Directive (CRDIV), the recently completed Comprehensive Assessment process and the launch of the SSM. The capital adequacy framework (CRDIV/Basel III), which has been in force as of 1 January 2014, sets a progressive enhancement of the capital standards both quantitative and qualitative. The enhancement of the quality of capital comes also through the linkage of all capital limits with CET1 capital.

From 31 December 2014, besides the 8 per cent. capital adequacy limit, new limits of 4.5 per cent. for CET1 ratio and 6.0 per cent. for Tier 1 ratio were set according to EU Regulation 575/2013 and the transitional provisions for the calculation of own funds as adopted by the Bank of Greece. These limits should be satisfied on a standalone and on a consolidated basis.

Furthermore the revised framework introduces transitional arrangements for non-eligible capital instruments and deductible items (e.g. deferred taxation, tier 1 and tier 2 instruments).

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<sup>5</sup> Total reserves are those used for credit risk monitoring practices and are not equal to provisions calculated pursuant to IAS 39.

The impact of the implementation of the new regulatory framework on the calculation of credit risk RWAs can be summarised as follows:

- positive effect from the application of a preferential risk factor to performing loans granted to small-and medium-sized enterprises;
- positive effect from the increase of Loan-to-Value metric to 80 per cent. for loans covered by residential real estate;
- increase in RWAs for past-due exposures, covered by residential real estate, with provisions higher than 20 per cent.; and
- contamination at a customer level by the default of any material past-due credit obligation, with regards to corporate portfolio.

The impact on CET1 Capital is small and associated with:

- negligible minority rights;
- no goodwill and limited amount of intangibles; and
- no substantial insurance risk.

#### *Supervision*

The Greek banking system was supervised by the Bank of Greece, the country's central bank, until November 2014. Since then, the ECB has undertaken its new supervisory tasks by virtue of the Council Regulation 1024/2013. The Regulation defines specific tasks and authorities concerning policies relating to the prudential supervision of the significant European banks. It includes components such as a Single Rule Book for the financial services (which covers the authorisation and revocation of licences of credit institutions, the assessment of acquisitions of qualifying holdings in credit institutions, the observance of prudential requirements on credit institutions in the areas of own funds requirements, securitisation, large exposure limits, liquidity, leverage, and reporting and public disclosure of information on those matters etc.). It also includes a new common framework for deposit protection and a single bank resolution mechanism. The establishment of the SSM is the first step towards the creation of a European Banking Union.

#### *Treasury*

The Treasury Division is responsible for conducting trading activities in order to provide quality services to customers, to enhance profitability and to ascertain liquidity in a cost effective manner. Its goal is to maximise the Bank's income, according to certain established risk policies and limits, and manage the liquidity requirements deriving from all the Bank's commercial and trading activities.

Interbank, counterparty and trading limits are reviewed by the Board of Directors of the Bank at least annually. Internal procedures are in place to ensure adherence to the limits and processes. The Risk Management unit of the Bank is responsible for monitoring adherence and reports directly to the General Management. The Risk Management unit applies daily, sensitivity analysis methods and the value at risk methodology to measure the interest and foreign exchange exposures of the Bank and runs monthly stress testing scenarios. It produces management review reports and presents them to the Executive General Management and the Treasury Division.

## DIRECTORS AND MANAGEMENT

The Bank is managed by a Board of Directors comprising of a minimum of nine (9) and a maximum of eighteen (18) Directors elected by the Shareholders at their General Meetings. Directors hold office for a term of four years and may be re-elected by the Shareholders to serve multiple terms. The absence of a Director from Board meetings for a period exceeding six months is considered by the Board as constituting his resignation. The Board must elect a Chairman of the Board and a Vice Chairman of the Board from among the Directors.

The Board resolves all matters concerning management and administration of the Bank except those which, under the Articles of Incorporation or under applicable law, are the sole prerogative of Shareholders acting at a General Meeting. The Board is convened by invitation of the Chairman or following a request by at least two Directors. The Directors have no personal liability to Shareholders or third parties and are only liable to the legal entity of the Bank with regard to the administration of corporate affairs.

Board resolutions are passed at Board meetings by an absolute majority of Directors present or represented by another Director, except in the case of share capital increases, for which, as per Greek Codified Law 2190/1920, a two-thirds majority is required. In case of tie vote, the vote of the Chairman prevails. A Director can only be represented in person by another Director. No Director can represent more than one other Director in a single Board meeting. To form a quorum, more than half of the Directors must be present in person or duly represented and the number of Directors present in person in no case may be less than six (6). The Board of Directors elects the Chairman through secret vote among its present or represented members, by an absolute majority. The Board of Directors appoints the executive and non-executive members except for independent members, who are appointed, according to Greek Law 3016/2002, by the General Meeting.

The current Board was elected at the General Meeting held on 27 June 2014 and its tenure will end at the 2018 Ordinary General Meeting. The current Board of Directors consists of fifteen (15) Directors. The Articles of Incorporation were amended to decrease the tenure of the Board of Directors to four years. This amendment took effect with the Board elected at the 2010 Ordinary General Meeting.

The Extraordinary General Meeting of Shareholders held on 12 January 2009, approved the increase of the maximum number of Directors to sixteen (16) and approved the election of a representative of the Hellenic Republic as a new Director for the purposes of the Bank participating in the Hellenic Republic economic support plan. The representative of the Hellenic Republic has certain statutory veto rights described below.

In the context, *inter alia*, of the adjustment to the changing demands of corporate governance, on 29 June 2012 the General Meeting of Shareholders approved the modification of the maximum number of members of the Board of Directors from sixteen (16) to eighteen (18), by an amendment of the Articles of Incorporation of the Bank.

The Board, while retaining responsibility for approving general policy and overall responsibility for significant decisions affecting the Bank, delegates day-to-day management to the Managing Director, the General Managers of the Bank and the Executive Committee.

The business address of the Board of Directors is: 40 Stadiou Street, 102 52 Athens, Greece.

### **Board of Directors**

The following table sets forth the position of each Director and his/her status as an Executive, Non-Executive or Non-Executive Independent Director.

<b>Position</b>	<b>Name</b>
<i>Non-Executive Director:</i>	
Chairman	Vasileios T. Rapanos
<i>Executive Directors:</i>	
Managing Director	Demetrios P. Mantzounis
General Manager	Spyros N. Filaretos
General Manager	Artemios Ch. Theodoridis
General Manager	George C. Aronis
<i>Non-Executive Directors:</i>	
Director	Efthimios O. Vidalis
Director	Ioanna E. Papadopoulou
<i>Non-Executive Independent Directors:</i>	
Vice Chairman	Minas G. Tanes
Director	Ibrahim S. Dabdoub
Director	Pavlos A. Apostolides
Director	Evangelos J. Kaloussis
Director	Ioannis K. Lyras
Director	Shahzad Shahbaz
<i>Non-Executive Director in accordance with Greek Law 3723/2008:</i>	
Director	Marica S. Ioannou - Frangakis
<i>Non-Executive Director in accordance with Greek Law 3864/2010:</i>	
Director	Panagiota S. Iplixian

### **Biographical Information**

Below are brief biographies of the Chairman, Vice Chairman, Managing Director, General Managers and other Directors and Management.

#### ***Non-Executive Director***

##### *Vasileios T. Rapanos, Chairman*

Mr. Rapanos was born in Kos in 1947. He is Professor Emeritus at the Faculty of Economics of the University of Athens. He studied Business Administration at the Athens School of Economics and Business (1975) and holds a Masters in Economics from Lakehead University, Canada (1977) and a PhD from Queen's University, Canada. He was Deputy Governor and Governor of the Mortgage Bank (1995-1998), Chairman of the Board of Directors of the Hellenic Telecommunications Organization (1998-2000), Chairman of the Council of Economic Advisors at the Ministry of Economy and Finance (2000-2004), and Chairman of the Board of Directors of the National Bank of Greece and the Hellenic Bank Association (2009-2012). He has been the Chairman of the Board of Directors of the Bank since May 2014.

### ***Executive Directors***

#### *Demetrios P. Mantzounis, Managing Director and Chief Executive Officer*

Mr. Mantzounis was born in Athens in 1947. He studied Political Sciences at the University of Aix-Marseille. He joined the Bank in 1973 and he has been a member of the Board of Directors of the Bank since 1995. In 2002 he was appointed General Manager and he has been the Managing Director since 2005.

#### *Spyros N. Filaretos, General Manager and Chief Operating Officer*

Mr. Filaretos was born in Athens in 1958. He studied Economics at the University of Manchester and at the University of Sussex. He joined the Bank in 1985. He was appointed Executive General Manager in 1997. He has been a member of the Board of Directors of the Bank and a General Manager since 2005. On October 2009 he was appointed Chief Operating Officer (COO).

#### *Artemios Ch. Theodoridis, General Manager*

Mr. Theodoridis was born in Athens in 1959. He studied Economics and holds an MBA from the University of Chicago. He joined the Bank as Executive General Manager in 2002. He has been a member of the Board of Directors of the Bank and a General Manager since 2005.

#### *George C. Aronis, General Manager*

Mr. Aronis was born in Athens in 1957. He studied Economics and holds an MBA, major in Finance, from the Athens Laboratory of Business Administration (ALBA). He has worked for multinational banks for 15 years, mostly at ABN AMRO Bank in Greece and abroad. He joined Alpha Bank in 2004 as Retail Banking Manager. In 2006 he was appointed Executive General Manager and in 2008 General Manager. He joined the Board of Directors of the Bank in 2011.

### ***Non-Executive Directors***

#### *Efthimios O. Vidalis, Director*

Mr. Vidalis was born in 1954. He holds a BA in Government from Harvard University and an MBA from the Harvard Graduate School of Business Administration. He worked at Owens Corning (1981-1998), where he served as President of the Global Composites and Insulation Business Units. Furthermore, he was Chief Operating Officer (1998-2001) and Chief Executive Officer (2001-2011) of the S&B Industrial Minerals Group. He is Secretary General of the Hellenic Federation of Enterprises (SEV) and Chairman of the SEV Business Council for Sustainable Development. He is an executive member of the Board of Directors of the TITAN Group. He has been a member of the Board of Directors of the Bank since May 2014.

#### *Ioanna E. Papadopoulou, Director*

Mrs. Papadopoulou was born in 1952 and is the President and Managing Director of the E.J. PAPADOPOULOS S.A. BISCUIT AND FOODWARE INDUSTRY. She has been a member of the Board of Directors of the Bank since 2008.

### ***Non-Executive Independent Directors***

#### *Minas G. Tanes, Vice Chairman*

Mr. Tanes was born in 1940 and is the Chairman of FOOD PLUS S.A. He was at the helm of Athenian Brewery S.A. from 1976 to 2008 and has been a member of the Board of Directors of the Bank since 2003.

*Pavlos A. Apostolides, Director*

Mr. Apostolides was born in 1942 and graduated from the Law School of Athens. He has been a member of the Bank's Board of Directors since 2004. He joined the Diplomatic Service in 1965 and has been, among others, Ambassador of Greece to Cyprus and Permanent Representative of Greece to the European Union in Brussels. In 1998 he became General Secretary of the Ministry of Foreign Affairs and in 1999 he was appointed Director of the National Intelligence Agency. He retired in November 2004.

*Evangelos J. Kaloussis, Director*

Mr. Kaloussis was born in 1943 and is the Chairman of the Federation of Hellenic Food Industries (SEVT) as of 2006, he has been a member of the Federation's Board of Directors since 2002. He was Chairman of NESTLE HELLAS S.A. from 2001 until 2015. He has been a member of the Board of Directors of the Bank since 2007.

*Ioannis K. Lyras, Director*

Mr. Lyras was born in 1951 and is the President of PARALOS MARITIME CORPORATION S.A. He has been a member of the Board of Directors of the Bank since 2005. He was Chairman of the Union of Greek Shipowners from 1997 to 2003. He represents the Union of Greek Shipowners to the Board of Directors of the European Community Shipowners' Associations.

