

## IMPORTANT NOTICE

FOR RELEASE, PUBLICATION OR DISTRIBUTION ONLY TO “U.S. PERSONS” AND PERSONS THAT WOULD PARTICIPATE IN THE TRANSACTIONS CONTEMPLATED IN THE ATTACHED INVITATION MEMORANDUM OTHER THAN IN AN “OFFSHORE TRANSACTION” (EACH AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT OF 1933, AS AMENDED) OR PERSONS ACTING ON BEHALF OF “U.S. PERSONS” OR PERSONS THAT WOULD PARTICIPATE IN THE TRANSACTIONS CONTEMPLATED IN THE ATTACHED INVITATION MEMORANDUM OTHER THAN IN AN “OFFSHORE TRANSACTION”. SEE “*THE OFFER AND DISTRIBUTION RESTRICTIONS*”. PERSONS INTO WHOSE POSSESSION THE INVITATION MEMORANDUM COMES ARE REQUIRED BY THE REPUBLIC AND THE INFORMATION, EXCHANGE AND TABULATION AGENT TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

THE ATTACHED INVITATION MEMORANDUM DOES NOT CONSTITUTE A PROSPECTUS WITHIN THE MEANING OF EU DIRECTIVE 2003/71/EC AND AMENDMENTS THERETO, INCLUDING EU DIRECTIVE 2010/73/EU, TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (THE PROSPECTUS DIRECTIVE), NOR WITHIN THE MEANING OF THE GREEK LAW 3401/2005 IMPLEMENTING INTO GREEK LAW THE PROSPECTUS DIRECTIVE, AND NO SUCH PROSPECTUS HAS BEEN OR WILL BE PREPARED IN CONNECTION WITH THE INVITATION. THE ATTACHED INVITATION MEMORANDUM HAS NOT BEEN REVIEWED OR APPROVED BY ANY COMPETENT AUTHORITY OF ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO CANADA, OR TO RESIDENTS OF CANADA OR PERSONS LOCATED IN CANADA

THE ATTACHED INVITATION MEMORANDUM MAY ONLY BE DISTRIBUTED, DIRECTLY OR INDIRECTLY, TO NON-RESIDENTS OF JAPAN.

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached Invitation Memorandum and you are therefore required to read this disclaimer carefully before accessing, reading or making any other use of the attached Invitation Memorandum. By accessing the attached Invitation Memorandum, you shall be deemed to agree (in addition to giving the representations below) to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from Bondholder Communications Group LLC and Hellenic Exchanges, S.A. (jointly, the **Information, Exchange and Tabulation Agent**), as a result of such access. Capitalized terms used but not otherwise defined in this disclaimer shall have the meaning given to them in the attached Invitation Memorandum.

**THIS ELECTRONIC TRANSMISSION DOES NOT CONTAIN OR CONSTITUTE AN OFFER OF, OR THE SOLICITATION OF AN OFFER TO BUY OR SUBSCRIBE FOR, SECURITIES, EXCEPT TO OR FROM U.S. PERSONS OR PERSONS THAT WOULD PARTICIPATE IN THE TRANSACTIONS CONTEMPLATED IN THE ATTACHED INVITATION MEMORANDUM OTHER THAN IN AN “OFFSHORE TRANSACTION” (EACH AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT OF 1933, AS AMENDED) OR PERSONS ACTING ON BEHALF OF “U.S. PERSONS” OR PERSONS THAT WOULD PARTICIPATE IN THE TRANSACTIONS CONTEMPLATED IN THE ATTACHED INVITATION MEMORANDUM OTHER THAN IN AN “OFFSHORE TRANSACTION” .**

The U.S. Securities Act of 1933, as amended (the **Securities Act**), prohibits the offer of securities to the public unless a registration statement has been filed with the Securities and Exchange Commission (the **SEC**) and the sale of securities until such registration statement has been declared effective by the SEC, unless an exemption from registration is available. The Invitation (as defined below) constitutes an “offer” of securities under the Securities Act. However, the Hellenic Republic (the **Republic**) is availing itself of Section 3(a)(9) of the Securities Act, which provides an exemption from registration for exchanges of securities by the issuer with its existing security holders exclusively where no commission or other remuneration is paid or given directly or indirectly to any broker, dealer, salesperson or other person for soliciting such exchange. The Republic is also relying on Section 18(b)(4)(c) of the Securities Act to exempt the Invitation (as defined below) from state securities law requirements. Accordingly, no filing of a registration statement under the Securities Act or any other federal or state securities laws is being made with respect to the Invitation.

THE RECIPIENT MAY NOT FORWARD OR DISTRIBUTE THE ATTACHED INVITATION MEMORANDUM IN WHOLE OR IN PART TO ANY OTHER PERSON OR REPRODUCE THE ATTACHED INVITATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED INVITATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

**Confirmation of your representation:** In order to be eligible to view the attached Invitation Memorandum or make an investment decision with respect to the invitations by the Republic pursuant to the Invitation Memorandum to holders of (a) certain of its debt securities and/or (b) certain debt securities issued by Hellenic Railways (OSE – Organismos Sidirodromon Ellados) and Athens Urban Transport Organization (OASA – Organismos Astikon Sigkinionion Athinas), in each case guaranteed or undertaken by the Republic (debt securities under (a) and (b), as further identified in the attached Invitation Memorandum, collectively, the **Designated Securities**) to (i) offer to exchange their Designated Securities for new bonds and GDP-linked securities to be issued by the Republic and/or (ii) consent to Proposed Amendments in respect of their Designated Securities, where applicable, all as further described in the attached Invitation Memorandum (together, the Invitation), you must (A) be a U.S. Person or a person that would participate in the Invitation other than in an “offshore transaction” or a person acting on behalf of a U.S. Person or a person that would participate in the Invitation other than in an “offshore transaction” and (B) otherwise be able to participate lawfully in the Invitation on the terms and subject to the conditions set out in the attached Invitation Memorandum including the offer and distribution restrictions set out on pages 89 to 90 (the **Offer and Distribution Restrictions**). The attached Invitation Memorandum was provided to you at your request and by accessing the attached

Invitation Memorandum you shall be deemed to have represented to the Republic and the Information, Exchange and Tabulation Agent that:

- (i) you are, or are acting on behalf of, a holder or a beneficial owner of the Designated Securities;
- (ii) you are, or any beneficial owner of the Designated Securities and any other person on whose behalf you are acting, either directly or indirectly, is a U.S. Person or a person that would participate in the Invitation other than in an “offshore transaction”;
- (iii) you, and any beneficial owner of the Designated Securities or any other person on whose behalf you are acting, either directly or indirectly, are neither resident in nor located in Canada;
- (iv) you, and any beneficial owner of the Designated Securities or any other person on whose behalf you are acting, either directly or indirectly, are not located in Japan or a 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));
- (v) you are otherwise a person to whom it is lawful to send the attached Invitation Memorandum or to make an invitation pursuant to the Invitation in accordance with applicable laws, including the Offer and Distribution Restrictions; and
- (vi) you consent to delivery of the attached Invitation Memorandum by electronic transmission.

The attached Invitation Memorandum has been provided to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Republic, the Issuers of Foreign Law Guaranteed Titles, the Information, Exchange and Tabulation Agent, the EFSF and any person who controls any of them, or is a director, officer, employee, agent or affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the attached Invitation Memorandum (if not accessed through the Offer Website) and the version you may access through the Offer Website.

You are also reminded that the attached Invitation Memorandum has been provided to you on the basis that you are a person into whose possession the attached Invitation Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located or resident and the Offer and Distribution Restrictions, and you may not, nor are you authorized to, deliver the attached Invitation Memorandum to any other person.

Any materials relating to the Invitation do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law.

**The attached Invitation Memorandum contains important information which should be read carefully before any decision is made with respect to the Invitation.** If any holder of Designated Securities is in any doubt as to the action it should take, such holder of Designated Securities should seek its own financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any investor whose Designated Securities are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Invitation with respect to its Designated Securities.

FOR RELEASE, PUBLICATION OR DISTRIBUTION ONLY TO “U.S. PERSONS” OR PERSONS THAT WOULD PARTICIPATE IN THE TRANSACTIONS CONTEMPLATED HEREIN OTHER THAN IN AN “OFFSHORE TRANSACTION” (EACH AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT OF 1933, AS AMENDED) AND PERSONS ACTING ON BEHALF OF “U.S. PERSONS” OR PERSONS THAT WOULD PARTICIPATE IN THE TRANSACTIONS CONTEMPLATED HEREIN OTHER THAN IN AN “OFFSHORE TRANSACTION”

INVITATION MEMORANDUM dated 24 February 2012.



Invitation by

The Hellenic Republic  
(the Republic)

to the holders of each series of securities listed in Annex I to this Invitation Memorandum  
(collectively, the Designated Securities)

to offer to exchange (the Exchange Offer) each €1,000 face amount (converted, where applicable, into euro at the Applicable Exchange Rate (as defined herein)) of Designated Securities  
for €315 aggregate face amount of New Bonds  
(as defined herein), €315 notional amount of GDP-linked Securities (as defined herein) and €150 aggregate face amount of PSI Payment Notes (as defined herein),

all as more fully described in this Invitation Memorandum

Pursuant to this Invitation U.S. Bondholders (as defined herein) shall not receive any PSI Payment Notes or Accrued Interest Notes (as defined herein), and shall only be entitled to receive the Net Cash Proceeds (as defined herein) of Sales (as defined herein) of such PSI Payment Notes and Accrued Interest Notes, pursuant to the Cash Proceeds Arrangement (as defined herein) to ensure compliance with U.S. securities laws. The Republic is also soliciting consents (the **Consent Solicitation**, together with the Exchange Offer, the **Invitation**) (i) from the holders of Eligible Titles (as defined herein) in favor of the Proposed Amendments to the Eligible Titles (as defined herein), (ii) from the holders of Foreign Law Republic Titles (as defined herein) in favor of the Proposed Amendments to the Foreign Law Republic Titles (as defined herein) and (iii) from the holders of Foreign Law Guaranteed Titles (as defined herein) in favor of the Proposed Amendments to the Foreign Law Guaranteed Titles (as defined herein) (the Proposed Amendments to the Eligible Titles, the Proposed Amendments to the Foreign Law Republic Titles and the Proposed Amendments to the Foreign Law Guaranteed Titles, collectively, the **Proposed Amendments** and each a **Proposed Amendment**). By submitting Participation Instructions (as defined below) to tender Designated Securities for exchange, a holder of Designated Securities also consents to and votes in favor of the Proposed Amendments to the relevant Designated Securities, where applicable, as further described under “*The Invitation—Consent Solicitation*”. By submitting Participation Instructions to tender Designated Securities for exchange, the holder of Designated Securities appoints Acupay (as defined below) or its nominees (or, where applicable with respect to Foreign Law Republic Titles and Foreign Law Guaranteed Titles, irrevocably instructs the relevant paying agent for such Foreign Law Republic Titles or Foreign Law Guaranteed Titles to appoint Acupay or its nominees) as its proxy to sign any relevant resolution, and to consent to, or participate in any meeting convened under the relevant series of Designated Securities and vote in favor of, where applicable, a Proposed Amendment for those Designated Securities.