*Ibrahim S. Dabdoub, Director*

Mr. Dabdoub was born in 1939. He studied at the Collège des Frères in Bethlehem, at the Middle East Technical University in Ankara, Turkey and at Stanford University, California, U.S. He was the Group Chief Executive Officer of the National Bank of Kuwait from 1983 until March 2014. He is Vice Chairman of the International Bank of Qatar (IBQ), Doha and a member of the Board of Directors of the International Institute of Finance (IIF) as well as Co-Chair of the Emerging Markets Advisory Council (EMAC), Washington D.C. He is also a member of the Bretton Woods Committee, Washington, D.C. and of the International Monetary Conference (IMC). Furthermore, he is a member of the Board of Directors of the Central Bank of Jordan, Amman, of the Board of Directors of the Consolidated Contractors Company, Athens, and of the Board of Advisors of Perella Weinberg, New York. In 1995, he was awarded the title of "Banker of the Year" by the Arab Bankers Association of North America (ABANA) and in 1997 the Union of Arab Banks named him "Arab Banker of the Year". In 2008 and 2010 he was given a "Lifetime Achievement Award" by The Banker and MEED respectively. He has been a member of the Board of Directors of the Bank since May 2014.

*Shahzad A. Shahbaz, Director*

Mr. Shahbaz was born in 1960. He holds a BA in Economics from Oberlin College, Ohio, U.S. He has worked at various banks and investment firms, since 1981, including the Bank of America (1981-2006) from which he left as Regional Head (Corporate and Investment Banking, Continental Europe, Emerging Europe, Middle East and Africa). He served as Chief Executive Officer (CEO) of NDB Investment Bank/Emirates NBD Investment Bank (2006-2008) and of QInvest (2008-2012). He is currently the Investment Advisor at Al Mirqab Holding Co. He has been a member of the Board of Directors of the Bank since May 2014.

*Marica S. Ioannou - Frangakis, Director in accordance with Greek Law 3723/2008*

Mrs. Frangakis was born in Asyut, Egypt in 1950. She holds a BSc in Economics from the London School of Economics (LSE), University of London, UK and an MA in Development Economics from the University of Sussex, UK. From 1978 to 1993 she worked at the Agricultural Bank of Greece, initially as Head of the Economic Forecasting Department (1978-1990) and then at the Privatisations Unit of the Governor's Office (1990-1993). From 1993 to 2010 she served as Head of the Liquidations

Department of Ethniki Kefaleou S.A., a company of the National Bank of Greece group. She is currently an independent researcher focusing on macroeconomics and finance. She is a member of the Board of Directors of the Nicos Poulantzas Institute as well as of the Steering Committee of the EuroMemo Group. Following a decision by the Minister of Finance, she has been a member of the Board of Directors of the Bank as a representative of the Greek State since March 2015.

*Panagiota S. Iplixian, Non-Executive Director in accordance with Greek Law 3864/2010*

Mrs. Iplixian was born in 1949. She holds a BA in Business Administration and a Postgraduate Diploma in Management Studies from the University of Northumbria, Newcastle upon Tyne, UK, and specialised in Organisation and Methods at the British Institute of Administrative Management. In the interval 1972-1987 she worked for consulting firms. From 1987 until 2000 she worked for commercial banks in the United States and from 2000 until 2009 for EFG Eurobank Ergasias. From 2010 until 2012 she was a Non-Executive Independent Member of the Board of Directors of the Hellenic Financial Stability Fund. From October 2011 until December 2013 she was Non-Executive Vice President of the Board of Directors of New Proton Bank, representing the Hellenic Financial Stability Fund. She has been a member of the Board of Directors of the Bank, representing the Hellenic Financial Stability Fund, since January 2014.

Below are brief biographies of the General Managers (members of the Bank's Executive Committee) apart from the General Managers who act as members of the Board of Directors of the Bank:

*Alexios A. Pilavios, General Manager*

Mr Pilavios was born in Athens in 1953. He studied Economics and holds a BSc from the London School of Economics (LSE), an MA from the University of Essex and a PhD in the Economics of Education from the Institute of Education, University of London. From 1992 to 2004 he was Managing Director of certain Alpha Bank Group companies. He served as President of the Hellenic Fund and Asset Management Association from 1996 to 2000, while from April 2004 until May 2009 he was Chairman of the Hellenic Capital Market Commission. On 1 July 2009 he was appointed General Manager of the Bank.

*Spiros A. Andronikakis, General Manager and Chief Risk Officer*

Mr Andronikakis was born in Athens in 1960. He holds a BA in Economics and Statistics from the Athens University of Economics and Business, and an MBA in Financial Management and Banking from the University of Minnesota, U.S. He has worked in the Corporate Banking units of Greek and multinational banks since 1985. He joined Alpha Bank in 1998. He was Corporate Banking Manager from 2004 to 2007. In 2007 he was appointed Chief Credit Officer and in 2012 General Manager and Chief Risk Officer.

*Vassilios E. Psaltis, General Manager and Chief Financial Officer*

Mr Psaltis was born in Athens in 1968. He holds an MBA and a PhD from the University of St. Gallen, Switzerland, with a specialisation in Banking and Finance. He worked as Deputy Chief Financial Officer at Emporiki Bank and at ABN AMRO Bank's Financial Institutions Group in London. He joined Alpha Bank in 2007 and was appointed Chief Financial Officer in 2010 and General Manager in 2012.

## **Board Practices**

### *Corporate Governance*

*Alpha Bank's Corporate Governance Code*

The Bank's corporate governance framework is governed by the requirements of the Greek legislature (mainly the provisions of Greek Laws 2190/1920, 3016/2002, 3693/2008, 3873/2010, 4261/2014 and the decision of the board of directors of the HCMC No. 5/204/2000, as currently applicable), the decrees of the HCMC and the Bank's Articles of Incorporation and regulations.

In 1994, the Bank's Board of Directors adopted principles of corporate governance aimed at transparency in communication with the Bank's Shareholders and at keeping investors promptly and continuously informed. The Corporate Governance Code was adopted by the Bank's Board of Directors in January 2011.

The Bank, in keeping abreast of the international developments in corporate governance issues, continuously updates its corporate governance framework and consistently applies the principles and rules dictated by the Corporate Governance Code, focusing on the long-term protection of the interests of its depositors and customers, shareholders and investors, employees and other stakeholders.

The Bank has adopted the Corporate Governance Code and provides explanations within the code for any exceptions identified in accordance with the "comply or explain" principle of the above-mentioned laws.

The Corporate Governance Code has been posted on the Bank's website: <http://www.alpha.gr/page/default.asp?id=120&la=2>; for the avoidance of doubt the content of such website does not form part of the Base Prospectus.

## **Committees**

Committees help secure the smooth and efficient operation of the Group, and shape a common strategy and policy, as well as the coordination of operations.

### **Board Committees**

#### ***Audit Committee***

The Audit Committee of the Board was established by a resolution of the Board of Directors on 23 November 1995. It consists of a Committee Chairman, who is an Independent Non-Executive Director, two other Independent Non-Executive Directors and one Non-Executive Director. According to Greek Law 3693/2008, article 37, the members of the Audit Committee are appointed by the General Meeting of Shareholders. The current members of the Audit Committee are Evangelos J. Kaloussis (Chairman), Minas G. Tanes, Ioannis K. Lyras and Panagiota S. Iplixian. They were appointed by the General Meeting of Shareholders on 27 June 2014.

The Audit Committee:

- monitors and evaluates on an annual basis the adequacy and effectiveness of the Internal Control System of the Bank and the Group;
- monitors the process of financial information for the Bank and the Group;
- supervises and evaluates the procedures related to the drafting of the published annual and interim financial statements of the Bank and the Group, in accordance with the applicable accounting standards;
- approves the financial statements of the Bank and the Group prior to their submission to the Board of Directors;
- ensures the independent and unprejudiced conducting of internal and external audits to the Bank, and ensures communication between the auditors and the Board of Directors; and

- assesses the performance and effectiveness of the Audit and the Compliance Divisions of the Bank and the Group.

The Audit Committee convenes at least once every quarter or more frequently when deemed necessary. The Audit Committee may invite any Member of the Management or Executives of the Bank, as well as external auditors, to attend its meetings. The Audit Committee keeps minutes of its meetings and informs the Board about the results of its work.

The Chairman of the Audit Committee may convene a meeting of the Audit Committee if any of the members of the Audit Committee deems this to be necessary, following a recommendation thereof by such member(s). Depending on the issues under discussion, Internal Auditor, the Group Compliance Officer and a representative of the Bank's independent auditors may participate in the meetings of the Committee.

### ***Risk Management Committee***

The Risk Management Committee of the Board was established by a resolution of the Board of Directors on 19 September 2006. It consists of a Committee Chairman who is an Independent Non-Executive Director, two other Independent Non-Executive Directors and one Non-Executive Director all appointed by the Board. The current members of the Risk Management Committee are Minas G. Tanes (Chairman), Evangelos J. Kaloussis, Shahzad A. Shahbaz and Panagiota S. Iplixian.

The Risk Management Committee:

- recommends to the Board of Directors the risk undertaking and capital management strategy which corresponds to the business objectives of the Bank and the Group, and monitors and audits its application;
- evaluates the adequacy and effectiveness of the risk management policy and procedures of the Bank and of the Group, in terms of the:
  - undertaking, monitoring and management of risks (market, credit, interest rate, liquidity, operational, other substantial risks) per category of transactions and customers per risk level (i.e., country, profession, activity);
  - determination of the applicable maximum risk appetite on an aggregate basis for each type of risk and further allocation of each of these limits per country, sector, currency and business unit etc.; and
  - establishment of stop-loss limits or of other corrective actions; and
- ensures communication among the Internal Auditor, the External Auditors, the Supervisory Authorities and the Board of Directors on risk management issues.

The Chief Risk Officer reports to the Board of Directors of the Bank through the Risk Management Committee.

The Risk Management Committee convenes at least once every month or more frequently when deemed necessary. The Committee may invite any Member of the Management or Executive of the Bank to attend its meetings. The Risk Management Committee keeps minutes of its meetings and informs the Board of the results of its work.

The Chairman of the Risk Management Committee submits to the Board a report on the activities, proposals and findings of the Risk Management Committee once every year or on a more frequent basis in the case of issues which, in the opinion of the Committee, require notification to and action by the Board.

### ***Remuneration Committee***

The Remuneration Committee of the Board was established by a resolution of the Board of Directors of 23 November 1995. It consists of a Committee Chairman who is an Independent Non-Executive Director, two other Independent Non-Executive Directors and one Non-Executive Director appointed by the Board. The current members of the Remuneration Committee are Pavlos A. Apostolides (Chairman), Ibrahim S. Dabdoub, Ioannis K. Lyras and Panagiota S. Iplixian.

The Remuneration Committee formulates the remuneration policy of the Personnel of the Bank and the Group, as well as of the Members of the Board of Directors and makes recommendations to the Board of Directors.

The Remuneration Committee convenes at least once bi-annually or more frequently when deemed necessary. The Remuneration Committee may invite any Member of the Management or Executive of the Bank to attend its meetings. The Chairman of the Remuneration Committee may convene a meeting of the Committee if any of the members of the committee deem it necessary. The Remuneration Committee keeps minutes of its meetings and informs the Board about the results of its work. The Chairman of the Remuneration Committee reports the Remuneration Committee's activities to the Board and submits proposals as the Remuneration Committee deems necessary.

In accordance with article 1 para. 3 of law 3723/2008, and for as long as the Bank is under the provisions of article 2 of the said law, the annual compensation for each member of the Board of Directors cannot exceed the total remuneration of the Governor of the Bank of Greece. All bonuses for the above persons are revoked for the same period.

### ***Corporate Governance and Nominations Committee***

The Corporate Governance and Nominations Committee of the Board was established by a resolution of the Board of Directors of 27 June 2014. It consists of a Committee Chairman who is an Independent Non-Executive Director, and three Non-Executive Directors appointed by the Board. The current members of the Corporate Governance and Nominations Committee are Minas G. Tanes (Chairman), Pavlos A. Apostolides, Ioanna E. Papadopoulou and Panagiota S. Iplixian.

The Corporate Governance and Nominations Committee attends to the implementation of the legal, regulatory and supervisory frameworks with regards to the composition, structure and operation of the Board of Directors, and of international corporate governance best practices. Additionally, it formulates the nomination policy regarding candidate members of the Board of Directors and it coordinates the annual evaluation of the Board of Directors.

The Corporate Governance and Nominations Committee convenes at least once bi-annually or more frequently when deemed necessary. The Committee may invite any Member of the Management or Executive of the Bank to attend its meetings. The Chairman of the Corporate Governance and Nominations Committee may convene a meeting of the committee if any of the members deem it necessary. The Corporate Governance and Nominations Committee keeps minutes of its meetings and informs the Board about the results of its work. The Chairman of the Corporate Governance and Nominations Committee submits to the Board a report on the work, recommendations and findings of the Committee once every year or on a more frequent basis in the case of issues which, in the opinion of the Committee, require notification to, and action by, the Board.

### **Management Committees**

#### ***Executive Committee***

The Executive Committee is the senior executive body of the Bank and was established on 15 November 2000 on the basis of the rules and regulations of the Bank. It convenes at least once a week under the chairmanship of the Managing Director and with the participation of the General

Managers and the Secretary of the Committee. Depending on the subjects under discussion, other executives or members of the management of Group companies participate in the proceedings. As of the date of this Base Prospectus, it comprises the following members:

Demetrios P. Mantzounis, Managing Director—CEO

Spyros N. Filaretos, General Manager and Chief Operating Officer

Artemios Ch. Theodoridis, General Manager

George C. Aronis, General Manager

Alexios A. Pilavios, General Manager

Spiros A. Andronikakis, General Manager and Chief Risk Officer

Vassilios E. Psaltis, General Manager and Chief Financial Officer

The Executive Committee carries out a review of the domestic and international economy and market developments, and examines issues of business planning and policy. Furthermore, the Committee deliberates on issues relating to the development of the Group, submits recommendations on the Rules and Regulations of the Bank along with the budget and balance sheet of each Business Unit. Finally, it submits recommendations on the Human Resources policy and the participation of the Bank or the Group companies in other companies.

#### ***Operations Committee***

The Operations Committee convenes at least once a week under the chairmanship of the Managing Director and with the participation of the General Managers, the Executive General Managers and the Secretary of the Committee. Depending on the subjects under discussion, other Executives or Members of the Management of Group companies participate in the proceedings. The Operations Committee undertakes a review of the market and the sectors of the economy and examines the course of business and new products. It also decides on the policy on Network and Group development and determines the credit policy. Finally, it decides on treasury management, the level of interest rates and the terms and conditions for deposits, loans and transactions.

#### ***Assets – Liabilities Management Committee (“ALCo”)***

The Assets – Liabilities Management Committee convenes regularly every quarter under the chairmanship of the Managing Director. The General Managers, the Executive General Managers and the Managers of the ALM Division, the Market and Operational Risk Division, the Analysis and Performance Management Division, the Asset Gathering Management Division, the Accounting and Tax Division, the Economic Research Division, the Wholesale Banking Credit Risk Division, the Retail Banking Credit Risk Division, the Trading Division, the Capital Management and Banking Supervision Division and the Financial Markets Division participate as Members. The Committee examines and decides on issues related to Treasury and Balance Sheet Management and monitors the course of the results, the budget, the funding plan, the capital adequacy and the overall financial volumes of the Bank and the Group, approving their respective actions and policies. In addition, the Committee approves the interest rate policy, the structure of the investment portfolios and the total market, interest rate and liquidity risk limits.

#### ***Treasury and Balance Sheet Management Committee***

The Treasury and Balance Sheet Management Committee convenes regularly every month under the chairmanship of the Wholesale Banking and International Network General Manager. The Retail Banking General Manager, the Chief Risk Officer, the Chief Financial Officer and the Managers of the

Asset Liability Management Division, Market and Operational Risk Division and Financial Markets Division participate as Members. The Committee examines and submits recommendations to ALCo or to the Executive Committee of the Bank on issues generally related to Treasury and Balance Sheet Management, such as capital structure, interest rate policy, total market, interest rate and liquidity risk limits, the funding policy of the Bank and the Group, liquidity management, stress test assumptions, hedging strategies, funds transfer pricing, the structure of the investment portfolios and capital and liquidity allocation to the business units.

### ***Relationships and Other Activities***

There are no potential conflicts of interest between the duties of the persons listed above pertaining to the Bank and their private interests.

### ***State Influence***

As the Bank has participated in the capital facility of the Hellenic Republic Bank Support Plan, as described in “*Risk Factors—Liquidity Risk—The Hellenic Republic has the ability and currently exercises significant influence with respect to certain operations of the Bank*” the Bank is required to seat a government-appointed representative on its Board of Directors, who attends the General Meeting and has certain veto authorities. This government representative may also carry influence over the strategic decisions of the Group. See also “*Risk Factors—Liquidity Risk—The Hellenic Financial Stability Fund (the “HFSF”) as shareholder has certain rights in relation to the operation of the Bank*”.

Mrs. Marica S. Ioannou - Frangakis was appointed as the Hellenic Republic’s representative on the Board of Directors on 17 March 2015, in replacement of Mr. Sarantis-Evangelos G. Lolos, pursuant to the Bank’s participation in the Hellenic Republic Bank Support Plan for the liquidity of the Greek economy as per Greek Law 3723/2008. As per Greek Law 3723/2008, as in force, in certain circumstances this representative has the ability to veto decisions relating to strategic issues or decisions that could have a material impact on the legal or financial status of the Bank and for which the approval of the General Meeting is required, or decisions referring to the distribution of dividends and the remuneration policy for the Bank’s Chairman, Managing Director-CEO, the rest of the members of the Board of Directors, the General Managers and their deputies under the relevant decision of the Ministry of Finance, or, in case of decisions that the representative considers detrimental to the interests of the depositors or that may materially affect the Bank’s solvency and operation. Furthermore, the representative of the Hellenic Republic has free access to the Bank’s books and records, restructuring and viability reports, plans for medium-term financing needs, as well as data relating to the level of funding of the economy.

### ***HFSF Influence***

The HFSF is the Bank’s largest shareholder, holding 11 per cent. of the Bank’s aggregate common share capital, but is only able to exercise voting rights subject to certain statutory restrictions, presented below.

Pursuant to Greek Law 3864/2010, as in force, the HFSF will exercise its voting rights as follows:

As a result of meeting the required 10 per cent. private sector contribution test in the 2013 Share Capital Increase, the HFSF’s voting rights are restricted and it may only exercise its voting rights for decisions regarding amendments to the Bank’s Articles of Incorporation, including capital increase or reduction or providing authorisation to the Board of Directors to that effect, merger, division, conversion, revival, extension of duration or dissolution of the credit institution, asset transfer including the sale of subsidiaries, or any other matter that requires an increased majority as provided in Greek Codified Law 2190/1920. For calculating the quorum and majority of the General Meeting,

shares held by the HFSF are not taken into account for resolving on issues other than the above-mentioned.

The HFSF fully exercises its voting rights without the above restrictions if it is concluded, following a decision of the members of the General Council of the HFSF, that the Bank is in breach of material obligations under the New RFA, described and defined below, including those included in, or facilitating the implementation of, the restructuring plan.

Furthermore, in the context of the recapitalisation of Greek banks, the Board of Directors, at its meeting on 7 June 2012, elected as a non-executive member, in accordance with Greek Law 3864/2010, article 6, paragraph 9, as representative and upon instruction of the HFSF, Mr. Nikolaos G. Koutsos. The Board of Directors, at its meeting on 30 January 2014, elected as a non-executive member, in accordance with Greek Law 3864/2010, upon instruction of the HFSF, Mrs. Panagiota S. Iplixian, as non-executive member of the Board of Directors, in replacement of Mr. Nikolaos G. Koutsos who resigned. As a representative of the HFSF on the Board of Directors, Mrs. Iplixian has the following rights:

- (a) to request the convocation of the General Meeting;
- (b) to veto any decision of the Board of Directors:
  - (i) regarding the distribution of dividends and the remuneration policy concerning the Chairman, the Managing Director-CEO and the other members of the Board of Directors, as well as the general managers and their deputies;
  - (ii) where the decision in question could seriously compromise the interests of depositors, or impair the Bank's liquidity or solvency or its overall sound and smooth operation of the Bank (including business strategy, and asset/liability management); or
  - (iii) concerning corporate actions as per Greek Law 3864/2010, article 7a, paragraph 3, where the decision in question could materially affect the participation of the HFSF in the share capital of the Bank;
- (c) to request an adjournment of any meeting of the Board of Directors for three business days in order to get instructions from its Executive Committee;
- (d) to request the convocation of the Board of Directors; and
- (e) to approve the appointment of the Chief Financial Officer of the Bank.

In exercising its rights, the representative of the HFSF is obliged by express provision of article 10 of Greek Law 3864/2010 to take into account the business autonomy of the Bank.

Further, the HFSF has free access to the books and records of the Bank together with advisers of its choice.

As per article 10 of Greek Law 3864/2010 the HFSF, with the assistance of an internationally renowned specialised independent adviser, will evaluate the corporate governance framework of the credit institutions, with which it has concluded a Framework Agreement (including the Bank). Such evaluation will include the size, structure and competence allocation within the board of directors and its committees according to the business needs of the credit institution. Based on the results of such evaluation the HFSF will make specific recommendations for the improvement and possible changes in the corporate governance of the credit institutions. The members of the board of directors and such committees will cooperate for the purposes of the evaluation with the HFSF and its advisers and will provide any necessary information.

## Relationship Framework Agreement

The relationship between the Bank and the HFSF was further regulated by the Relationship Framework Agreement, entered into between the Bank and the HFSF in accordance with the provisions of the Memorandum of Economic and Financial Policies (the “**RFA**”). The RFA originally entered into force on 12 June 2013 but was subsequently replaced by a new Relationship Framework Agreement (the “**New RFA**”) entered into on 23 November 2015. The New RFA will remain in force so long as the HFSF has any ownership in the Bank. The New RFA mainly governs: (a) matters of corporate governance of the Bank; (b) the exercise of the rights of the HFSF’s representative on the Board of Directors and HFSF’s right to appoint one member to the Board Committees of the Bank (including in the Audit, Risk Management, Remuneration, Corporate Governance and Nominations Committee, with rights to, among other things, include items in the agenda and convoke meetings); (c) the specific material matters that are subject to HFSF’s consent (i.e., (i) the Group’s risk and capital strategy document(s), and particularly the risk appetite statements and risk governance and any amendment, extension, revision or deviation thereof; and (ii) the Bank’s strategy, policy and governance regarding the management of its arrears and non-performing loans and any amendment, extension, revision or deviation thereof); (d) the monitoring by the HFSF of the implementation of the Bank’s restructuring plan; (e) the monitoring by the HFSF of the implementation of the Bank’s NPL management framework and of the Bank’s performance on NPL resolution; and (f) the monitoring and evaluating of the performance by the HFSF of the Bank’s board of directors and committees.

If the Bank breaches any of its material obligations under the New RFA including its minimum commitments to be set by the HFSF under the restructuring plan, the HFSF will be able to exercise its full voting rights in accordance with article 7(a) of Greek Law 3864/2010.

Apart from their above representatives and the rights of the Hellenic Republic as a shareholder, both the Hellenic Republic and the HFSF do not currently have other powers or control over the appointment of any other member of the Board of Directors. See also “*Risk Factors—Risks Relating to the Hellenic Republic Economic Crisis.*”

**SELECTED CONSOLIDATED FINANCIAL INFORMATION OF THE ALPHA BANK GROUP**

The selected consolidated financial information of the Bank set out below is extracted from the audited consolidated financial statements of the Bank as at, and for the years ended, 31 December 2015 and 31 December 2014, in each case, prepared in accordance with IFRS. The notes and audit reports (where applicable) in respect of these financial statements are incorporated by reference in this Base Prospectus — see “*Documents Incorporated by Reference*”.

Set out below are selected consolidated balance sheet figures for the Bank extracted from the audited consolidated financial statements of the Bank as at, and for the years ended, 31 December 2015 and 31 December 2014.

**(1) Consolidated Balance Sheet**

	<b>31 Decem ber 2015</b>	<b>31 Decemb er 2014</b>
	<i>(Thousands of Euro)</i>	
<b>ASSETS</b>		
Cash and balances with Central Banks.....	1,730,3	2,019,01
	27	7
Due from banks .....	1,976,2	2,771,73
	73	9
Securities .....	10,166,	10,302,3
	454	94
Loans and advances to customers.....	46,186,	49,556,9
	116	85
Investment in associates and joint ventures.....	45,771	46,383
Investment property.....	623,662	567,212
Property, plant and equipment.....	860,901	1,083,34
		8
Goodwill and other intangible assets.....	342,251	331,424
Non-current assets held for sale .....	663,063	53,971
Other assets .....	6,701,4	6,202,98
	16	8
<b>Total assets</b> .....	<b>69,296,</b>	<b>72,935,4</b>
	<b>234</b>	<b>61</b>
<b>LIABILITIES</b>		
Due to banks.....	25,115,	17,300,1
	363	14
Due to customers (including debt securities in issue) .....	31,434,	42,900,6
	266	33
Debt securities in issue held by institutional investors and other borrowed funds.....	400,729	1,523,52
		1
Other liabilities .....	3,291,5	3,504,64
	40	3
<b>Total liabilities</b> .....	<b>60,241,</b>	<b>65,228,9</b>
	<b>898</b>	<b>11</b>
<b>EQUITY</b>		
<b>Total equity</b> .....	<b>9,054,3</b>	<b>7,706,55</b>
	<b>36</b>	<b>0</b>

<b>Total liabilities and equity .....</b>	<b>69,296,</b>	<b>72,935,4</b>
	<b>234</b>	<b>61</b>

Set out below are selected consolidated income statement figures for the Bank extracted from the audited consolidated financial statements of the Bank for the years ended 31 December 2015 and 31 December 2014.