The Republic will make Accrued Interest Payments (as defined herein) in respect of all Designated Securities exchanged or substituted pursuant to the Invitation on the applicable Settlement Date (as defined herein) by delivering Accrued Interest Notes (as defined herein) having a face value amount (subject to rounding) equal to the amount of the Accrued Interest (as defined herein) on such Designated Securities. Pursuant to the Invitation, U.S. Bondholders (as defined herein) shall only be entitled to receive Accrued Interest Notes Cash Proceeds (as defined herein) to be delivered as promptly as practicable after the applicable Settlement Date. In the event that holders of Designated Securities receive a cash interest payment under the relevant Designated Security after the date of this Invitation Memorandum, (a) they will receive no Accrued Interest Payment and (b) the face amount of the PSI Payment Notes to be delivered to such holders will be reduced by an amount (subject to rounding) equal to the portion of such cash

interest payment accrued on and after the date of this Invitation Memorandum to the date of such cash interest payment, and in the case of U.S. Bondholders will also be subject to the Cash Proceeds Arrangement.

**THE INVITATION WILL EXPIRE AT 9:00 P.M. (C.E.T.) ON 8 MARCH 2012, UNLESS EXTENDED, RE-OPENED, AMENDED OR TERMINATED AS PROVIDED IN THIS INVITATION MEMORANDUM.**

**THE DEADLINES SET BY ANY INTERMEDIARY OR CLEARING SYSTEM THROUGH WHICH THE DESIGNATED SECURITIES ARE HELD MAY BE EARLIER THAN THESE DEADLINES.**

**THIS INVITATION IS BEING MADE SOLELY BY THE REPUBLIC. ANY SECURITIES TO BE DELIVERED TO ANY HOLDERS OF DESIGNATED SECURITIES EXCHANGED OR SUBSTITUTED PURSUANT TO THIS INVITATION WILL BE DELIVERED BY THE REPUBLIC. NONE OF THE ISSUERS OF FOREIGN LAW GUARANTEED TITLES OR THE EFSF (EACH (AS DEFINED BELOW) IS MAKING ANY INVITATION OR OFFER TO ANY HOLDERS OF DESIGNATED SECURITIES OR IS IN ANY MANNER INVOLVED IN OR SHALL HAVE ANY OBLIGATIONS PURSUANT TO, THIS INVITATION.**

**THIS INVITATION MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO PARTICIPATE IN THE INVITATION IN ANY JURISDICTION IN WHICH, OR TO OR FROM ANY PERSON TO OR FROM WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION UNDER APPLICABLE SECURITIES LAWS OR OTHERWISE. THE DISTRIBUTION OF THIS DOCUMENT IN CERTAIN JURISDICTIONS (INCLUDING, IN PARTICULAR, CANADA AND JAPAN MAY BE RESTRICTED BY LAW (SEE “OFFER AND DISTRIBUTION RESTRICTIONS” BELOW). PERSONS INTO WHOSE POSSESSION THIS INVITATION MEMORANDUM COMES ARE REQUIRED BY THE REPUBLIC, AND THE INFORMATION, EXCHANGE AND TABULATION AGENT TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.**

Before making any decision with respect to the Invitation, holders of Designated Securities should carefully consider all of the information in this Invitation Memorandum and, in particular, the risk factors described in “*Risk Factors and Other Considerations*” and the information set out in “*The New Bonds and the GDP-linked Securities*”.

**THIS INVITATION MEMORANDUM HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE FAIRNESS OR MERITS OF THE TRANSACTIONS CONTEMPLATED HEREBY NOR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS INVITATION MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS IS A CRIMINAL OFFENSE.**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD SEEK YOUR OWN PERSONAL FINANCIAL ADVICE AS SOON AS POSSIBLE FROM YOUR STOCKBROKER, BANK ACCOUNTANT, FUND MANAGER OR OTHER APPROPRIATE INDEPENDENT FINANCIAL ADVISER.**

Unless otherwise noted, capitalized terms used in this Invitation Memorandum have the meaning given in “Definitions”.

This Invitation Memorandum contains important information which should be read and considered carefully before any decision is made with respect to the Invitation. If any holder of Designated Securities is in any doubt as to the action it should take, it should seek its own financial and legal advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any investor whose Designated Securities are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Invitation.

The Republic is furnishing this document solely for use in the context of the Invitation. The Republic has not authorized the making or provision of any representation or information regarding the Invitation other than as contained in this Invitation Memorandum (including as incorporated by reference) or on the Offer Website (as defined below). None of the Republic, the Issuers of Foreign Law Guaranteed Titles, the EFSF, the Trustee (as defined below) and the Information, Exchange and Tabulation Agent (nor their respective directors, officers, employees, affiliates and agents) is acting for, or owes any duty to, any holder of Designated Securities, or will be responsible for providing advice to any holder of Designated Securities in relation to the Invitation. Accordingly, none of the Republic, the Issuers of Foreign Law Guaranteed Titles, the EFSF, the Trustee and the Information, Exchange and Tabulation Agent (nor their respective directors, officers, employees, affiliates and agents) makes any recommendation as to whether any holder of Designated Securities should take any of the actions contemplated in the Invitation.

None of the Issuers of Foreign Law Guaranteed Titles, the Trustee and the Information, Exchange and Tabulation Agent (i) has verified, authorized, makes any representation as to the accuracy or completeness of, or accepts any responsibility for, the information contained in this Invitation Memorandum, any document referred to in or incorporated by reference into this Invitation Memorandum or any supplement or amendment thereto, or (ii) has been involved in structuring the terms of the Invitation, nor has any of them been involved in the structuring or determination of the terms of the New Bonds, the GDP-linked Securities, the PSI Payment Notes or the Accrued Interest Notes, and to the fullest extent permitted by law, disclaims any responsibility for the above accordingly.

Neither the EFSF nor any of its directors or employees has verified or authorized any part of this Invitation Memorandum and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Invitation Memorandum (including any information concerning the Invitation, the Consent Solicitation, the Republic, the Designated Securities, the New Bonds, the GDP-linked Securities, the PSI Payment Notes or the Accrued Interest Notes contained in this Invitation Memorandum or on the Offer Website), any document referred to in or incorporated by reference into this Invitation Memorandum or any supplement or amendment thereto, or for any failure by the Republic to disclose information or events that may have occurred and may affect the significance or accuracy of such information. In addition, neither the EFSF nor any of its directors or employees has been involved in structuring the terms of the Invitation, the New Bonds or the GDP-linked Securities.

EFSF does not under any circumstances guarantee the obligations of the Republic towards any holder of Designated Securities or any other third parties; neither does it assume any obligations on behalf of or for the account of the Republic.

This Invitation Memorandum constitutes an offer to participate in the Invitation only to or from “U.S. Persons” and persons that would participate in the transactions contemplated in this Invitation Memorandum other than in an “offshore transaction” (each as defined in Regulation S under the Securities Act of 1933, as amended) and persons acting on behalf of a U.S. Person or a person that would participate in the transactions contemplated herein other than in an “offshore transaction”. See “*Offer and Distribution Restrictions*”.

The U.S. Securities Act of 1933, as amended (the **Securities Act**) prohibits the offer of securities to the public unless a registration statement has been filed with the Securities and Exchange Commission (the **SEC**) and the sale of securities until such registration statement has been declared effective by the SEC, unless an exemption from registration is available. The Invitation constitutes an “offer” of securities under the Securities Act. However, the Republic is availing itself of Section 3(a)(9) of the

Securities Act which provides an exemption from registration for exchanges of securities by the issuer with its existing security holders exclusively where no commission or other remuneration is paid or given directly or indirectly to any broker, dealer, salesperson or other person for soliciting such exchange. The Republic is also relying on Section 18(b)(4)(c) of the Securities Act to exempt the Invitation from state securities law requirements. Accordingly, no filing of a registration statement under the Securities Act or any other federal or state securities laws is being made with respect to this Invitation.

The New Bonds, the GDP-linked Securities, the PSI Payment Notes and the Accrued Interest Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and the PSI Payment Notes and the Accrued Interest Notes may not be offered, sold or delivered, directly or indirectly, in the United States.

This Invitation Memorandum does not contain information regarding the Republic, any Issuer of Foreign Law Guaranteed Titles or the EFSF. Each holder of Designated Securities should inform itself of the affairs of the Republic and the EFSF, and each holder of Foreign Law Guaranteed Titles should also inform itself of the affairs of the Issuer of Foreign Law Guaranteed Titles it holds. None of the Republic, the EFSF, the Trustee and the Information, Exchange and Tabulation Agent accepts any responsibility for providing such information.

The Republic is a subscribing member of the International Monetary Fund's (IMF) Special Data Dissemination Standard (SDDS). Precise dates or "no-later-than-dates" for the release of data by the Republic under the SDDS are disseminated in advance through the Advance Release Calendar, which is published on the Internet under the International Monetary Fund's Dissemination Standards Bulletin Board located at <http://dsbb.imf.org>, which also contains additional information relating to the Republic. The Republic does not accept any responsibility for information included on the IMF's website, and its contents are not incorporated by reference into this Invitation Memorandum.

The EFSF has published the EFSF Programme Prospectus (as defined below), which contains additional information relating to (i) the PSI Payment Notes and the Accrued Interest Notes that for the purpose of this Invitation will be sold pursuant to the Cash Proceeds Arrangement and their respective terms and conditions, and (ii) the EFSF. The EFSF Programme Prospectus is available through the website of the Luxembourg Stock Exchange, at [www.bourse.lu](http://www.bourse.lu). The Republic does not accept any responsibility for information included in the EFSF Programme Prospectus, and its contents are not incorporated by reference into this Invitation Memorandum.