**(2) Consolidated Income Statement**

	<b>31 Decem ber 2015</b>	<b>31 Decembe r 2014*</b>
	<i>(Thousands of Euro)</i>	
Net interest income.....	1,931,7	1,919,42
	15	6
Net fee and commission income.....	314,72	334,214
	6	
Dividend income .....	3,308	1,552
Gains less losses from financial transactions .....	(45,04	40,361
	7)	
Other income .....	53,381	53,683
<b>Total income.....</b>	<b>2,258,0</b>	<b>2,349,23</b>
	<b>83</b>	<b>6</b>
Staff costs .....	(533,1	(649,621)
	14)	
Voluntary separation scheme cost.....	(64,30	(200,800)
	0)	
General administrative expenses .....	(602,2	(609,084)
	88)	
Depreciation and amortisation expenses .....	(105,0	(94,341)
	01)	
<b>Total expenses .....</b>	<b>(1,304,</b>	<b>(1,553,84</b>
	<b>703)</b>	<b>6)</b>
Impairment losses and provisions to cover credit risk.....	(3,019,	(1,847,03
	806)	7)
Negative goodwill from acquisitions.....	-	40,287
Income tax .....	806,75	696,439
	8	
<b>Profit/(Loss) after income tax from continuing operations</b> .....	<b>(1,259,</b>	<b>(314,921)</b>
	<b>668)</b>	
Profit/(Loss) after income tax from discontinued operations .	(111,7	(14,787)
	86)	
<b>Profit/(Loss) after income tax.....</b>	<b>(1,371,</b>	<b>(329,708)</b>
	<b>454)</b>	

*\*The figures for the comparative year for the Consolidated Income Statement have been restated due to modification of the presentation of legal expenses and the presentation of the Bank's Branch in Bulgaria and Alpha Bank Skopje as discontinued operations.*

## **GUARANTEE OF DEBT SECURITIES BY THE HELLENIC REPUBLIC**

Under Law 3723/2008 of the Hellenic Republic the Minister of Economy and Finance has the power to provide a guarantee on behalf of the Hellenic Republic for debt securities issued by credit institutions licensed by the Bank of Greece. This power was granted as part of a package of measures designed to stabilise the financial markets in the Hellenic Republic. The support package has been approved by the European Commission as being compatible with EC Treaty State aid rules.

### **Nature of the guarantee**

Pursuant to Law 3723/2008 a credit institution may apply to the Minister of Economy and Finance for debt securities to be guaranteed by the Hellenic Republic provided such securities fulfil certain criteria. Securities with the benefit of a guarantee from the Hellenic Republic granted pursuant to Law 3723/2008 will be guaranteed pursuant to a guarantee to be given by the Hellenic Republic in favour of the holders of the relevant securities. Where the applicable Final Terms indicate that such debt securities are unconditionally and irrevocably guaranteed by the Hellenic Republic pursuant to Law 3723/2008 and associated Ministerial decisions (“**Guaranteed Debt Securities**”) such debt securities will be unconditionally and irrevocably guaranteed by the Hellenic Republic.

### **Exemption from the provisions of the Prospectus Directive**

Pursuant to Article 1.2(d) of the Prospectus Directive the provisions of the Prospectus Directive will not apply to any issue of Guaranteed Debt Securities. No election has been made by Alpha Bank for Guaranteed Debt Securities to be treated as being within the scope of the Prospectus Directive.

*No Notes issued pursuant to this Base Prospectus will be Guaranteed Debt Securities and Guaranteed Debt Securities may not be offered to the public in any country of the European Union or admitted to trading on the regulated market of any country of the European Union using this Base Prospectus. In respect of an issue of Guaranteed Debt Securities, a separate information memorandum will be prepared.*

## FORM OF THE GUARANTEE

The following is the form of the Deed of Guarantee of Alpha Bank:

**THIS DEED OF GUARANTEE** is made on 18 June 2013, in London, England

### BY

- (1) **ALPHA BANK AE**, a company incorporated in the Hellenic Republic (the “**Guarantor**”).

### IN FAVOUR OF

- (2) **THE HOLDERS AND THE ACCOUNTHOLDERS** (each as defined below) (together, the “**Beneficiaries**”).

### WHEREAS

- (A) Alpha Bank AE, in its capacity as an issuer and Alpha Credit Group PLC (“**Alpha PLC**” and together with Alpha Bank AE in its capacity as issuer, the “**Issuers**”) have established a Euro Medium Term Note Programme (the “**Programme**”) for the issuance of notes. The Guarantor has authorised the giving of its irrevocable guarantee in relation to the notes issued by Alpha PLC (the “**Notes**”).
- (B) The Issuers and the Guarantor have, in relation to the notes issued under the Programme, entered into an amended and restated fiscal agency agreement (as amended, supplemented and/or restated from time to time, the “**Agency Agreement**”) dated 18 June 2013 with Citibank, N.A. as fiscal agent (the “**Agent**”, which expression shall include any successor) and the other paying agents named therein.
- (C) The Issuers have, in relation to the notes issued under the Programme, executed in London, England an amended and restated deed of covenant (as amended, supplemented and/or restated from time to time, the “**Deed of Covenant**”) dated 16 March 2009.
- (D) The Guarantor has agreed to irrevocably guarantee the payment of all sums expressed to be payable from time to time by Alpha PLC in respect of the Notes and under the Deed of Covenant.

**THIS DEED OF GUARANTEE WITNESSES** as follows:

#### 1.1 **Benefit of Deed of Guarantee**

Any Notes issued under the Programme on or after the date of this Deed of Guarantee but before the date of any subsequent guarantee relating to the Programme shall have the benefit of this Deed of Guarantee but shall not have the benefit of any subsequent guarantee relating to the Programme (unless expressly so provided in any such subsequent guarantee). References herein to a Note shall be construed accordingly. Notes issued under the Programme prior to the date of this Deed of Guarantee shall continue to have the benefit of any guarantee given to them on issue.

#### 1.2 **Definitions, Interpretation and Application**

“**Accountholder**” means any accountholder or participant with a Clearing System which at the Relevant Date has credited to its securities account with such Clearing System one or more Entries in respect of a Global Note issued by Alpha PLC, except for any Clearing System in its capacity as an accountholder of another Clearing System;

“**Clearing System**” means each of Euroclear and Clearstream, Luxembourg, and any other clearing system specified in the relevant Final Terms or the Drawdown Prospectus (as the case may be);

“**Clearstream, Luxembourg**” means Clearstream Banking, société anonyme;

“**Conditions**” means the terms and conditions of the relevant Notes, including those contained in the applicable Final Terms or the Drawdown Prospectus (as the case may be), as the same may be modified or supplemented in accordance with the terms thereof, and any reference to a numbered “**Condition**” is to the correspondingly numbered provision thereof;

“**Direct Rights**” means the rights referred to in Clause 3 of the Deed of Covenant;

“**Entry**” means, in relation to a Global Note issued by Alpha PLC, any entry which is made in the securities account of any Accountholder with a Clearing System in respect of Notes represented by such Global Note;

“**Euroclear**” means Euroclear Bank S.A./N.V.;

“**Global Note**” has the meaning given to it in the Agency Agreement;

“**Holder**” means, in relation to any Note, at any time, the person who is the bearer of such Note;

“**person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“**Relevant Date**” means, in relation to the payment of any sum expressed to be payable by Alpha PLC, the date on which such payment first becomes due and payable; and

“**Senior Creditors of the Guarantor**” means creditors of the Guarantor (a) who are unsubordinated creditors of the Guarantor, or (b) who are subordinated creditors of the Guarantor whose claims are expressed to rank in priority to the claims of the holders of Dated Subordinated Notes or other persons claiming under the Guarantor (whether only in the winding up of the Guarantor or otherwise).

- 1.3 Terms defined in the Conditions have the same meanings in this Deed of Guarantee.
- 1.4 Any reference in this Deed of Guarantee to any obligation or payment under or in respect of the Notes shall be construed to include a reference to any obligation or payment under or pursuant to Clause 3 of the Deed of Covenant.
- 1.5 Any reference in this Deed of Guarantee to a Clause is, unless otherwise stated, to a clause hereof.
- 1.6 Headings are inserted for convenience and ease of reference only and shall not affect the interpretation of this Deed of Guarantee.
2. **GUARANTEE AND INDEMNITY**
- 2.1 The Guarantor hereby irrevocably guarantees:
  - (a) to each Holder (i) the due and punctual payment of all sums from time to time payable by Alpha PLC or (ii) performance of any delivery obligation owed by Alpha PLC to such Holder, in each case in respect of the Notes as and when the same become due and payable and accordingly undertakes to pay to such Holder, forthwith

upon the demand of such Holder and in the manner and currency prescribed by the Conditions for payments by Alpha PLC in respect of the Notes, any and every sum or sums which Alpha PLC is at any time liable to pay in respect of the Notes and which Alpha PLC has failed to pay; and

- (b) to each Accountholder (i) the due and punctual payment of all sums from time to time payable by Alpha PLC to such Accountholder or (ii) performance of any delivery obligation owed by Alpha PLC to such Accountholder, in each case in respect of the Direct Rights as and when the same become due and payable and accordingly undertakes to pay to such Accountholder, forthwith upon the demand of such Accountholder and in the manner and currency prescribed by the Conditions for payments by Alpha PLC in respect of the Notes, any and every sum or sums which Alpha PLC is at any time liable to pay to such Accountholder in respect of the Notes and which Alpha PLC has failed to pay.

2.2 The Guarantor irrevocably undertakes to each Beneficiary that, if any sum referred to in Clause 2.1 is not recoverable from the Guarantor thereunder for any reason whatsoever (including, without limitation, by reason of any Note, the Deed of Covenant or any provision thereof being or becoming void, unenforceable or otherwise invalid under any applicable law), then (notwithstanding that the same may have been known to such Beneficiary) the Guarantor will, forthwith upon demand by such Beneficiary, pay such sum by way of a full indemnity in the manner and currency prescribed by the Conditions. This indemnity constitutes a separate and independent obligation from the other obligations under this Deed of Guarantee and shall give rise to a separate and independent cause of action if any sum is not recoverable under Clause 2.1.

2.3 Notwithstanding the foregoing provisions of Clauses 2.1 and 2.2 hereof, it is specifically agreed that the place of performance of any and all obligations under the Deed of Guarantee shall be London, England and consequently any and all payments of the Guarantor under this Guarantee shall be made out of or to the credit of bank accounts maintained with banks legally operating and situated in London, England.

### **3. NEGATIVE PLEDGE**

The Guarantor covenants in favour of each Holder that it will duly perform and comply with the obligations expressed to be undertaken by it in Condition 4.

### **4. TAXATION**

The Guarantor covenants in favour of each Holder that it will duly perform and comply with the obligations expressed to be undertaken by it in Condition 10. In particular, if in respect of any payment to be made under this Deed of Guarantee, any withholding tax is payable, the Guarantor shall pay the additional amounts referred to in Condition 10, all subject to and in accordance with the provisions of Condition 10.

### **5. PRESERVATION OF RIGHTS**

5.1 The obligations of the Guarantor hereunder shall be deemed to be undertaken as principal obligor and not merely as surety.

5.2 The obligations of the Guarantor hereunder shall be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever and, in particular but without limitation, shall not be considered satisfied by any intermediate payment or satisfaction of all or any of Alpha PLC's obligations under any Note or the Deed of Covenant and shall continue in full force and effect until all sums due from Alpha PLC in respect of the Notes and under

the Deed of Covenant have been paid, and all other obligations of Alpha PLC thereunder have been satisfied, in full.