Each holder of Designated Securities is solely responsible for making its own independent appraisal of all matters as such holder deems appropriate (including those relating to the Invitation, the New Bonds, the GDP-linked Securities, the PSI Payment Notes, the Accrued Interest Notes, the EFSF, the Republic, the Issuer of Foreign Law Guaranteed Titles (if applicable), the Minimum Participation Condition, the Financing Condition, the Other Conditions and the Proposed Amendments), and each holder of Designated Securities must make its own decision as to whether to participate in the Invitation. No person has been authorized to give any information or to make any representation about the EFSF, the Republic, any Issuer of Foreign Law Guaranteed Titles or the Invitation other than as contained in this Invitation Memorandum (including as incorporated by reference) or on the Offer Website and, if given or made, such information or representation must not be relied upon as having been authorized by the EFSF, the Republic, any Issuer of Foreign Law Guaranteed Titles, the Trustee, the Information, Exchange and Tabulation Agent or any of their respective directors, officers, employees, affiliates or agents.

For the avoidance of doubt, the invitations by the Republic to holders of Designated Securities contained in this Invitation Memorandum are invitations to make one or more offers to the Republic, and any references to any offer or invitation being made by the Republic under or in respect of the Invitation shall be construed accordingly.

Neither the delivery of this Invitation Memorandum nor any exchange, substitution or amendments of Designated Securities pursuant to the Invitation shall, under any circumstances, create any implication that there has been no change in the affairs of the Republic, any Issuer of Foreign Law Guaranteed Titles or the EFSF or that the information contained in this Invitation Memorandum is current as of any time subsequent to the date of such information or that the information in this Invitation Memorandum has remained accurate and complete.

**PARTICIPATION PROCEDURES.** Investors holding Designated Securities through a custodian or intermediary will need to contact their custodian or intermediary in order to tender their Designated Securities for exchange and/or to consent to and vote in favor of, or reject and vote against, the Proposed Amendments to such Designated Securities, in each case pursuant to the Invitation. Such custodians or intermediaries may impose their own deadlines for instructions to be received from investors in the Designated Securities with respect to the Invitation, which may be earlier than the Expiration Deadline for the Invitation. Investors holding Designated Securities through custodians or intermediaries should therefore

**contact their custodians or intermediaries prior to these dates to ensure that they successfully tender their Designated Securities for exchange and/or consent to, and vote in favor of or reject and vote against any Proposed Amendments, in each case pursuant to the Invitation. Neither the Republic nor the Information, Exchange and Tabulation Agent shall be liable for any errors or delays in completing the tender for exchange and the consent, rejection voting and participation procedures made by, or due to, such custodians and intermediaries.**

Designated Securities can only be tendered for exchange in the Invitation by delivery of a Participation Instruction in accordance with the procedures described in “The Invitation—Procedures for Participating in the Invitation”. Holders of Designated Securities of any series delivering Participation Instructions (as defined herein) with respect to such Designated Securities will be appointing Acupay or its nominees (or, where applicable with respect to Foreign Law Republic Titles and Foreign Law Guaranteed Titles, irrevocably instructing the relevant paying agent for such Foreign Law Republic Titles or Foreign Law Guaranteed Titles to appoint Acupay or its nominees), as their proxy to sign any relevant resolution, and to participate in any meeting convened under the relevant series of Designated Securities and to consent to and vote in favour of or reject and vote against (as applicable), the Proposed Amendments to such Designated Securities as further described in “*The Invitation—The Consent Solicitation*”. If the Proposed Amendments to the Eligible Titles or the Proposed Amendments to any series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles is approved, each holder of every series of Eligible Titles, or of that series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles, in respect of which the Proposed Amendment was passed, as applicable, will be bound by the Proposed Amendment, irrespective of whether such holder tendered its Designated Securities for exchange or consented to, or voted in favour of or rejected or voted against such Proposed Amendment or took no action at all in respect of the Invitation or the Proposed Amendment.

The New Bonds will contain provisions regarding acceleration (if applicable) and future modifications to their terms which are commonly referred to as “collective action clauses”. These provisions are described in the sections entitled “*The New Bonds, and the GDP-linked Securities—The Trust Deed—Provisions of Meeting*”. See also “*The Trustee*” below.

## **ELECTRONIC DELIVERY OF DOCUMENTS**

The Republic is making copies of this document available only in electronic form to holders of Designated Securities subject to the Offer and Distribution Restrictions. Holders of Designated Securities may access this document only through the Offer Website. By participating in the Invitation, holders of Designated Securities will be consenting to electronic delivery of this document. Recipients of this Invitation Memorandum may not forward or distribute this Invitation Memorandum in whole or in part to any other person or reproduce the Invitation Memorandum in any manner whatsoever. Any forwarding, distribution or reproduction of this Invitation Memorandum in whole or in part is unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

## **INCORPORATION BY REFERENCE**

The following documents shall be incorporated in and form part of, this Invitation Memorandum:

- (a) each of the documents available at the Offer Website references listed in “*The Invitation—The Consent Solicitation—The Proposed Amendments to the Foreign Law Republic Titles*”; and
- (b) each of the documents available at the Offer Website references listed in “*The Invitation—The Consent Solicitation—The Proposed Amendments to the Foreign Law Guaranteed Titles*”.

The Republic will make available copies of all of the documents referred to above that are incorporated by reference into this Invitation Memorandum on the Offer Website.

## **MISCELLANEOUS**

Questions and requests for assistance in connection with the Invitation and the delivery of Participation Instructions, Revocation Instructions and the procedures for participating in the Invitation (including questions in relation to settlement) must be directed to the Information, Exchange and Tabulation Agent, the contact details for each of which are on the back cover of this Invitation Memorandum.

All references in this document to the Offer Website are inserted as inactive textual references and are for informational reference only. Information on such Offer Website is not incorporated by reference in this document, unless otherwise specifically provided herein. Access to the Offer Website by Bondholders in certain jurisdictions will be subject to certain restrictions in compliance with exemptions from regulatory approval being relied on by the Republic in such jurisdictions.

All references in this Invitation Memorandum to (i) Euro, euro and € refer to the single currency unit of each participating member state of the European Union that adopts or has adopted the euro as its lawful currency in accordance with the legislation of the European Union in relation to the Economic and Monetary Union, (ii) Japanese yen and ¥ are to the currency of Japan, (iii) Swiss francs and CHF are to the currency of Switzerland and (iv) U.S. dollars and U.S.\$ are to the currency of the United States.



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## DEFINITIONS

<b>Accrued Interest</b>	In relation to each series of Designated Securities, interest accrued and unpaid thereon in accordance with the terms of such series of Designated Securities from (and including) the immediately preceding interest payment date for such Designated Securities to (but excluding) the date of this Invitation Memorandum (which shall, if applicable, be converted into euro at the Applicable Exchange Rate).
<b>Accrued Interest Notes Cash Proceeds</b>	Has the meaning given in “ <i>The Invitation—The Exchange Offer</i> ”.
<b>Accrued Interest Notes</b>	Notes maturing on or prior to 31 December 2012, which are expected to be delivered by the EFSF to the Republic as the disbursement of a loan under the Bond Interest Facility, subject to the satisfaction of the conditions set forth therein, including the approval by the EWG, at its absolute discretion, of the requisite disbursements thereunder, which in turn are expected to be delivered to the relevant Bondholders and which, pursuant to the Invitation, shall be subject to the Cash Proceeds Arrangement for the benefit of U.S. Bondholders and to ensure compliance with U.S. securities law. In the event that holders of Designated Securities receive a cash interest payment under the relevant Designated Security after the date of this Invitation Memorandum, they will receive no Accrued Interest Payment and the face amount of the PSI Payment Notes to be delivered to such holders by the Republic will be reduced by an amount (subject to rounding) equal to the portion of such cash interest payment accrued on and after the date of this Invitation Memorandum to the date of such cash interest payment, and in the case of U.S. Bondholders will be subject to the Cash Proceeds Arrangement.
<b>Accrued Interest Payment</b>	An amount payable by the Republic by delivery of Accrued Interest Notes having a face amount (subject to rounding) equal to the Accrued Interest on the relevant Designated Securities exchanged or substituted pursuant to the Invitation. The principal amount of any Accrued Interest Notes to be delivered will be rounded down, if necessary, to the nearest €0.01 and no Accrued Interest Notes will be delivered with a face amount of less than €0.01. The Accrued Interest Payment will be subject to the Cash Proceeds Arrangement pursuant to this Invitation to ensure compliance with U.S. Securities laws
<b>Acupay</b>	Acupay System LLC, a New York limited liability company, an affiliate of Bondholder Communications Group LLC, an Information, Exchange and Tabulation Agent.
<b>Applicable Exchange Rate</b>	Applicable euro foreign exchange reference rate for the second business day prior to the date of this Invitation Memorandum published by the European Central Bank and set out in the table under “ <i>The Invitation—Conditions of the Invitation—Minimum Participation Condition</i> ”.
<b>blocking</b>	Making impossible the transfer, pledge or any disposal of Designated Securities, unless such transfer, pledge or disposal is authorized pursuant to the terms of the Invitation.
<b>BOGS</b>	The Bank of Greece System for Monitoring Transactions in Book-entry Securities established pursuant to Law 2198/1994, Section B (Government Gazette 43/A/22 March 1994) of the Republic.
<b>Bond Interest Facility</b>	The financial assistance facility agreement expected to be dated prior to the first Settlement Date among the Republic, the EFSF and the Bank of Greece to provide financing of up to €5,500,000,000 to facilitate the Republic’s ability to finance the Accrued Interest Payment contemplated in the Invitation and any accrued interest payments pursuant to the Parallel Invitations, which is subject to the satisfaction of certain disbursement conditions, including the Republic’s compliance with certain prior actions related to the implementation of its economic reform programme and the EWG, acting at its absolute discretion, approving each disbursement thereunder. The executed version of the Bond Interest Facility will be made available on the EFSF’s website (www.efsf.europa.eu). Its contents are not incorporated by reference into this Invitation Memorandum.
<b>Bondholders or holders of</b>	(A) Unless the context otherwise requires, all references in this Invitation Memorandum to

<b>Designated Securities</b>	<p>Bondholders or holders of Designated Securities include:</p> <ul style="list-style-type: none"> <li>(a) each person who is shown in the records of the relevant Issuer Clearing System as a holder of Designated Securities (also referred to as Direct Participants and each a Direct Participant);</li> <li>(b) any broker, dealer, commercial bank, trust company or other nominee or custodian who holds Designated Securities; and</li> <li>(c) each beneficial owner of the Designated Securities holding Designated Securities, directly or indirectly, in an account in the name of a Direct Participant acting on such beneficial owner's behalf,</li> </ul> <p>except that</p> <ul style="list-style-type: none"> <li>(i) with respect to Designated Securities held through an Issuer Clearing System, only Direct Participants in the relevant Issuer Clearing System shall be entitled to submit Participation Instructions (as defined herein), and</li> <li>(ii) for the purposes of (1) any exchange and any substitution of any Designated Securities for New Bonds, GDP-linked Securities and PSI Payment Notes pursuant to a Proposed Amendment and the making of any applicable Accrued Interest Payment, and (2) the delivery by the Republic of New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes pursuant to the Invitation, the relevant New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes will only be delivered by BOGS to the relevant Settlement Account, and the delivery of such New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes by or on behalf of the Republic to BOGS and by BOGS to such Settlement Accounts will satisfy the obligations of the Republic pursuant to the relevant Designated Securities and the Invitation, or Proposed Amendments as the case may be (except the Republic's obligations under the Cash Proceeds Arrangement which shall be satisfied upon delivery of the Net Cash Proceeds of the PSI Payment Notes and the Accrued Interest Notes to the relevant Settlement Account).</li> <li>(iii) for purposes of the Greek Bondholder Act, the holder of an Eligible Title shall be the Direct Participant in BOGS in whose account in BOGS such Eligible Title is held.</li> </ul>
<b>business day</b>	A day other than a Saturday or a Sunday or a public holiday on which commercial banks and foreign exchange markets are open for business in London and Athens and is a TARGET2 Business Day.
<b>Cash Proceeds Arrangement</b>	Has the meaning given in " <i>The Invitation—The Exchange Offer</i> ".
<b>C.E.T.</b>	Central European Time.
<b>Clearing System</b>	Each of BOGS, Euroclear, Clearstream, Luxembourg and Euroclear France.
<b>Clearing System Notice</b>	Each notice sent to Direct Participants by an Issuer Clearing System on or about the date of this Invitation Memorandum informing Direct Participants of the procedures to be followed in order to participate in the Invitation.
<b>Clearstream, Luxembourg</b>	Clearstream Banking, <i>société anonyme</i> .
<b>Co-Financing Agreement</b>	The co-financing agreement among the Republic, the Bank of Greece (as common paying agent), the Trustee and the EFSF to be dated on or about the first date of issue of the New Bonds. The text of the terms of the Co-Financing Agreement is set forth at Annex II hereto.
<b>Consent Solicitation</b>	Has the meaning given on the front cover of this Invitation Memorandum.
<b>Consideration</b>	Has the meaning given in " <i>The Invitation—The Exchange</i> ".
<b>Designated Securities</b>	Each series of securities listed in Annex I to this Invitation Memorandum.

<b>Direct Participant</b>	With respect to any Designated Security, each financial institution that has an account with the Issuer Clearing System for such Designated Securities.
<b>EFSF or European Financial Stability Facility</b>	European Financial Stability Facility, a <i>société anonyme</i> incorporated in Luxembourg by the Member States of the European Union that have adopted the Euro as their lawful currency.
<b>EFSF Programme</b>	The Debt Issuance Programme established by the EFSF for the issuance of notes guaranteed on a several basis by certain Member States of the European Union that have adopted the Euro as their lawful currency on the terms set out in the Deeds of Guarantee (as defined in the EFSF Programme Prospectus).
<b>EFSF Programme Prospectus</b>	The Prospectus dated 13 February 2012 published by the EFSF in respect of the EFSF Programme, as supplemented or amended from time to time, which is available through the website of the Luxembourg Stock Exchange, at <a href="http://www.bourse.lu">www.bourse.lu</a> . Its contents are not incorporated by reference into this Invitation Memorandum.
<b>Eligible Titles</b>	Collectively, those of the Designated Securities identified as such in Annex I.
<b>Eligible Titles Settlement Date</b>	The date chosen by the Republic to settle the Invitation with respect to the Eligible Titles.
<b>Euroclear</b>	Euroclear Bank S.A./N.V.
<b>Euroclear France</b>	Euroclear France S.A.
<b>EWG</b>	The Eurogroup Working Group
<b>Exchange Offer</b>	Has the meaning given on the front cover of this Invitation Memorandum.
<b>Expiration Deadline</b>	9:00 p.m. (C.E.T.) on 8 March 2012 (subject; (i) to the right of the Republic to extend, re-open, amend and/or terminate any Invitation, in whole or in part, with respect to one or more series of Designated Securities, and (ii) to any deadlines for voting set out in the agency agreement relating to a series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles).
<b>Financing Condition</b>	The determination by the Republic in its sole discretion that it will receive sufficient funds and/or PSI Payment Notes and Accrued Interest Notes, directly or indirectly, from the EFSF to allow the Republic to implement the Invitation and the Parallel Invitations. Such determination will depend upon all conditions under the Bond Interest Facility and the PSI LM Facility Agreement being satisfied or waived, including without limitation the discretion of the EWG to approve any disbursements thereunder.
<b>Foreign Law Guaranteed Titles</b>	Collectively, those of the Designated Securities identified as such in Annex I.
<b>Foreign Law Guaranteed Titles Settlement Date</b>	The date chosen by the Republic to settle the Invitation with respect to the Foreign Law Guaranteed Titles, which is expected to be the same as the Foreign Law Republic Titles Settlement Date.
<b>Foreign Law Republic Titles</b>	Collectively, those of the Designated Securities identified as such in Annex I.
<b>Foreign Law Republic Titles Settlement Date</b>	The date chosen by the Republic to settle the Invitation with respect to the Foreign Law Republic Titles, which is expected to be the same as the Foreign Law Guaranteed Titles Settlement Date.
<b>GDP-linked Securities</b>	The GDP-linked securities to be issued by the Republic in connection with the Invitation and constituted by the Trust Deed as described in “ <i>The New Bonds and GDP-linked Securities—The GDP-linked Securities</i> ”.
<b>Greek Bondholder Act</b>	Article First of Law No. 4050/2012 (Government Gazette A36 of 2012), “Rules on the modification of titles issued or guaranteed by the Greek State with the Bondholders’ agreement”, a Greek language version of which is available at <a href="http://www.et.gr">www.et.gr</a> . Its contents are not incorporated by reference into this Invitation Memorandum.

<b>Information, Exchange and Tabulation Agent</b>	Bondholder Communications Group LLC and Hellenic Exchanges, S.A., acting jointly.
<b>Invitation</b>	The Exchange Offer and the Consent Solicitation.
<b>Issuer Clearing System</b>	With respect to each series of Designated Securities, the Issuer Clearing System identified in Annex I.
<b>Issuer of Foreign Law Guaranteed Titles</b>	Each of Hellenic Railways (OSE – Organismos Sidirodromon Ellados) and Athens Urban Transport Organization (OASA – Organismos Astikon Sigkinionion Athinas), as applicable, and together, the <b>Issuers of Foreign Law Guaranteed Titles</b> .
<b>Meeting Date</b>	The date of a bondholder meeting (including any adjourned bondholder meetings) for any applicable series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles convened in connection with the Proposed Amendments for such series, as specified in the applicable notice of meeting in respect of such series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles (which are available at the relevant Offer Website reference identified in the tables appearing under “ <i>The Invitation–The Consent Solicitation–The Proposed Amendments to the Foreign Law Republic Titles</i> ” and “ <i>The Invitation–The Consent Solicitation–The Proposed Amendments to the Foreign Law Guaranteed Titles</i> ”).
<b>Minimum Participation Condition</b>	Has the meaning given in “ <i>The Invitation—Conditions of the Invitation—Minimum Participation Condition</i> ”.
<b>Minimum Participation Threshold</b>	Has the meaning given in “ <i>The Invitation—Conditions of the Invitation—Minimum Participation Condition</i> ”.
<b>Net Cash Proceeds</b>	Has the meaning given in “ <i>The Invitation— The Exchange Offer</i> ”.
<b>New Bonds</b>	The twenty series of bonds to be issued by the Republic in connection with the Invitation and constituted by the Trust Deed as described in “ <i>The New Bonds and the GDP-linked Securities,—The New Bonds</i> ”.
<b>Notifying News Service</b>	A recognized financial news service or services (e.g., Reuters and Bloomberg) as selected by the Republic.
<b>Offer and Distribution Restrictions</b>	The offer and distribution restrictions set out under “ <i>Offer and Distribution Restrictions</i> ”.
<b>Offer Website</b>	The website <a href="http://www.greekbonds.gr">www.greekbonds.gr</a> , and its subdomains, operated by the Information, Exchange and Tabulation Agent for the purpose of the Invitation, access to which is subject to the offer and distribution restrictions referred to in “ <i>Offer and Distribution Restrictions</i> ”.
<b>Other Conditions</b>	Has the meaning given in “ <i>The Invitation—Conditions of the Invitation—Other Conditions</i> ”.
<b>Overall Debt</b>	All Designated Securities and all other debt securities subject to one or more Parallel Invitations, taken together.
<b>Parallel Invitations</b>	Any other invitations launched on or about the date of this Invitation Memorandum by the Republic inviting holders of Designated Securities and/or any other debt securities issued or guaranteed by the Republic to offer to exchange or consent to amend or modify such debt securities on terms substantially similar to the terms of the Exchange Offer and/or the Consent Solicitation.
<b>Participation Instruction</b>	The relevant instruction in the form specified in the Clearing System Notice sent by such Issuer Clearing System for submission by Direct Participants to the relevant Issuer Clearing System and in accordance with the requirements of the relevant Issuer Clearing System by the relevant deadlines in order for holders of Designated Securities held in such Issuer Clearing System to be able to participate in the Invitation, as further described in “ <i>The Invitation—Procedures for Participating in the Invitation—Participation Instructions</i> ”. Such Participation Instructions must be received (via the relevant Issuer Clearing System) by the Information, Exchange and Tabulation Agent by the Expiration Deadline. Such form of instruction may be required to be submitted in accordance with

the special procedures specified in the relevant Clearing System Notice, and Direct Participants should contact the relevant Issuer Clearing System with respect to its requirements for the submission of Participation Instructions.

Each Participation Instruction must specify, with respect to the related Designated Securities, in addition to any information required by the relevant Issuer Clearing System, (a) the principal amount and series of such Designated Securities for which the Participation Instruction is being submitted and whether (b)(i) such Designated Securities are being tendered for exchange (in which case the holder by so tendering shall have also instructed Acupay to consent to and vote in favour of the Proposed Amendment with respect to such Designated Securities), or (ii) (x) the holder instructs Acupay to consent to and/or vote in favour of the Proposed Amendment with respect to the Designated Securities, without tendering such Designated Securities for exchange or, (y) the holder instructs Acupay to reject and vote against the Proposed Amendment to such Designated Securities (in which case the Designated Securities may not be tendered for exchange pursuant to the Exchange Offer). Mere blocking of such Designated Securities with the relevant Issuer Clearing System shall not constitute a valid Participation Instruction. In addition, each Participation Instruction must state that the holder of the Designated Securities has read carefully and accepts the terms and conditions contained in the Invitation Memorandum.