- 5.3 Neither the obligations expressed to be assumed by the Guarantor herein nor the rights, powers and remedies conferred upon the Beneficiaries by this Deed of Guarantee or by law shall be discharged, impaired or otherwise affected by:
- (a) the winding up, liquidation or dissolution of Alpha PLC or analogous proceeding in any jurisdiction or any change in its status, function, control or ownership;
  - (b) any of the obligations of Alpha PLC under or in respect of the Notes or the Deed of Covenant being or becoming illegal, invalid or unenforceable;
  - (c) time or other indulgence being granted or agreed to be granted to Alpha PLC in respect of any of its obligations under or in respect of the Notes or the Deed of Covenant;
  - (d) any amendment, novation, supplement, extension, (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement, waiver or release of, any obligation of Alpha PLC under or in respect of any Note or the Deed of Covenant or any security or other guarantee or indemnity in respect thereof including without limitation any change in the purposes for which the proceeds of the issue of any Note are to be applied and any extension of or any increase of the obligations of Alpha PLC in respect of any Note or the addition of any new obligations for Alpha PLC under the Deed of Covenant; or
  - (e) any other act, event or omission which, but for this sub-clause, might operate to discharge, impair or otherwise affect the obligations expressed to be assumed by the Guarantor herein or any of the rights, powers or remedies conferred upon the Beneficiaries or any of them by this Deed of Guarantee or by law.
- 5.4 Any settlement or discharge between the Guarantor and the Beneficiaries or any of them shall be conditional upon no payment to the Beneficiaries or any of them by Alpha PLC or any other person on Alpha PLC's behalf being avoided or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation for the time being in force and, in the event of any such payment being so avoided or reduced, the Beneficiaries shall be entitled to recover the amount by which such payment is so avoided or reduced from the Guarantor subsequently as if such settlement or discharge had not occurred.
- 5.5 No Beneficiary shall be obliged before exercising any of the rights, powers or remedies conferred upon it by this Deed of Guarantee or by law:
- (a) to make any demand of Alpha PLC, save for the presentation of the relevant Note;
  - (b) to take any action or obtain judgment in any court against Alpha PLC; or
  - (c) to make or file any claim or proof in a winding up or dissolution of Alpha PLC,
- and (save as aforesaid) the Guarantor hereby expressly waives presentment, demand, protest and notice of dishonour in respect of each Note.
- 5.6 The Guarantor agrees that, so long as any sums are or may be owed by Alpha PLC in respect of the Notes or under the Deed of Covenant or Alpha PLC is under any other actual or contingent obligation thereunder or in respect thereof, the Guarantor will not exercise any right which the Guarantor may at any time have by reason of the performance by the Guarantor of its obligations hereunder:

- (a) to be indemnified by Alpha PLC;
- (b) to claim any contribution from any other guarantor of Alpha PLC's obligations under or in respect of the Notes or the Deed of Covenant;
- (c) to take the benefit (in whole or in part) of any security enjoyed in connection with the Notes or the Deed of Covenant by any Beneficiary; or
- (d) to be subrogated to the rights of any Beneficiary against Alpha PLC in respect of amounts paid by the Guarantor under this Deed of Guarantee.

5.7 The Guarantor irrevocably undertakes that its obligations hereunder in respect of Notes specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) as Senior Notes will constitute direct, general, unconditional and unsubordinated obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured (subject to Condition 4) and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by mandatory provisions of law.

5.8 The Guarantor irrevocably undertakes that its obligations hereunder in respect of Notes specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be) as Dated Subordinated Notes will constitute direct, general and unconditional, subordinated and unsecured obligations of the Guarantor which will be subordinated to the claims of Senior Creditors of the Guarantor in that payments under the Guarantee (whether in the winding up of the Guarantor or otherwise) will be conditional upon the Guarantor being solvent at the time of payment by the Guarantor and in that no amount shall be payable under the Guarantee (whether in the winding up of the Guarantor or otherwise) except to the extent that the Guarantor could make such payment and still be solvent immediately thereafter. For this purpose, the Guarantor shall be considered to be solvent if it can pay principal and interest in respect of the Notes and still be able to pay its outstanding debts to Senior Creditors of the Guarantor, which are due and payable.

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

## **6. DEPOSIT OF DEED OF GUARANTEE**

An original of this Deed of Guarantee shall be deposited with and held by the Agent until the date which is two years after all the obligations of Alpha PLC under or in respect of the Notes and the Deed of Covenant have been discharged in full. The Guarantor hereby acknowledges the right of every Beneficiary to the production of this Deed of Guarantee.

## **7. STAMP DUTIES**

The Guarantor shall pay all stamp, registration and other similar taxes and duties (including any interest and penalties thereon or in connection therewith) which are payable upon or in connection with the execution and delivery of this Deed of Guarantee, and shall, to the extent permitted by law, indemnify each Beneficiary against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, reasonable legal fees and any applicable value added tax) which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

## **8. BENEFIT OF DEED OF GUARANTEE**

- 8.1 This Deed of Guarantee shall take effect as a deed poll for the benefit of the Beneficiaries from time to time.
- 8.2 This Deed of Guarantee shall enure to the benefit of each Beneficiary and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed of Guarantee against the Guarantor.
- 8.3 The Guarantor shall not be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder. Each Beneficiary shall be entitled to assign all or any of its rights and benefits hereunder.

## 9. PARTIAL INVALIDITY

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any applicable jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other applicable jurisdiction shall in any way be affected or impaired thereby.

## 10. NOTICES

- 10.1 All notices and other communications to the Guarantor hereunder shall be made in writing (by letter, telex or fax) and shall be sent to the Guarantor at:

Alpha Bank AE

Address: 40 Stadiou Street  
GR-102 52 Athens Greece

Tel: +30 210 326 8263 / 8260

Fax: +30 210 326 8294

Attention: Group Funding

Email: GroupFunding@alpha.gr

or to such other address, telex number or fax number or for the attention of such other person or department as the Guarantor has notified to the Beneficiaries in the manner prescribed for the giving of notices in connection with the Notes.

- 10.2 Every notice, demand or other communication sent in accordance with Clause 10.1 shall be effective as follows:
- (a) if sent by letter or fax, upon receipt by the Guarantor; and
  - (b) if sent by telex, upon receipt by the sender of the Guarantor's answerback at the end of transmission;

**provided that** any such notice or other communication which would otherwise take effect after 4.00 pm. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the Guarantor.

## 11. GOVERNING LAW AND JURISDICTION

- 11.1 This Deed of Guarantee (other than Clause 5.8) and all non-contractual obligations arising out of or in connection with this Deed of Guarantee are governed by, and shall be construed in

accordance with, English law. Clause 5.8 is governed by, and shall be construed in accordance with, Greek law.

- 11.2 The Guarantor agrees, for the exclusive benefit of the Beneficiaries, that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Deed of Guarantee (including any suit, action, proceeding or dispute relating to any non-contractual obligation arising out of or in connection with this Deed of Guarantee) (respectively, “**Proceedings**” and “**Disputes**”) and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- 11.3 The Guarantor irrevocably waives any objection which it might now or hereafter have to the courts referred to in Clause 11.2 being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.
- 11.4 The Guarantor agrees that the process by which any Proceedings are begun may be served on it by being delivered to Alpha Bank AE, London Branch at its principal place of business for the time being in England (currently 66 Cannon Street, London EC4N 6EP). If the Guarantor ceases to maintain a branch in England, the Guarantor shall appoint a further person in England to accept service of process on its behalf. Nothing in this sub-clause shall affect the right to serve process in any other manner permitted by law.
- 11.5 The submission to the jurisdiction of the courts referred to in Clause 11.2 shall not (and shall not be construed so as to) limit any right to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

## **12. MODIFICATION**

The Agency Agreement contains provisions for convening meetings of Holders to consider matters relating to the Notes, including the modification of any provision of this Deed of Guarantee. Any such modification may be made by supplemental deed poll if sanctioned by an Extraordinary Resolution and shall be binding on all Beneficiaries.

**IN WITNESS WHEREOF** this Deed of Guarantee has been executed by the Guarantor and is intended to be and is hereby delivered on the date first before written.

**EXECUTED** as a **DEED**  
by **ALPHA BANK AE**  
acting by its duly  
authorised attorneys:

.....  
Name:

.....  
Name:

In the presence of:

.....  
Signature of witness:

.....  
Name of witness:

.....  
Address of witness:

.....  
Occupation of witness:

## TAXATION

### Taxation in the Hellenic Republic

The following is a summary of certain material Greek tax consequences of the purchase, ownership and disposal of the Notes. The discussion is not exhaustive and does not purport to deal with all the tax consequences applicable to all possible categories of purchasers, some of which may be subject to special rules. Further, it is not intended as tax advice to any particular purchaser and it does not purport to be a comprehensive description or analysis of all of the potential tax considerations that may be relevant to a purchaser in view of such purchaser's particular circumstances. Also, in so far as it relates to Notes issued by Alpha Bank the discussion below is limited to the payment of interest under Notes as per the terms of which the redemption amount of such Notes may not be less than the principal amount thereof upon their issue.

The summary is based on the Greek tax laws in force on the date of this Base Prospectus, published case law, ministerial decisions and other regulatory acts of the respective Greek authorities as in force at the date hereof and does not take into account any developments or amendments that may occur after the date hereof, whether or not such developments or amendments have retroactive effect. Nevertheless, since a new Greek income tax code was recently brought into force (by virtue of Law 4172/2013, effective as of 1 January 2014, as amended from time to time) very little (if any) precedent or authority exists as to the application of this new income tax code. Further, non-Greek tax residents may have to submit a declaration of non-residence or produce documentation evidencing non-residence in order to claim any exemption under applicable tax laws of Greece.

**Prospective purchasers of the Notes are advised to consult their own tax advisers as to the laws of Greece and other tax consequences of the purchase, ownership and disposal of the Notes.**

#### *A. Greek withholding tax*

##### *Payment of principal under the Notes and the Guarantee*

No Greek income tax will be imposed on payments of principal to any Noteholders in respect of Notes:

- (a) issued by Alpha PLC or Alpha Bank; or
- (b) issued by Alpha PLC and made by Alpha Bank under the Guarantee.

##### *Payments of interest on the Notes*

Payments of interest on the Notes issued by Alpha PLC and held by:

- (a) Noteholders who neither reside nor maintain a permanent establishment in Greece for Greek tax law purposes (the "**Non-Resident Noteholders**") will not be subject to Greek income tax, provided that such payments are made outside of Greece by a paying or other similar agent who neither resides nor maintains a permanent establishment in Greece for Greek tax law purposes; and
- (b) Noteholders who either reside or maintain a permanent establishment in Greece for Greek tax law purposes (the "**Resident Noteholders**") will be subject to Greek withholding income tax at a flat rate of 15 per cent., if such payments are made directly to Resident Noteholders by a paying or other similar agent who either resides or maintains a permanent establishment in Greece for Greek tax law purposes; otherwise, the interest payments will be taxed via the annual income tax return of the Resident Noteholders. The 15 per cent. tax will, as a rule, exhaust the tax liability of Resident Noteholders who are natural persons (individuals), while it will not for other types of Resident Noteholders.

Payments of interest on the Notes issued by Alpha Bank and held by:

- (a) Non-Resident Noteholders will be subject to Greek withholding income tax at a flat rate of 15 per cent., which is made to Non-Resident Noteholders by Alpha Bank or a paying or similar agent who either resides or maintains a permanent establishment in Greece for Greek tax law purposes. Such withholding exhausts the tax liability of both individual and entity Non-Resident Noteholders. Further, such withholding is in each case subjected to the provisions of any applicable tax treaty for the avoidance of double taxation of income and the prevention of tax evasion (a “**DTT**”) entered into between Greece and the jurisdiction in which such a Non-Resident Noteholder is a tax resident, subject to the submission of recent tax residence certificates or other evidence of non-residence; and
- (b) Resident Noteholders will be subject to Greek withholding income tax at a flat rate of 15 per cent., if such payments are made directly to Resident Noteholders by Alpha Bank; otherwise, the interest payments will be taxed via the annual income tax return of the Resident Noteholders. This 15 per cent. withholding will, as a rule, exhaust the tax liability of Resident Noteholders who are natural persons (individuals), while it will not for other types of Resident Noteholders.

*Payments of interest under the Guarantee*

Payments of interest by Alpha Bank under the Guarantee made to Non-Resident Noteholders and Resident Noteholders are likely to have the same income tax treatment, as payments of interest on the Notes issued by Alpha Bank described above, subject to any different view that may be adopted by the competent Greek authorities and ultimately Greek Courts.