By submitting a Participation Instruction (via the relevant Issuer Clearing System) with respect to any Designated Securities, the holder of Designated Securities appoints Acupay or its nominees (or, where applicable with respect to Foreign Law Republic Titles and Foreign Law Guaranteed Titles, irrevocably instructs the relevant paying agent in respect of such Foreign Law Republic Titles or Foreign Law Guaranteed Titles, to appoint Acupay or its nominees) as its proxy to sign any relevant resolution, and/or participate in any meeting convened under the relevant series of Designated Securities and to consent to and vote in favour of or reject and vote against (as applicable), the relevant Proposed Amendments as set forth in such Participation Instruction with respect to those Designated Securities. The Republic has made special arrangements with the Issuer Clearing Systems for such Issuer Clearing Systems to deliver Participation Instructions which have been submitted in accordance with the procedures and deadlines of such Issuer Clearing System to the Information, Exchange and Tabulation Agent by no later than the Expiration Deadline.

<b>Process Manager</b>	The Bank of Greece, acting as Process Manager under the Greek Bondholder Act.
<b>Proposed Amendments</b>	The Proposed Amendments to the Foreign Law Republic Titles, the Proposed Amendments to the Eligible Titles, and/or the Proposed Amendments to the Foreign Law Guaranteed Titles, as applicable.
<b>Proposed Amendments to the Eligible Titles</b>	The modifications and amendments to the Eligible Titles proposed by the Republic pursuant to this Invitation in reliance upon the Greek Bondholder Act.
<b>Proposed Amendments to the Foreign Law Guaranteed Titles</b>	The modifications and amendments to each applicable series of Foreign Law Guaranteed Titles described in the meeting supplements available at the relevant Offer Website references listed in “ <i>The Invitation—The Consent Solicitation—The Proposed Amendments to the Foreign Law Guaranteed Titles</i> ”, each of which is incorporated by reference into this Invitation Memorandum, proposed by the Republic pursuant to the Consent Solicitation pursuant to the terms and conditions of each series of Foreign Law Guaranteed Titles.
<b>Proposed Amendments to the Foreign Law Republic Titles</b>	The modifications and amendments to each applicable series of Foreign Law Republic Titles, described in the meeting supplements available at the relevant Offer Website references listed in “ <i>The Invitation—The Consent Solicitation—The Proposed Amendments to the Foreign Law Republic Titles</i> ”, each of which is incorporated by reference into this Invitation Memorandum, proposed by the Republic pursuant to the Consent Solicitation pursuant to the terms and conditions of each series of Foreign Law Republic Titles.
<b>PSI LM Facility Agreement</b>	The financial assistance facility agreement expected to be dated prior to the first Settlement Date among the Republic, the EFSF and the Bank of Greece to provide financing of up to

€30,000,000,000 to facilitate the Republic's ability to finance the portion of the transactions contemplated in the Invitation and the Parallel Invitation represented by PSI Payment Notes, which is subject to the satisfaction of certain disbursement conditions, including the Republic's compliance with certain prior actions related to the implementation of its economic reform programme and the EWG, acting in its absolute discretion, approving each disbursement thereunder. The executed version of the PSI LM Facility Agreement will be made available on the EFSF's website ([www.efsf.europa.eu](http://www.efsf.europa.eu)). Its contents are not incorporated by reference into this Invitation Memorandum.

<b>PSI Payment Notes Cash Proceeds</b>	Has the meaning given in " <i>The Invitation—The Exchange Offer</i> "
<b>PSI Payment Notes</b>	Notes in two series maturing on or prior to the first and second anniversaries of the first Settlement Date under this Invitation respectively, which are expected to be provided to the Republic as the disbursement of a loan to the Republic under the PSI LM Facility Agreement, subject to the satisfaction of the conditions set forth therein, including the approval by the EWG, at its absolute discretion, of the requisite disbursements under the PSI LM Facility Agreement and which shall be subject to the Cash Proceeds Arrangement for the benefit of U.S. Bondholders to ensure compliance with U.S. securities laws.
<b>Regulation S</b>	Regulation S under the Securities Act.
<b>Republic</b>	The Hellenic Republic.
<b>Republic Titles</b>	Collectively, the Eligible Titles and the Foreign Law Republic Titles.
<b>Revocation Deadline</b>	4:00 p.m. (C.E.T.) on 7 March 2012 (which the Republic may extend, in its sole discretion, if it decides, in its sole discretion, to extend, re-open, amend and/or terminate any Invitation, in whole or in part, with respect to one or more series of Designated Securities), and provided that, in the case of each series of Foreign Law Republic Titles and Foreign Law Guaranteed Titles, in respect of the Consent Solicitation with respect to such series only, the Revocation Deadline for any appointment of Acupay or its nominees as proxy to sign any relevant resolution, and to consent to or reject (as applicable), or participate in any meeting convened under the relevant series of Designated Securities and vote in favour of or against (as applicable), the relevant Proposed Amendments to such series of Designated Securities, shall be 48 hours prior to the time of the bondholder meeting for such series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles specified in the applicable notice of meeting.
<b>Revocation Instructions</b>	The relevant instruction in the form specified in the Clearing System Notice for submission by Direct Participants to the relevant Issuer Clearing System and in accordance with the requirements of the relevant Issuer Clearing System by the relevant deadlines in order for holders of Designated Securities held in such Issuer Clearing System to be able to revoke a previously submitted Participation Instruction, as further described in " <i>The Invitation—Procedures for Participating in the Invitation—Revocation Rights</i> ". Such Revocation Instructions must be received by the Information, Exchange and Tabulation Agent by the Revocation Deadline.
<b>Sale</b>	Has the meaning given in " <i>The Invitation—The Exchange Offer</i> ".
<b>Securities Act</b>	United States Securities Act of 1933, as amended.
<b>series</b>	In relation to the Designated Securities, means any issue of Designated Securities listed in Annex I to this Invitation Memorandum.
<b>Settlement Account</b>	Means: <p>(A) in the case of Designated Securities for which BOGS is the Issuer Clearing System, the account in BOGS of the Direct Participant that holds the relevant Designated Securities; and</p> <p>(B) in the case of Foreign Law Republic Titles and Foreign Law Guaranteed Titles for which a Clearing System other than BOGS is the Issuer Clearing System, the account of the direct</p>

participant in BOGS indicated by the relevant Issuer Clearing System to the Republic through the Information, Exchange and Tabulation Agent.

<b>Settlement Date</b>	Each of the Eligible Titles Settlement Date, the Foreign Law Republic Titles Settlement Date and the Foreign Law Guaranteed Titles Settlement Date, as applicable.
<b>Submission Period</b>	The period during which the Invitation is open and holders of Designated Securities may submit Participation Instructions.
<b>TARGET2 Business Day</b>	A day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (known as TARGET2) System, which was launched on 19 November 2007, or any successor thereto, is operating credit or transfer instructions in respect of payments in euro.
<b>Trust Deed</b>	The trust deed between the Republic and the Trustee to be dated on or about the first issue date of the New Bonds.
<b>Trustee</b>	Wilmington Trust (London) Limited.
<b>United Kingdom</b>	The United Kingdom of Great Britain and Northern Ireland.
<b>United States</b>	The United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.
<b>U.S. Bondholder or U.S. holder of Designated Securities</b>	A Bondholder that has represented and certified to the Republic and the Information, Exchange and Tabulation Agent that it is, or is acting on behalf of, a “U.S. person” or a person participating in the Invitation other than in an “offshore transaction” as defined in Regulations S.
<b>U.S. Person</b>	U.S. Person, as defined in Regulation S under the Securities Act.



## EXPECTED TIMETABLE OF EVENTS

The times and dates below are indicative only.

The timetable assumes that no adjourned bondholders' meetings will be required to be convened in relation to any Foreign Law Republic Titles or Foreign Law Guaranteed Titles. If any such bondholders' meeting is adjourned the notice, quorum and other requirements applicable to an adjourned meeting in the terms of the relevant Foreign Law Republic Titles or Foreign Law Guaranteed Titles will be complied with.

### **Events**

### **Times and Dates**

#### ***Commencement of the Invitation, Publication of Notices under Foreign Law Republic Titles and Foreign Law Guaranteed Titles***

The Invitation commences. Invitation Memorandum is sent to the Process Manager and made publicly available (subject to the Offer and Distribution Restrictions) through the Information, Exchange and Tabulation Agent, on the Offer Website. Such publication on the Offer Website shall satisfy the requirements of paragraph 3 of the Greek Bondholder Act. Clearing System Notice is delivered by each Issuer Clearing System. Notices delivered to relevant stock exchanges. Meetings of holders of Foreign Law Republic Titles and Foreign Law Guaranteed Titles are called, or will be called as promptly as practicable thereafter, in accordance with their respective terms.

Friday, 24 February 2012

#### ***Submission Period (unless extended or terminated earlier)***

The Invitation is open during this period, unless the Republic extends it, amends it or terminates it earlier, in each case for one or more series of Designated Securities, as provided herein. Holders of Designated Securities may submit Participation Instructions by following the procedures described in this Invitation Memorandum. Participation Instructions may be validly revoked at any time prior to the Revocation Deadline, except, following the Revocation Deadline, under the limited circumstances where additional revocation rights will be granted or reinstated as described in this Invitation Memorandum.

Friday, 24 February 2012 to the Expiration Deadline

#### ***Revocation Deadline (unless Submission Period is extended or earlier terminated)***

Final deadline for receipt of valid Revocation Instructions by the Information, Exchange and Tabulation Agent, provided that, in the case of each series of Foreign Law Republic Titles and Foreign Law Guaranteed Titles, in respect of the Consent Solicitation with respect to such series only, the Revocation Deadline for any appointment of Acupay or its nominees as proxy to sign any relevant resolution, and /or participate in any meeting convened under the relevant series of Designated Securities and to consent to and vote in favor of or reject and vote against (as applicable), the relevant Proposed Amendments to such series of Designated Securities shall be 48 hours prior to the time of the bondholder meeting for such series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles specified in the applicable notice of meeting.