*Disposal of Notes – Capital Gains*

Generally, taxable capital gain equals to the positive difference between the consideration received from the disposal of Notes and the acquisition price of the same Notes. For these purposes, expenses directly linked to the acquisition or sale of the Notes are included in the acquisition or sale price.

Capital gains resulting from the transfer of Notes issued by Alpha PLC and earned by:

- (a) Non-Resident Noteholders will not be subject to Greek income tax;
- (b) Resident Noteholders who are natural persons (individuals) will be subject to Greek income tax at a flat rate of 15 per cent.. In the event such transfer is treated as deriving from business activity, income tax will be imposed according to the applicable tax rate scale (26 per cent. - 33 per cent.); and
- (c) Resident Noteholders who are legal persons or other entities will be subject to Greek corporate tax either at the rate of 29 per cent. (if keeping double entry books) or according to the tax rate scale of 26 per cent. - 33 per cent. (if keeping single entry books).

Capital gains resulting from the transfer of Notes issued by Alpha Bank and earned by:

- (a) Non-Resident Noteholders who are natural persons (individuals) and tax residents in a jurisdiction with which Greece has entered into a DTT will not be subject to Greek income tax, provided they furnish appropriate documents evidencing that they are tax residents in such jurisdiction; in respect of Notes which are listed, such documentation is furnished to the custodian of such Notes;
- (b) Non-Resident Noteholders who are natural persons (individuals) but they are not tax residents in a jurisdiction with which Greece has entered into a DTT, will be subject to Greek income tax at a flat rate of 15 per cent.; in the event such transfer is treated as deriving from business

activity, income tax will be imposed according to the applicable tax rate scale (26 per cent. - 33 per cent.); according to the Greek Ministry of Finance, if said Noteholder is a resident of a “non-cooperative” jurisdiction or state, the tax which is chargeable on the gain is payable before the transfer of the Notes via the filing of a special tax return; the procedure and the details for such filing have not been determined yet;

- (c) Non-Resident Noteholders who are legal persons or other entities will not be subject to Greek income tax on the basis of the Greek domestic tax law provisions;
- (d) Resident Noteholders who are natural persons (namely individuals) will be subject to Greek income tax at a flat rate of 15 per cent.; in the event such transfer is treated as deriving from business activity, income tax will be imposed according to the applicable tax rate scale (26 per cent. - 33 per cent.);
- (e) Resident Noteholders who are legal persons or other entities will be subject to Greek corporate tax either at the rate of 29 per cent. (if keeping double entry books) or according to the tax rate scale of 26 per cent. - 33 per cent. (if keeping single entry books); and
- (f) in case of an issue of Notes by Alpha Bank to which Law 3156/2003 applies, the gain resulting from the transfer of such Notes is exempt from income tax on the basis of the Greek domestic tax law provisions; such exemption is final in respect of Non-Resident Noteholders, as well as in respect of Resident Noteholders who are natural persons (individuals) or legal persons or other entities retaining single entry books; for Resident Noteholders retaining double entry books, said exemption operates as tax deferral.

#### ***B. EU Savings Directive and Amending Directive on Administrative Cooperation***

On 3 June 2003, the EU Council of Economic and Finance Ministers adopted the EU Savings Directive.

Greece implemented the EU Savings Directive by virtue of Law 3312/2005 (Gov. Gazette No. A 35/2005).

The purpose of this section is to provide a summary of the mechanics introduced by Law 3312/2005 for the purposes of such implementation. Capitalised terms used in this “Taxation” section and not defined in the Base Prospectus shall have the meanings given to them in the EU Savings Directive.

Under the aforesaid implementing Greek Law 3312/2005, Greek Paying Agents paying interest, payable under the Notes or the Guarantee, to or securing the payment of such interest for the benefit of any EU individual holder (natural person) of Note(s), who is not a resident of the Hellenic Republic for tax purposes, shall be required to report to the Greek Competent Authority, being the Directorate of International Financial Affairs of the Ministry of Economy and Finance, certain information (consisting of, among others, the identity and residence of such individual holder of Note(s), the name and address of the paying agent etc.).

The Directorate of International Financial Affairs of the Ministry of Economy and Finance shall in turn communicate the above information to the respective Competent Authority of the Member State in which such holder of Note(s) retains his residence for tax purposes.

A reporting process is established in certain cases also where the Paying Agent is paying interest to or securing the payment of interest for the benefit of certain categories of EU-based entities (other than Greek), as defined in Law 3312/2005, which interest is secured or collected for the benefit of an ultimate individual holder of Note(s).

Also, specific obligations are imposed on Greek entities, collecting or receiving interest for the benefit of the ultimate individual holder of Note(s), by a Ministerial Decision of the Ministry of Economy and Finance.

Law 3312/2005 was enacted as of 1 July 2005.

The EU Savings Directive was repealed, subject to certain transitional provisions, as of 1 January 2016.

Going forward, a mandatory automatic exchange of information system, applying to information on certain categories of income and capital is provided under Directive 2011/16/EU on the administrative cooperation in the field of taxation, as amended by Directive 2014/107/EU (the **Amending Directive on Administrative “Cooperation”**).

The Amending Directive on Administrative Cooperation is effective, with respect to Greece, in connection with taxable periods commencing as from 1 January 2016. The Amending Directive on Administrative Cooperation was very recently transposed in Greece by virtue of Law 4378/2016.

### **Taxation in the United Kingdom**

The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes. It is based on current law and the published practice of Her Majesty’s Revenue and Customs (“**HMRC**”) (which may not be binding on HMRC), which may be subject to change, sometimes with retrospective effect. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of the Notes. The comments are made on the assumption that Alpha Bank is not resident in the United Kingdom for United Kingdom tax purposes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. Prospective Noteholders should be aware that the particular terms of issue of any Series of Notes as specified in the relevant Final Terms or the Drawdown Prospectus (as the case may be) may affect the tax treatment of that and other Series of Notes. The following is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice and does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Noteholders who are in any doubt as to their tax position should consult their professional advisers.

Noteholders who may be liable to taxation 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 for or on account of taxation under the laws of the United Kingdom.

#### **A. *UK Withholding Tax on UK Source Interest***

##### **A.1 *Notes which constitute Tier 2 Instruments***

Payments of interest on the Notes issued by Alpha PLC (the “**UK Issuer**”) or Alpha Bank issuing through its UK branch (also the “**UK Issuer**”, and together with Alpha PLC, the “**UK Issuers**”) which carry a right to interest (“**UK Notes**”), and which qualify, or have qualified, as a Tier 2 instrument under Commission Regulation (EU) No. 575/2013 and which form, or have formed, a component of Tier 2 capital for those purposes may be made without deduction of or withholding in respect of United Kingdom income tax (whether they are listed on a recognised stock exchange or not). This would be subject to there being no arrangements the main purpose or one of the main purposes of which is to obtain a tax advantage (as defined

in section 1139 of the Corporation Tax Act 2010) for any person as a result of the application of the Taxation of Regulatory Capital Security Regulations 2013 in respect of the UK Notes.

*A.2 UK Notes which do not fall within paragraph A.1 above but which are listed on a Recognised Stock Exchange*

The UK Notes will constitute “quoted Eurobonds” within the meaning of section 987 of the Income Tax Act 2007 (“ITA”) provided they are and continue to be listed on a recognised stock exchange within the meaning of section 1005 ITA. Securities will be regarded as “listed on a recognised stock exchange” for this purpose if (and only if) they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the United Kingdom official list (within the meaning of Part 6 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.

The Luxembourg Stock Exchange is a recognised stock exchange for these purposes. The Issuers’ understanding of current HMRC published practice is that securities which are officially listed and admitted to trading on either the main market or the Euro MTF market of that exchange may be regarded as “listed on a recognised stock exchange” for these purposes.

Whilst the UK Notes are and continue to be quoted Eurobonds, payments of interest on the UK Notes may be made without withholding or deduction for or on account of United Kingdom income tax.

*A.3 UK Notes issued by a bank*

In addition to the exemptions set out in A.1 above and A.2 above, interest on the UK Notes may be paid without withholding or deduction for or on account of United Kingdom income tax so long as the UK Issuer is a “bank” for the purposes of section 878 of ITA and so long as such payments are made by that UK Issuer in the ordinary course of its business.

Alpha Bank is currently a “**bank**” for these purposes but Alpha PLC is not.

*A.4 UK Notes with short maturity dates*

Interest on the UK Notes may be paid without withholding or deduction for or on account of United Kingdom income tax if the relevant interest is paid on Notes with a maturity of less than 365 days from the date of issue and which are not issued under arrangements of borrowing intended to be capable of remaining outstanding for more than 364 days.

*A.5 Corporate exemption*

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

*A.6 All other UK Notes*

In cases falling outside the exemptions described in A.1, A.2, A.3, A.4 and A.5 above, interest on the UK Notes that has a UK source may fall to be paid under deduction of United Kingdom

income tax at the basic rate (currently 20 per cent.). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

***B. Other Rules Relating to United Kingdom Withholding Tax***

1. Notes may be issued at an issue price of less than 100 per cent. of their principal amount. Any discount element on any such Notes will not generally be subject to any United Kingdom withholding tax pursuant to the provisions mentioned in A above.
2. Where Notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax and reporting requirements as outlined above.
3. Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.
4. The references to “**interest**” in A and B above mean “**interest**” as understood in United Kingdom tax law. The statements in A and B above do not take any account of any different definitions of “**interest**” or “**principal**” which may prevail under any other law or which may be created by the Terms and Conditions of the Notes or any related documentation (e.g. see Condition 5 of the Notes). Noteholders should seek their own professional advice as regards the withholding tax treatment of any payment on the Notes which does not constitute “**interest**” or “**principal**” as those terms are understood in United Kingdom tax law.
5. The above description of the United Kingdom withholding tax position assumes that there will be no substitution of an Issuer pursuant to Condition 16 of the Notes or otherwise and does not consider the tax consequences of any such substitution.

**The proposed financial transactions tax**

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common financial transactions tax (“**FTT**”) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

### **Luxembourg Taxation**

*The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.*

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

#### ***Withholding Tax***

##### ***(i) Non-resident holders of Notes***

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

##### ***(ii) Resident holders of Notes***

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 as amended (the “**Relibi Law**”) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg or to a residual entity (within the meaning of the laws of 21 June 2005 implementing Council Directive 2003/48/EC of 3 June 2003 on the taxation of savings income and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the “**Territories**”), as amended) established in an EU Member State (other than Luxembourg) or one of the Territories and securing such payments for the benefit of such individual beneficial owner will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Accordingly, payments of interest under the Notes coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 10 per cent.

### **Cyprus Taxation**

*The following is a general summary of certain tax aspects of the Notes under Cypriot law practice in force and applied as at the date of this Base Prospectus and does not purport to be a comprehensive description of all tax aspects relating to the Notes. This summary does not analyse the tax position of the relevant Issuer and it does not constitute nor should it be construed as tax or legal advice. Prospective investors should consult their tax and other professional advisers as to the specific tax consequences of acquiring, holding and disposing of the Notes and of receiving interest on the Notes.*

## ***Introduction***

In accordance with the provisions of the Income Tax Law, Law 118(I)/2002 (as amended) (the “**Income Tax Law**”) a person (natural or legal) is liable to tax on its worldwide income on the basis of residency.

A person is resident in Cyprus for the purposes of the Income Tax Law where, in the case of a natural person, that person is present in Cyprus for a period (or periods in aggregate) exceeding 183 days in the tax year and in the case of a company, its management and control is exercised in Cyprus. The tax year for the purposes of the Income Tax Law coincides with the calendar year.

## ***Interest Income***

### *Non-Cyprus Tax Residents*

Persons (natural and legal) who are not resident for tax purposes pursuant to the provisions of the Income Tax Law will not be liable to any charge to income tax or the special contribution for defence tax.

### *Cyprus tax resident individuals*

Under the provisions of the Income Tax Laws, an individual who is tax resident in Cyprus and who receives or is credited with interest, is exempt from income tax, but is subject to 30 per cent. withholding tax pursuant to the provisions of the Special Contribution for the Defence of the Republic Law, Law 117(I) of 2002 (as amended) (the “**SCDF Law**”).

### *Cyprus tax resident companies*

If a Cyprus tax resident company receives or is credited with interest which interest is considered to arise from the ordinary carrying on of its business or receives interest closely connected with the carrying on of its business, the interest received is subject to 12.5 per cent. tax pursuant to the Income Tax Law.

If that interest is not derived from the ordinary carrying on of its business and is not closely connected with the carrying on of its business, then the interest received is subject to 30 per cent. tax under the SCDF Law.

### *Profit from the Disposal of the Notes*

Any gains derived from the disposal of the Notes by a Cyprus resident individual or company is exempt from income tax in Cyprus.

Any gains from the disposal of the Notes is not subject to Cyprus income tax, irrespective of the trading nature of the gain, the number of Notes held or the period for which the Notes were held. Any gain is also outside the scope of application of the Capital Gains Tax Law 1980-2002 (as amended).

## Romania Taxation

*The following is a general description of certain Romanian tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes and it is not intended to be, nor should it be construed to be, local or tax advice. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the laws and practice in force as of the date of this Prospectus and is subject to any change in law and the interpretation and application thereof that may take effect after such date and could be made with retroactive effect.*

A new Romanian Fiscal Code was brought into force starting with 1 January 2016 (by virtue of Law no. 227/2015 regarding the Fiscal Code as subsequently amended and supplemented - "**Romanian Fiscal Code**") introducing important changes in the taxation of financial transactions, especially regarding taxation of individuals. Accordingly, little precedent exists as to the application of this new Fiscal Code. Also, a new Romanian Fiscal Procedure Code was brought into force starting with 1 January 2016 (by virtue of Law no. 207/2015 regarding the Fiscal Procedure Code as subsequently amended and supplemented - "**Romanian Fiscal Procedure Code**"). In this respect, please be aware that there are uncertainties regarding the applicability in practice of some provisions.

For the purposes of the Romanian Fiscal Code:

- (i) a "**resident individual**" is defined as any individual who meets at least one of the following conditions: (a) he/she has the domicile in Romania, or (b) he/she has the centre of vital interests (Romanian language: "centrul intereselor vitale") located in Romania, or (c) he/she is present in Romania for a period or several periods exceeding in aggregate 183 days during any twelve-month period ending in the fiscal year concerned, or (d) he/she is a Romanian citizen working abroad as an officer or an employee of the Romanian state. By way of exception to the above, foreign citizens having diplomatic or consular statute in Romania, or foreign citizens who are employees or officers of an international or intergovernmental organization registered in Romania, foreign citizens who are officers or employees of a foreign state in Romania, as well as their family members will be not deemed tax residents in Romania.
- (ii) a "**Romanian legal entity**" is defined as any legal entity established in accordance with Romanian law;
- (iii) a "**legal entity established pursuant to European law**" is defined as any legal entity established in accordance with and by the mechanics contemplated by European regulations;
- (iv) a "**resident**" in Romania is defined as any Romanian entity, any foreign entity which has its place of effective management in Romania, any entity having its headquarters in Romania, incorporated according to European legislation and any tax resident individual;
- (v) a "**foreign legal entity**" is defined as any legal entity which is not a Romanian legal entity and any legal entity established pursuant to European law which is not headquartered in Romania;
- (vi) a "**non-resident individual**" is defined as any individual who does not meet the conditions in order to qualify as tax resident individual; and
- (vii) a "**non-resident**" is defined as any foreign legal entity, any tax non-resident individual, and any other foreign entities, including undertakings for collective investment in transferable securities without legal personality, which are not registered in Romania according to the law.

## Taxation of interest

▪ ***Taxation of Noteholders not resident in Romania for tax purposes***

Individuals and companies who are deemed Romanian tax non-residents are liable to Romanian income tax only on the Romanian source income. As the bond issuers are Greek and UK entities, these would not qualify as Romanian source income, thus the non-resident individuals and companies would not have the obligation to report in Romania the interest income obtained through holding the bonds, with the exception of the case where the interest income is attributable to a Permanent Establishment of the non-resident Noteholder located in Romania.

▪ ***Taxation of Noteholders resident in Romania for tax purposes***

*Legal entities*

Income received on the Notes by resident legal entities in the form of interest on the Notes will be subject to corporate income tax (profit tax) at the rate of 16 per cent.

The income recipient is responsible for declaring and paying the tax in Romania on foreign sourced income, on an annual basis, i.e. there is no withholding at source of such tax and the Issuer, Guarantor or the paying agents does not assume any responsibility to withhold any payments for or on account of Romanian tax.

Where income tax was withheld at source, based on the tax law of another country, generally a tax credit could be claimed upon the submission of the tax return.

According to the provisions of the Romanian Fiscal Code, the tax credit could be claimed if there are fulfilled, cumulatively, the following conditions:

- the provisions of a Double Tax Treaty concluded between Romania and a foreign country in which the tax was paid are applicable;
- the tax credit is applied on the corporate income tax calculated for the year in which the tax was paid in the foreign country if the legal entity presents documentation attesting the payment of tax abroad.

The method of elimination of double taxation (i.e. credit method or exemption method) may vary depending on the specific provisions of the applicable double tax treaty.

*Individuals*

Individuals who are deemed Romanian tax residents are liable to Romanian income tax on their worldwide income. The Romanian income tax rate on interest income is 16% flat, applied to the gross interest obtained. The tax resident individuals have the obligation to declare the interest income obtained from abroad, though submitting a Romanian annual tax return by 25<sup>th</sup> May of the following year during which the income is obtained (i.e. interest income obtained during 2016 has to be declared by 25 May 2017). Where interest income is obtained from more countries, separate tax returns have to be submitted for each source country (e.g. interest income obtained both from Greece and the UK, has to be declared through separate annual tax returns, i.e. one for Greece and another one for the UK).

The income recipient is responsible for declaring and paying the tax in Romania on foreign sourced income, on an annual basis, i.e. there is no withholding at source of such tax and the Issuer, Guarantor or the paying agents does not assume any responsibility to withhold any payments for or on account of Romanian tax.

The Romanian income tax due is assessed by the Romanian tax authorities through issuing tax assessments for each tax return submitted. The income tax has to be paid within 60 days as of the communication date of the tax assessments. Where income tax was withheld at source, generally a tax

credit could be claimed upon the submission of the tax return. The tax credit could be claimed if there are fulfilled, cumulatively, the following conditions:

- the provisions of a Double Tax Treaty concluded between Romania and a foreign country in which the tax was paid are applicable;
- the tax paid abroad, for the income received abroad, it was paid by the individual. The payment of the tax is justified by a document issued by the competent authority of that country.

Investment income (including interest income and capital gains) is also subject to Romanian health insurance contribution at a rate of 5,5% applied on the tax base. However for the year 2016, where the individual also derives salary/pension income or income from independent activities taxable in Romania, he/she would be exempted for health insurance contribution on the investment income obtained. As of 2017, health insurance contribution is due on investment income, irrespective if the individual derives also other types of income, such as employment/pension income, income from independent activities, etc.

### **Taxation of capital gains**

#### ▪ **Taxation of Noteholders not resident in Romania for tax purposes**

Individuals and companies who are deemed Romanian tax non-residents are liable to Romanian income tax only on the Romanian source income. As the bond issuers are Greek and UK entities, these would not qualify as Romanian source income, thus the non-resident individuals and companies would not have the obligation to report in Romania the capital gain obtained through holding or selling the bonds, with the exception of the case where the capital gain income is derived by a Permanent Establishment of the non-resident Noteholder located in Romania and the income is attributable to such Permanent Establishment.

#### ▪ *Taxation of Noteholders resident in Romania for tax purposes*

##### *Legal entities*

Income received by resident legal entities as capital gains from the transfer of Notes, will be subject to corporate income tax (profit tax) at the rate of 16 per cent.

The income recipient is responsible for declaring and paying the tax in Romania on foreign sourced income, on an annual basis, i.e. there is no withholding at source of such tax and the Issuer, Guarantor or the paying agents does not assume any responsibility to withhold any payments for or on account of Romanian tax.

Where income tax was withheld at source, generally a tax credit could be claimed upon the submission of the tax return. The tax credit could be claimed if there are fulfilled, cumulatively, certain conditions (please see above).

##### *Individuals*

As mentioned above, individuals who are deemed Romanian tax residents are liable to Romanian income tax on their worldwide income. The Romanian income tax rate on capital gains is 16% flat, applied to the net annual capital gain. The individuals have the obligation to declare the capital gains obtained from abroad, through submitting a Romanian annual tax return to the Romanian tax authorities by 25<sup>th</sup> May of the following year during which the income is obtained (i.e. capital gains obtained during 2016 have to be reported by 25 May 2017). As described above, separate tax returns have to be submitted depending the source of the capital gains obtained.

The capital gain has to be determined at each transaction, however only the annual capital gain/capital loss (calculated as the sum of all the gains and losses incurred during the year) has to be reported on the Romanian annual tax return. Capital losses should also be declared through the annual tax returns, in order to be able to carry them forward during the following 7 years and decrease the tax base during the following years.

The Romanian income tax due is assessed by the Romanian tax authorities through issuing tax assessments for each tax return submitted. The income tax has to be paid within 60 days as of the communication date of the tax assessments.

In terms of social security, please see our comments above in respect to investment income.

The income recipient is responsible for declaring and paying the tax in Romania on foreign sourced income, on an annual basis, i.e. there is no withholding at source of such tax and the Issuer, Guarantor or the paying agents does not assume any responsibility to withhold any payments for or on account of Romanian tax.

Where income tax was withheld at source, generally a tax credit could be claimed upon the submission of the tax return. The tax credit could be claimed if there are fulfilled, cumulatively, certain conditions (please see above).

#### **Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The Issuers are foreign financial institutions for these purposes. A number of jurisdictions (including the UK) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to 1 January 2019 and Notes issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of an Issuer). However, if additional Notes (as described under Condition 18) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Noteholders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

## SUBSCRIPTION AND SALE

The Dealers have in an amended and restated programme agreement (as further amended, supplemented and/or restated from time to time, the “**Programme Agreement**”) dated 22 April 2016 agreed with Alpha Bank and Alpha PLC a basis upon which they or any of them may from time to time agree to subscribe for Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*” above. In the Programme Agreement, Alpha Bank and Alpha PLC have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme.

### United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes are subject to US tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by US Treasury regulations. Terms used in this paragraph have the meanings given to them by the US Internal Revenue Code of 1986 and regulations thereunder. The applicable Final Terms or Drawdown Prospectus (as the case may be) will identify whether the TEFRA C rules (“**TEFRA C**”) or TEFRA D rules (“**TEFRA D**”) apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer, or in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all the Notes of the Tranche of which such Notes are a part within the United States or to, or for the account or benefit of, US persons and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, US persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

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

### Public Offer Selling Restriction 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**”), each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) *Non-exempt Offer*: if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that

Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

- (b) *Qualified Investors*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) *Fewer than 150 offerees*: at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) *Other exempt offers*: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

**provided that** no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision:

- the expression an “**offer of 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 (as amended including by Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant Member State.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, “**Japanese Person**” shall mean any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)).

## **Republic of France**

Each of the Dealers and the Issuers has represented and agreed, and each further Dealer under the Programme will be required to represent and agree, that:

- (i) **Offer to the public in France**

It has only made and will only make an offer of Notes to the public in France following notification of the approval of this Base Prospectus to the *Autorité des marchés financiers* (“AMF”) by the CSSF and in the period beginning on the date of the publication of the Final Terms relating to the offer of Notes and ending at the latest on the date which is 12 months after the date of the approval of this Base Prospectus by CSSF, 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; or

(ii) **Private placement in France**

It has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall only be made in France to (a) providers of investment services relating to portfolio management for the account of third parties and/or (b) qualified investors (*investisseurs qualifiés*), all as defined in, and in accordance with, articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French *Code monétaire et financier*.

**Republic of Italy**

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“CONSOB”) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to any Notes be distributed in Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and Article 34-ter, first paragraph, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (“**Regulation No. 11971**”); or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy under paragraphs (i) or (ii) above must be:

- (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 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the “**Banking Act**”);
- (b) in compliance with Article 129 of the Banking Act, as amended, 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.

Please note that in accordance with Article 100-*bis* of the Financial Services Act, where no exemption from the rules on public offerings applies under (i) or (ii) above, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and

in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.