4:00 p.m. (C.E.T.) on Wednesday, 7 March 2012

#### ***Expiration Deadline (unless Submission Period is extended or earlier terminated)***

Final deadline for receipt of valid Participation Instructions by the Information, Exchange and Tabulation Agent (subject to any deadlines for voting set out in the agency agreement relating to a series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles)

9:00 p.m. (C.E.T.) on Thursday, 8 March 2012

#### ***Announcement of Results***

As soon as reasonably practicable after the Expiration Deadline, the Republic will announce whether the Minimum Participation Condition, the Financing Condition

As soon as reasonably practicable after the Expiration Deadline

and the Other Conditions have been satisfied or waived. If so, the Republic will also announce, on one or more occasions, whether it will accept valid tenders for exchange of Designated Securities of any series pursuant to the Invitation, and whether the Proposed Amendments to the Eligible Titles have been approved by the holders of the Eligible Titles in accordance with the Greek Bondholder Act and whether it will put into effect the Proposed Amendments to the Eligible Titles and/or (subject to the passing of the applicable resolutions at the relevant Bondholder meeting) any Proposed Amendments to the Foreign Law Republic Titles (and if so which) and/or (subject to the passing of the applicable resolutions at the relevant Bondholder meeting) any of the Proposed Amendments to the Foreign Law Guaranteed Titles (and if so which). If it decides to accept tenders for exchange and/or put any of the Proposed Amendments into effect, the Republic will announce, on one or more occasions, (i) the aggregate nominal amount of each series of Designated Securities participating in the Invitation and any Parallel Invitation, and (ii) (a) the aggregate nominal amount of the New Bonds and aggregate notional amount of GDP-linked Securities, and (b) the aggregate nominal amount of PSI Payment Notes and Accrued Interest Notes, in each case to be delivered by the Republic to the holders of Designated Securities on the relevant Settlement Date pursuant to the Invitation and any Parallel Invitations, provided that pursuant to this Invitation any such PSI Payment Notes and Accrued Interest Notes to be delivered will be subject to the Cash Proceeds Arrangement to ensure compliance with U.S. securities laws. If the Republic elects to extend the Invitation period for any series of Designated Securities, announcements relating to such series may be deferred.

See also “*The Invitation—Method of Announcements*” below.

***Settlement with respect to the Eligible Titles***

The expected Eligible Titles Settlement Date is: Monday, 12 March 2012

The Republic reserves the right to announce an earlier or later date to settle the Invitation with respect to the Eligible Titles.

***Bondholder Meeting Date***

The Meeting Dates for the Foreign Law Republic Titles and Foreign Law Guaranteed Titles, subject in each case to cancellation or adjournment as the Republic may determine in its sole discretion, are expected to be between: 27 to 29 March 2012

***Settlement with respect to the Foreign Law Republic Titles and the Foreign Law Guaranteed Titles***

The expected Foreign Law Republic Titles Settlement Date and Foreign Law Guaranteed Titles Settlement Date is: Wednesday, 11 April 2012

The Republic reserves the right to announce an earlier or later date to settle the Invitation with respect to any one or more series of Foreign Law Republic Titles and Foreign Law Guaranteed Titles.

*The above times and dates are subject to the right of the Republic to extend, re-open, amend and/or terminate the Invitation or modify any Settlement Date (subject to applicable law and as provided in this Invitation Memorandum) with respect to one or more series of Designated Securities.*

*Holders of any applicable series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles that do not submit a Participation Instruction may, to the extent permitted by the terms and conditions of such Foreign Law Republic Titles or Foreign Law Guaranteed Titles, either (i) attend and vote in person at the meeting of the holders of such Foreign Law Republic Titles or*

*Foreign Law Guaranteed Titles convened in connection with the Proposed Amendments by producing at such meeting a valid voting certificate, which may be obtained from the relevant paying agent no fewer than 48 hours before such meeting or (ii) require that the relevant paying agent issue a block voting instruction in respect of such Foreign Law Republic Titles or Foreign Law Guaranteed Titles no fewer than 48 hours before such meeting.*

***Bondholders are advised to check with any bank, securities broker or other intermediary through which they hold Designated Securities when such intermediary would need to receive instructions from a Bondholder in order for that Bondholder to be able to participate in, or revoke its instruction to participate in, the Invitation before the deadlines set out above. The deadlines set by any such intermediary and each Issuer Clearing System for the submission of Participation Instructions may be earlier than the relevant deadlines above. See “The Invitation—Procedures for Participating in the Invitation”.***

## THE INVITATION

The Republic invites holders (subject to the Offer and Distribution Restrictions) of Designated Securities to tender any and all Designated Securities in exchange for New Bonds, GDP-linked Securities and PSI Payment Notes and in accordance with the terms and subject to the conditions set out in this Invitation Memorandum. The Republic will also make Accrued Interest Payments in respect of Designated Securities exchanged or substituted pursuant to the Invitation as described below. The Republic is also soliciting consents (i) from the holders of Eligible Titles in favor of the Proposed Amendments to the Eligible Titles, (ii) from the holders of Foreign Law Republic Titles in favor of the Proposed Amendments to the Foreign Law Republic Titles and (iii) from the holders of Foreign Law Guaranteed Titles in favor of the Proposed Amendments to the Foreign Law Guaranteed Titles.

### Background to the Invitation

The Invitation and the Parallel Invitations are being made to implement the private sector component of the Republic's economic reform programme to support the objective of reducing Greece's debt to GDP ratio to 120.5% by 2020.

After completion of the Invitation, the Republic reserves the right to enter into voluntary supplemental liability management transactions with individual holders of New Bonds and/or GDP-linked Securities to accommodate specific constraints of those holders or to manage more efficiently the debt dynamics of the Republic. The Republic reserves the right in its sole discretion to purchase, exchange, offer to purchase, conduct a consent solicitation or to issue an invitation to submit offers to exchange or sell any Designated Securities that are not exchanged or submitted pursuant to the Invitation or a Parallel Invitation (in accordance with their respective terms), to the extent permitted by applicable law, purchase or offer to purchase or exchange or settlement will be made in accordance with applicable law. The terms of any such purchases, consent solicitations, exchanges, offers or settlements may be different from the term of the Invitation.

### General

The Invitation is comprised of the Exchange Offer and the Consent Solicitation. The Republic is also conducting the Parallel Invitations. The objective of the Invitation and the Parallel Invitations is to reduce the aggregate outstanding principal amount owed by the Republic to the holders of Designated Securities by 53.5%, extend the maturity profile and reduce the cost to the Republic of servicing its indebtedness to private bondholders. The Greek Bondholder Act (which is described in greater detail under "*The Proposed Amendments to the Eligible Titles*" below) introduced collective action amendment procedures that allow holders of Eligible Titles to provide the Republic with the debt relief required in order to facilitate implementation of the Republic's economic reform programme.

The expected Expiration Deadline for the Invitation is 9:00p.m. (C.E.T.) on 8 March 2012, the expected Eligible Titles Settlement Date is 12 March 2012, and the expected Foreign Law Republic Titles Settlement Date and Foreign Law Guaranteed Titles Settlement Date is 11 April 2012. See "Expected Timetable of Events".

The Republic may, in its sole discretion, extend, re-open, amend, waive any condition of or terminate the Invitation or modify any Settlement Date at any time (subject to applicable law and as provided in this Invitation Memorandum) with respect to one or more series of Designated Securities. Details of any such extension, re-opening, amendment, waiver, termination or modification will be announced as provided in this Invitation Memorandum as soon as reasonably practicable after the relevant decision is made. See "*The Invitation—Amendment and Termination of the Invitation*". If the Republic terminates the Invitation with respect to any series of Designated Securities, Designated Securities of that series in respect of which Participation Instructions have been submitted will be released from any blocking and will no longer be subject to the Invitation. The Republic shall have complete discretion in determining whether to terminate the Invitation for any series of Designated Securities and any such termination will have no consequence with respect to the Invitation for all other series of Designated Securities.

### Taxation

The exchange or substitution of Designated Securities for the Consideration will be treated as a taxable exchange, and the New Bonds will be treated as issued with original issue discount, for United States federal income tax purposes. The U.S. federal income tax treatment of the GDP-linked Securities is uncertain. See "*Tax Consequences—Certain U.S. Federal Income Tax Consequences*".

### The Exchange Offer

Subject to the terms and conditions of this Invitation (including, but not limited to, the Offer and Distribution Restrictions), the Republic invites holders of each series of Designated Securities to tender each €1,000 face amount of Designated Securities

(converted, where applicable, into euro at the Applicable Exchange Rate (subject to rounding)) in exchange (the **Exchange Offer**), for:

- (i) New Bonds having an aggregate face amount of €315;
- (ii) GDP-linked Securities having a notional amount of €315; and
- (iii) PSI Payment Notes having an aggregate face amount of €150; (together, the **Consideration**),

in each case to be received on the applicable Settlement Date, provided that the PSI Payment Notes will not be further transferred to holders that tender their Designated Securities pursuant to this Invitation and will be made subject to the Cash Proceeds Arrangement to ensure compliance with U.S. securities laws.

The Republic will make Accrued Interest Payments in respect of all Designated Securities that have not been tendered for exchange pursuant to the Invitation and are exchanged as a result of the Proposed Amendments to the Designated Securities becoming effective on the applicable Settlement Date by delivering Accrued Interest Notes, provided that U.S. Bondholders shall only be entitled to receive Accrued Interest Cash Proceeds in lieu of the Accrued Interest Notes pursuant to the Cash Proceeds Arrangement. In the event that holders of Designated Securities receive a cash interest payment under the relevant Designated Security after the date of this Invitation Memorandum, (a) they will receive no Accrued Interest Payment and (b) the face amount of the PSI Payment Notes to be delivered to such holders will be reduced by an amount (subject to rounding) equal to the portion of such cash interest payment accrued on that Designated Security from and including the date of this Invitation Memorandum to the date of such cash interest payment, and in the case of U.S. Bondholders will be subject to the Cash Proceeds Arrangement.

On the applicable Settlement Date, the Republic will deliver the PSI Payment Notes and the Accrued Interest Notes to be sold to generate the Net Cash Proceeds (as defined below) to the relevant Direct Participant in BOGS. Such Direct Participant will immediately transfer such PSI Payment Notes and Accrued Interest Notes to an account of the Bank of Greece in BOGS, where they will be held until, as promptly as practicable after, and in any event not later than 90 days after, the applicable Settlement Date, the Republic, using its reasonable efforts, sells or arranges the sale of such PSI Payment Notes and Accrued Interest Notes in one or more transactions in the market on arm's-length terms (each, a **Sale**). The proceeds of such Sales (net of the costs of sale including the fees of any marketing agent, placement agent or underwriter appointed in relation to the Sales and any taxes and provisions for tax on sale or as a result of the Cash Proceeds Arrangement) (the **PSI Payment Notes Cash Proceeds** and the **Accrued Interest Note Cash Proceeds**, as applicable, together the **Net Cash Proceeds**) will be held in a segregated account at the Bank of Greece for the benefit of the holders of the Designated Securities until such time as Sales of all such PSI Payment Notes and Accrued Interest Notes have been effected, and the pro rata share of such Net Cash Proceeds will be paid to the relevant Direct Participants in BOGS (the **Cash Proceeds Arrangement**).

Depending on market conditions, the volume of PSI Payment Notes and Accrued Interest Notes sold or other factors, the PSI Payment Notes Cash Proceeds and/or the Accrued Interest Notes Cash Proceeds may be less than the face value of the PSI Payment Notes or the Accrued Interest Notes, as the case may be, and may not be available until after the relevant Settlement Date. The Republic will not be obligated to pay any amount other than, or additional to, the PSI Payment Notes Cash Proceeds or the Accrued Interest Notes Cash Proceeds, as the case may be.

The face or notional amount, as applicable, of any New Bonds and GDP-linked Securities to be delivered by the Republic will be rounded down, if necessary, to the nearest €1.00 in the case of New Bonds or €100.00 in the case of GDP-linked Securities and no New Bonds or GDP-linked Securities will be delivered with a face or notional amount, as applicable, of less than €1.00 in the case of New Bonds or €100.00 in the case of GDP-linked Securities. The face amount of any PSI Payment Notes and Accrued Interest Notes to be delivered by the Republic will be rounded down, if necessary, to the nearest €10.00 and €0.01 respectively and no PSI Payment Notes nor Accrued Interest Notes will be delivered with a face amount of less than €10.00 and €0.01 respectively.

To participate in the Exchange Offer, holders of Designated Securities must validly offer to exchange a sufficient amount of Designated Securities to be eligible to receive, in respect of each such series of Designated Securities, a nominal amount of (i) the New Bonds of at least the minimum denomination of €1.00, (ii) the GDP-linked Securities of at least the minimum denomination of €100, (iii) the PSI Payment Notes of at least the minimum denomination of €10.00 and (iv) the Accrued Interest Notes of at least the minimum denomination of €0.01. In the event that such holder of Designated Securities would not receive (as a result either of the Exchange Offer, the Proposed Amendments becoming effective rounding the application of the Applicable Exchange Rate or otherwise) such minimum denomination of New Bonds, GDP-linked Securities, PSI Payment Notes or Accrued Interest Notes, as the case may be, such holder shall not receive from the Republic any cash amount or replacement securities in lieu of such New Bonds, GDP-linked Securities, PSI Payment Notes or Accrued Interest Notes.

Each holder of Designated Securities of any series that wishes to exchange its Designated Securities pursuant to the Invitation, subject to the Offer and Distribution Restrictions, must submit (or procure the submission of) and not validly revoke Participation Instructions in accordance with the procedures set forth in “*The Invitation—Procedures for Participating in the Invitation*”, according to which each holder must ensure that such Participation Instructions are received by the Information, Exchange and Tabulation Agent by the Expiration Deadline. If the Republic accepts any valid tenders for exchange of Designated Securities of any series pursuant to the Invitation, it intends to accept all tenders for exchange of Designated Securities of such series that have been validly made. By tendering Designated Securities for exchange, a holder of Designated Securities also consents to and votes in favor of the Proposed Amendments to the relevant Designated Securities as further described under “*The Consent Solicitation*”. By submitting Participation Instructions to tender Designated Securities for exchange, the holder of Designated Securities appoints Acupay or its nominees (or, where applicable with respect to Foreign Law Republic Titles and Foreign Law Guaranteed Titles, irrevocably instructs the relevant paying agent for such Foreign Law Republic Titles or Foreign Law Guaranteed Titles to appoint Acupay or its nominees) as its proxy to sign any relevant resolution, and participate in any meeting convened under the relevant series of Designated Securities and consent to and vote in favor of a Proposed Amendment for those Designated Securities.

The Exchange Offer is subject to certain conditions. See “*—Conditions of the Invitation*”.

### **The Consent Solicitation**

Subject to the terms and conditions of this Invitation, the Republic is soliciting consents (or favorable votes) from (i) the holders of the Eligible Titles to adopt the Proposed Amendments to the Eligible Titles, (ii) the holders of the Foreign Law Republic Titles to adopt the Proposed Amendments to the Foreign Law Republic Titles, and (iii) the holders of the Foreign Law Guaranteed Titles to adopt the Proposed Amendments to the Foreign Law Guaranteed Titles. For the avoidance of doubt, any holder of Designated Securities that has tendered its Designated Securities in the Exchange Offer shall have also appointed Acupay as its proxy to sign any relevant resolution, and/or participate in any meeting convened under the relevant series of Designated Securities and consent to and vote in favor of a Proposed Amendment for those Designated Securities.

Any notice of a bondholders’ meeting in respect of a series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles for which a bondholders’ meeting is required pursuant to the terms of such series has been delivered to the applicable Bondholders in accordance with the respective terms of the applicable Foreign Law Republic Titles or Foreign Law Guaranteed Titles on the date of this Invitation Memorandum, or will be delivered as promptly as practicable thereafter, in accordance with the terms of the relevant series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles.

Holders of Designated Securities of any series that do not tender their Designated Securities for exchange in the Invitation will not have such Designated Securities exchanged or substituted for New Bonds, GDP-linked Securities and PSI Payment Notes or receive the Accrued Interest Payment for their Designated Securities unless the Republic obtains the requisite consents for the Proposed Amendments to such Designated Securities and decides to declare such Proposed Amendments effective and exercises its option to exchange such Designated Securities pursuant to the Proposed Amendments.

The Republic is not soliciting any consents pursuant to the Consent Solicitation from any holders of Designated Securities in any jurisdiction in which the making of the Consent Solicitation would not be in compliance with the laws of such jurisdiction. Each holder of Designated Securities who comes into possession of this Invitation Memorandum must inform itself about and comply with all applicable laws and regulations in force in any jurisdiction in which it holds Designated Securities. The restrictions affecting the Republic are without prejudice to the right of Bondholders in any such jurisdiction to appoint a proxy to attend and vote at any meeting (where applicable) in accordance with the relevant terms and conditions of the Designated Securities it holds, subject to applicable law.

If the Republic obtains the requisite consents for the Proposed Amendments to the Eligible Titles, the Proposed Amendments to some or all of the Foreign Law Republic Titles and the Proposed Amendments to some or all of the Foreign Law Guaranteed Titles (including pursuant to a Parallel Invitation), and decides to declare any of the Proposed Amendments effective and exercises its option to exchange such Designated Securities pursuant to the Proposed Amendment, it will seek to do so as promptly as practicable after the Expiration Deadline, which in the case of Foreign Law Republic Titles and Foreign Law Guaranteed Titles may only occur after the relevant Meeting Date. In each such case, all holders of Designated Securities of any series that is made subject to the Proposed Amendments, including holders of such series of Designated Securities that did not participate in the Invitation or rejected or voted against the relevant Proposed Amendment, will receive the Consideration and the Accrued Interest Payment, as further described below, on the applicable Settlement Date, provided that the PSI Payment Notes will not be further transferred to holders

that tender their Designated Securities pursuant to the Invitation and will be made subject to the Cash Proceeds Arrangement to ensure compliance with U.S. securities regulations.

### ***The Proposed Amendments to the Eligible Titles***

The Greek Bondholder Act, which became effective on 23 February 2012, introduced a legal framework to amend the Eligible Titles, as described below. On 24 February 2012, the Ministerial Council of the Republic, following a recommendation of the Minister of Finance, authorised the Public Debt Management Agency, to issue this Invitation and the Offshore Invitation (as defined herein). Under the Greek Bondholder Act, the Republic is entitled to invite holders of one or more series of outstanding debt securities of the Republic subject to Greek law and issued prior to 31 December 2011 as identified in the Ministerial Council's Act and in the relevant invitation of the Republic, to vote upon, or consent to, modifications to such securities proposed by the Republic. A modification proposed by the Republic will be considered approved by the holders, if holders of at least 50% in aggregate principal amount of the securities identified by the Republic in the Invitation and in the Ministerial Council's Act participate in the modification process set out by the Republic in the relevant invitation (whether to consent to or reject the proposed modification) (**Participating Principal**) and at least two-thirds (2/3) of the Participating Principal consent to the proposed modification

This Invitation and a Parallel Invitation consisting of an exchange offer and consent solicitation on substantially the same terms as this Invitation to non-U.S. Persons that would participate in offshore transactions (as defined in Regulation S) (the **Offshore Invitation**) are made in furtherance of the Greek Bondholder Act, and the Proposed Amendments to the Eligible Titles are modifications within the meaning of the Greek Bondholder Act.

Subject to the terms and conditions of this Invitation and the Offshore Invitation and in accordance with the Greek Bondholder Act, the Republic is soliciting consents (or favorable votes) from all holders of Eligible Titles to amend all Eligible Titles in order to permit the Republic to exchange at its option each €1,000 face amount of all outstanding Eligible Titles (including those not tendered in the Invitation and those with respect to which holders rejected the relevant Proposed Amendments) for the Consideration and any Accrued Interest Payment on the Eligible Titles Settlement Date or, in the case of the PSI Payment Notes or Accrued Interest Notes in respect of which U.S. Bondholders will receive the Net Cash Proceeds pursuant to the Cash Proceeds Arrangement, on, or as promptly as practicable after, the Eligible Titles Settlement Date.