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

Each Dealer has represented, warranted and agreed that:

- (a) *No deposit-taking*: with respect to any Tranche of Notes issued by Alpha PLC which have a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by Alpha PLC;
- (b) *Financial promotion*: 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 FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not, or, in the case of Alpha Bank, would not, if it was not an authorised person, apply to the relevant Issuer or the Guarantor, if applicable; and
- (c) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **Greece**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has complied and will comply with (i) the Public Offer Selling Restrictions Under the Prospectus Directive, described above in this section; (ii) all applicable provisions of Law 3401/2005 (Gov. Gazette ‘A’ Issue No 257/17.10.2005, as amended by virtue of Law 4099/2012 and by virtue of Law 4281/2014 (the “**Greek Prospectus Law**”)), implementing into Greek Law the Prospectus Directive; and (iii) all applicable provisions of article 24 par. 3 of the Greek Prospectus Law and article 8a of Codified Law 2190/1920, as currently in force, with respect to anything done in relation to any offering of any Notes in, from or otherwise involving the Hellenic Republic.

### **Cyprus**

Each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not made and will not make an offer for sale or sell any Notes to any person within the Republic of Cyprus other than to qualified investors within the meaning of the Public Offer and Prospectus Law, Law 114(I)/2005, as amended from time to time (the “**Prospectus Law**”)

or to other persons to whom such an offer may be lawfully made pursuant to the provisions of the Prospectus Law;

- (b) it has complied and will comply with all applicable provisions of the Prospectus Law with respect to anything done by it in relation to any Notes in, from or otherwise involving Cyprus; and
- (c) it has complied and will continue to comply with the provisions of the Investment Services and Activities and Regulated Markets Law, Law 144(I)/2007 with respect to any offer or sale of any Notes in Cyprus.

## **Romania**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) the Notes may not be offered or sold, directly or indirectly, in Romania and neither this Base Prospectus, the Final Terms nor any other offering material or advertisement in connection with the Notes may be distributed or published in Romania, except in circumstances which:

- (i) constitute a public offering of securities in Romania made on the basis of the Base Prospectus, the Final Terms and any other supplement thereto approved by or, following the approval by the CSSF, notified to the Romanian Financial Supervisory Authority (formerly the National Securities Commission) in accordance with article 49 of Regulation No. 1/2006 on issuers and securities operations in the period beginning and ending on the dates specified in the Base Prospectus, the Final Terms, as applicable and if the Issuer has consented in writing to its use for carrying out a public offering of securities in Romania.

For the purpose of this paragraph, the expression “public offering of securities” in relation to any of the Notes 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 for the Notes; or

- (ii) constitute an exempt offering which shall not require the Issuer or any Dealer to draw up and publish a prospectus or supplement a prospectus in accordance with article 3(2) of the Prospectus as implemented under and article 183 (3) of Law No. 297/2004 on capital markets and article 15 of Regulation No. 1/2006 on issuers and securities operations.

Please note that any subsequent sale or distribution of the Notes on the secondary market in Romania must be made in compliance with the public offer and the prospectus requirement rules and a new assessment of the application of any exemption from prospectus drafting and publication must be made; and

- (b) it is authorised to perform financial investment services in Romania and any other operations it may be purported to carry out in Romania in relation to the Programme and it will comply with any applicable laws, rules and regulations of Romania, including Law No. 297/2004 regarding capital markets, as amended and supplemented, and all implementing regulations issued by the Romanian Financial Supervisory Authority or by the European Commission.

## **General**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has and will (to the best of its knowledge and belief having made all due and proper enquiries) comply with all applicable securities laws and regulations in force in

any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of Alpha PLC, Alpha Bank and any other Dealer shall have any responsibility therefor.

None of Alpha PLC, Alpha Bank and any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

## GENERAL INFORMATION

### Authorisation

The establishment and update of the Programme and the issue of Notes by Alpha PLC have been duly authorised by resolutions of the Board of Directors of Alpha PLC dated 16 July 1999, 20 November 2001, 27 November 2002, 14 November 2003, 30 November 2004, 23 January 2006, 5 February 2007, 3 March 2008, 11 March 2009, 8 April 2010, 12 April 2011, 24 May 2012, 30 May 2013, 11 June 2014 and 20 April 2016. The establishment and update of the Programme, the issue of Notes by Alpha Bank and the giving of the Guarantee have been duly authorised by general meetings of the shareholders of Alpha Bank on 30 March 1999, 11 April 2000, 27 May 2003 and 30 March 2004 and resolutions of the Board of Directors of Alpha Bank dated 22 June 1999, 22 November 2001, 21 November 2002, 6 November 2003 and 23 November 2004. Following a change in Greek law and amendments to the Articles of Association of Alpha Bank by a general meeting of shareholders on 30 March 2004, the present update of the Programme, the issue of Notes by Alpha Bank and the giving of the Guarantee have been duly authorised by a resolution of the Board of Directors of Alpha Bank dated 26 February 2008, 24 February 2009, 23 February 2010, 22 March 2011, 20 April 2012, 28 May 2013, 29 May 2014 and 3 March 2016.

### Listing and Admission to Trading of Notes on the Luxembourg Stock Exchange

Application has been made for the Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange.

### Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available for inspection at the registered office of Alpha PLC and (in the case of documents (iii), (iv) and (v) below) from the specified offices of the Paying Agents for the time being in London and Luxembourg, free of charge:

- (i) the constitutional documents of Alpha Bank and Alpha PLC (in English);
- (ii) the annual financial report of Alpha Bank for the financial years ended 31 December 2015 and 31 December 2014 and audited non-consolidated financial statements and the annual report of Alpha PLC in respect of the financial years ended 31 December 2015 and 31 December 2014;
- (iii) the Agency Agreement, the Deed of Covenant, the Guarantee, the forms of the temporary global Notes, the permanent global Notes, the Notes in definitive form, the Coupons and the Talons;
- (iv) a copy of this Base Prospectus; and
- (v) any future base prospectus, prospectuses, information memoranda and supplements including any Final Terms and/or any Drawdown Prospectus (save that the applicable Final Terms or the Drawdown Prospectus (as the case may be) relating to an unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to Alpha PLC or the relevant Paying Agent, as the case may be, as to its holding and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference.

In addition, this Base Prospectus, any Final Terms, any Drawdown Prospectus, the documents incorporated by reference to this Base Prospectus and any notices published in Luxembourg in accordance with Condition 15 may be available in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## **Clearing Systems**

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code and ISIN for each Tranche allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be). If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

The issue price and the amount of the relevant Notes will be determined before filing of the applicable Final Terms or the Drawdown Prospectus (as the case may be) in respect of each Tranche, based on then prevailing market conditions.

The address of Euroclear is 1 Boulevard du Roi, Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be).

## **Yield**

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms or the Drawdown Prospectus (as the case may be). The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

## **Material Change and Significant Change**

Since 31 December 2015 there has been no material adverse change in the prospects of Alpha Bank or Alpha PLC nor any significant change in the financial or trading position of Alpha PLC and since 31 December 2015 there has been no significant change in the financial or trading position of Alpha Bank and the Group as a whole.

## **Litigation**

None of Alpha PLC, Alpha Bank and any other member of the Group is or has been, in the last twelve months, involved in any governmental, legal or arbitration, proceedings (and, so far as they are aware, no such proceedings are pending or threatened) which may have, or have had, a significant effect on their financial position or profitability.

## **Issuer Credit Ratings**

Alpha PLC has been rated Ca (Bkd Senior Unsecured), C (Bkd Subordinate) and NP (Bkd Short Term) by Moody's and C (long-term senior unsecured), C (subordinated notes) and C (short-term senior unsecured) by Fitch. Alpha Bank has been rated Caa3 (long-term) and NP (short-term) by Moody's, SD (long-term) and SD (short-term) by S&P and C (long-term) and C (short-term) by Fitch.

As defined by Moody's, a 'Ca' rating means the relevant Issuer's obligations are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest. As defined by Moody's a 'C' rating means the relevant Issuer's obligations are the lowest rated and are typically in default, with little prospect for recovery of principal or interest. As defined by Moody's an NP rating means the relevant Issuer does not fall within any of the Prime rating categories. As defined by Moody's a Caa rating means the relevant Issuer's obligations are judged to be speculative of poor standing and are subject to very high credit risk, the modifier 3 indicates a ranking in the lower end of that generic rating category.

As defined by Fitch a C (long-term) rating means exceptionally high levels of credit risk. Default is imminent or inevitable, or the relevant Issuer is in standstill. As defined by Fitch a C (short-term) rating means high short-term default risk. Default is a real possibility.

As defined by S&P an 'SD' (long-term) rating means the relevant Issuer is in default on one or more of its financial obligations including rated and unrated financial obligations but excluding hybrid instruments classified as regulatory capital or in non-payment according to terms. An obligor is considered in default unless S&P believes that such payments will be made within five business days of the due date in the absence of a stated grace period, or within the earlier of the stated grace period or 30 calendar days. An 'SD' rating is assigned when S&P believes that the relevant Issuer has selectively defaulted on a specific issue or class of obligations but it will continue to meet its payment obligations on other issues or classes of obligations in a timely manner.

As defined by S&P an 'SD' (short-term) rating means the relevant Issuer has failed to pay one or more of its financial obligations (rated or unrated), excluding hybrid instruments classified as regulatory capital or in nonpayment according to terms, when it came due. An obligor is considered in default unless S&P believes that such payments will be made within any stated grace period. However, any stated grace period longer than five business days will be treated as five business days. An 'SD' rating is assigned when S&P believes that the relevant Issuer has selectively defaulted on a specific issue or class of obligations, excluding hybrid instruments classified as regulatory capital, but it will continue to meet its payment obligations on other issues or classes of obligations in a timely manner.

### **Auditors of Alpha PLC**

The auditors of Alpha PLC are KPMG Audit Plc, 15 Canada Square, London E14 5GL, who were appointed on 19 July 2002. KPMG Audit Plc auditors are Chartered Accountants regulated by the Institute of Chartered Accountants in England and Wales.

The relevant auditors audited, without qualification, Alpha PLC's non-consolidated financial statements for the years ended 31 December 2015 and 31 December 2014.

The financial statements in respect of the year ended 31 December 2015 and the financial statements in respect of the year ended 31 December 2014 were prepared in accordance with IFRS.

The auditors of Alpha PLC have no material interest in Alpha PLC.

The auditors' report on the financial statements of Alpha PLC for the year ended 31 December 2014 (on page 7 of the Alpha PLC 2014 Report) contains a paragraph headed "Emphasis of matter – going concern" in relation to Alpha PLC's ability to continue as a going concern.

The paragraph states:

*"In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 1 ("Going Concern") to the financial statements concerning the Company's ability to continue as a going concern. The Company is dependent upon its parent entity to make repayments under the loans provided to the parent. As set out in Note 1, there are material uncertainties associated with the current economic environment in Greece and its ongoing development that affects the banking sector and in particular the parent's liquidity. These could impact the parent's ability to meet its obligations to the Company under the loans to the parent, and consequently the Company's ability to meet its own obligations under the loan notes due to the noteholders. These conditions, along with the other matters explained in the note to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern."*

The auditors' report on the financial statements of Alpha PLC for the year ended 31 December 2015 did not contain an equivalent paragraph.

## **Auditors of Alpha Bank**

The statutory auditors of Alpha Bank are KPMG Certified Auditors A.E., of 3 Stratigou Tombra Street, Aghia Paraskevi GR-15342, Athens. KPMG, Athens were appointed for the first time on 2 April 2002. KPMG, Athens is a member of the Institute of Certified Auditors and Accountants of Greece.

The annual financial reports of Alpha Bank for the financial years ended 31 December 2015 and 31 December 2014 were prepared in accordance with IFRS as adopted by the European Union.

The auditors of Alpha Bank have no material interest in Alpha Bank.

KPMG's reports on the 31 December 2015 and 31 December 2014 statutory financial statements were not qualified.

The auditors' reports on the consolidated and non-consolidated financial statements of Alpha Bank and the Group for the year ended 31 December 2015 (on pages 36 and 188 of the Alpha Bank 2015 Report) contain paragraphs headed "Emphasis of matter" in relation to Alpha Bank and the Group's ability to continue as a going concern.

The paragraph in relation to the consolidated financial statements of the Group states:

*"Without qualifying our opinion, we draw attention to the disclosures made in note 1.31.1 to the consolidated financial statements, which refer to the material uncertainties associated with the current economic conditions in Greece and the ongoing developments that could affect the going concern assumption."*

The paragraph in relation to the non-consolidated financial statements of Alpha Bank states:

*"Without qualifying our opinion, we draw attention to the disclosures made in note 1.29.1 to the financial statements, which refer to the material uncertainties associated with the current economic conditions in Greece and the ongoing developments that could affect the going concern assumption."*

The auditors' reports on the consolidated and non-consolidated financial statements of Alpha Bank and the Group for the year ended 31 December 2014 also contained similar statements.

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