As set out in the Greek Bondholder Act, the Proposed Amendments to the Eligible Titles will become effective if (i) (a) holders of at least 50% of the aggregate principal amount of the Eligible Titles outstanding on the date of the Expiration Deadline submit (and do not validly revoke) Participation Instructions (even if no Eligible Titles are tendered for exchange pursuant to those Participation Instructions) with respect to such Eligible Titles pursuant to this Invitation and the Offshore Invitation, and (b) holders of at least two-thirds (2/3) in the aggregate principal amount of the Eligible Titles in respect of which Participation Instructions were submitted (and not validly revoked) pursuant to this Invitation and the Offshore Invitation, as applicable, consent to the Proposed Amendments to the Eligible Titles, and (ii) the Republic decides (subject to the conditions set out under “—*Conditions of the Invitation*”) to put the Proposed Amendments to the Eligible Titles into effect. Under the Greek Bondholder Act, any Eligible Titles owned by the Republic as of the Expiration Deadline will not be counted for the purpose of calculating the Participating Principal or either of the above percentages thresholds. The Republic holds approximately €56.5 billion face amount of Eligible Titles as of the date of this Invitation Memorandum. Substantially all such Eligible Titles were acquired from the European Central Bank and certain National Central Banks prior to 22 February 2012 and will be cancelled prior to the Expiration Deadline, and so for the avoidance of doubt, will not count towards the 50 per cent participation threshold set out above nor will any Participation Instructions be delivered in respect of those Eligible Titles.

For purposes of calculating the aggregate principal amount of Eligible Titles outstanding:

- (i) the principal amount of any index-linked debt security will be equal to its adjusted nominal amount, where the adjusted nominal amount of any index-linked debt security is the amount of the payment that would be due on the stated maturity date of that index-linked debt security or component part if its stated maturity date was the date of this Invitation Memorandum, based on the interpolated value for the third month preceding such month (M-3) and the second month preceding such month (M-2) of the related index on the date of this Invitation Memorandum determined in accordance with the terms and conditions of the index-linked debt security, but in no event will the adjusted nominal amount of such index-linked debt security or component part be less than its nominal amount unless the terms and conditions of the index-linked debt security provide that the amount of the payment made on such index-linked debt security may be less than its nominal amount, and
- (ii) the principal amount outstanding of ISIN GR0326038214 will be €334,339,269.47, which is the principal amount outstanding determined by reference to the terms of such Eligible Titles.

Each holder of Eligible Titles that wishes to consent to, and vote in favor of, or reject and vote against, the Proposed Amendments to the Eligible Titles pursuant to the Invitation, subject to the Offer and Distribution Restrictions, must submit (or procure the submission of) and not validly revoke Participation Instructions in accordance with the procedures set forth in “*The Invitation—Procedures for Participating in the Invitation*”. Holders of Eligible Titles may submit a Participation Instruction to consent to and vote in favor of the Proposed Amendments to the Eligible Titles even if they have not tendered such Eligible Titles for exchange by the Republic as described above. For the avoidance of doubt, if a holder of Eligible Titles has tendered its Eligible Titles for exchange then such Participation Instruction will also constitute a consent to and vote in favor of, the Proposed Amendments to the Eligible Titles and such holder need take no further action in respect of the Consent Solicitation with respect to such Eligible Titles. Holders of Eligible Titles may submit a Participation Instruction to reject, or vote against, the Proposed Amendments to the Eligible Titles, but in that case may not tender such Eligible Titles for exchange in the Invitation. The Participation Instruction in such case will be limited to matters relating to the Proposed Amendments to the Eligible Titles but the Eligible Titles will not be considered tendered for exchange pursuant to the Invitation.

By submitting Participation Instructions with respect to the Proposed Amendments to the Eligible Titles, the holder of Eligible Titles appoints Acupay or its nominees as its proxy to consent to and vote in favor of or reject and vote against (as applicable), the Proposed Amendments to the Eligible Titles as set forth in such Participation Instruction with respect to those Eligible Titles. By submitting Participation Instructions, a holder authorizes the Information, Exchange and Tabulation Agent to provide the information set forth in such Participation Instruction to Acupay, which will submit the relevant consent or rejection (as applicable) to the Process Manager.

The Proposed Amendments to the Eligible Titles provide for any Eligible Titles not exchanged pursuant to the Exchange Offer to be exchanged against delivery by the Republic of the Consideration and the Accrued Interest Payment to the holders of such Eligible Titles on the Eligible Titles Settlement Date, provided that U.S. Bondholders shall only be entitled to receive Net Cash Proceeds in lieu of the PSI Payment Notes or Accrued Interest Notes pursuant to the Cash Proceeds Arrangement.

Pursuant to the Greek Bondholder Act, the decision on the Proposed Amendments to the Eligible Titles by holders of the Eligible Titles will be certified by an act of the Process Manager (see “*—Method of Announcements*”). Substantially simultaneously on issuance of the New Bonds and GDP-linked Securities in BOGS, and delivery to the Republic of the PSI Payment Notes and Accrued Interest Notes and after acceptance by the Republic of the Bondholders’ decision on the Proposed Amendments to the Eligible Titles through the issuance and publication in the Government Gazette of the Republic of a decision of the Ministerial Council of the Republic, and only upon such event, on the Eligible Titles Settlement Date, each €1,000 face amount of all outstanding Eligible Titles (including those not tendered in the Invitation and those with respect to which holders rejected the relevant Proposed Amendments) will be exchanged for the Consideration (see “*—Delivery of New Bonds, GDP-linked Securities and PSI Payment Notes and Accrued Interest Notes*”), and the Eligible Titles so exchanged (and any obligation, irrespective of its originally stated maturity or payment date, that formerly constituted a component part thereof) will be cancelled automatically. U.S. Bondholders shall only be entitled to receive Net Cash Proceeds in lieu of the PSI Payment Notes or Accrued Interest Notes pursuant to the Cash Proceeds Arrangement.

The Republic will make Accrued Interest Payments in respect of all Eligible Titles that have not been tendered for exchange pursuant to the Invitation and are exchanged as a result of the Proposed Amendments to the Eligible Titles becoming effective on the Eligible Titles Settlement Date by delivering Accrued Interest Notes, provided that U.S. Bondholders shall only be entitled to receive Accrued Interest Cash Proceeds in lieu of the Accrued Interest Notes pursuant to the Cash Proceeds Arrangement. In the event that holders of Eligible Titles receive a cash interest payment under the relevant Eligible Title after the date of this Invitation Memorandum, (a) they will receive no Accrued Interest Payment and (b) the face amount of the PSI Payment Notes to be delivered to such holders will be reduced by an amount (subject to rounding) equal to the portion of such cash interest payment accrued on the relevant Eligible Title from and including the date of this Invitation Memorandum to the date of such cash interest payment, and in the case of U.S. Bondholders will be subject to the Cash Proceeds Arrangement.

The face or notional amount, as applicable, of any New Bonds and GDP-linked Securities to be delivered by the Republic will be rounded down, if necessary, to the nearest €1.00 and €100.00, respectively, and no New Bonds or GDP-linked Securities will be delivered with a face or notional amount, as applicable, of less than €1.00 and €100.00, respectively. The face amount of any PSI Payment Notes and Accrued Interest Notes to be delivered by the Republic will be rounded down, if necessary, to the nearest €10.00 and €0.01 respectively and no PSI Payment Notes nor Accrued Interest Notes will be delivered with a face amount of less than €10.00 and €0.01 respectively. In the event that a holder of Eligible Titles would not receive (as a result of the Proposed Amendments becoming effective) such minimum denomination of New Bonds, GDP-linked Securities, PSI Payment Notes or



Accrued Interest Notes, as the case may be, such holder shall not receive from the Republic any cash amount or replacement securities in lieu of such New Bonds, GDP-linked Securities, PSI Payment Notes or Accrued Interest Notes.

The Republic reserves the right to accept the Eligible Titles of any series tendered in the exchange for New Bonds, GDP-linked Securities and PSI Payment Notes, and make any Accrued Interest Payment by delivering Accrued Interest Notes pursuant to the Invitation before giving effect to the Proposed Amendments to the Eligible Titles or, subject to the Minimum Participation Condition, the Financing Condition and the Other Conditions, in the event that the Proposed Amendments to the Eligible Titles are not approved, provided that U.S. Bondholders shall only be entitled to receive Net Cash Proceeds in lieu of the PSI Payment Notes and Accrued Interest Notes pursuant to the Cash Proceeds Arrangement.

Upon delivery of the New Bonds, the GDP-linked Securities, the PSI Payment Notes and the Accrued Interest Notes, if any, to BOGS and by BOGS to the relevant Settlement Account, the Republic shall have discharged in full, and be deemed to have fully performed and satisfied, all of its obligations under the Eligible Titles (and any obligation, irrespective of its originally stated maturity or payment date, that formerly constituted a component part thereof) and the Invitation, (except the Republic's obligations under the Cash Proceeds Arrangement shall be satisfied upon delivery of the Net Cash Proceeds of the PSI Payment Notes and the Accrued Interest Notes to the relevant Settlement Account), and the holders of Eligible Titles shall (i) have no contractual or other rights or claims in law or equity arising out of or related to such Eligible Titles, and (ii) discharge and release the Republic, and the fiscal agents, trustees and paying agents, as the case may be, in respect of the Eligible Titles, and the trustees for the New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes and any of their respective agents, officials, officers, employees or advisors, from any and all claims (including claims in the form of a payment order, judgment, arbitral award or other such order or enforcement actions related thereto) they may have, now or in the future, arising out of or related to such Eligible Titles (and any obligation, irrespective of its originally stated maturity or payment date, that formerly constituted a component part thereof).

#### ***The Proposed Amendments to the Foreign Law Republic Titles***

Subject to the terms and conditions of this Invitation, the Republic is soliciting consents from the holders of each series of Foreign Law Republic Titles in favor of the amendments to each such series described in the meeting supplement available at the relevant Offer Website reference set forth in the table below, each of which is incorporated by reference into this Invitation Memorandum whether posted to the Offer Website on, before or after the date of this Invitation Memorandum.

For the avoidance of doubt, a holder of Foreign Law Republic Titles that validly submits a Participation Instruction to tender such Foreign Law Republic Titles for exchange also consents to and votes in favor of the Proposed Amendments to such Foreign Law Republic Titles and appoints Acupay or its nominees (or, where applicable, irrevocably instructs the paying agent in respect of such Foreign Law Republic Titles to appoint Acupay or its nominees) as its proxy to sign any relevant resolution, and to consent to and vote in favor of such Proposed Amendments. Such holder need take no further action in connection with the Consent Solicitation with respect to such Foreign Law Republic Titles.

Holders of Foreign Law Republic Titles, subject to the Offer and Distribution Restrictions, may submit a Participation Instruction to consent to and vote in favour of the Proposed Amendments to such Foreign Law Republic Titles even if they have not tendered such Foreign Law Republic Titles for exchange by the Republic as described above. Holders of Foreign Law Republic Titles, subject to the Offer and Distribution Restrictions, may submit a Participation Instruction to reject and vote against the Proposed Amendments to the Foreign Law Republic Titles, but in that case may not tender such Foreign Law Republic Titles for exchange pursuant to the Invitation. The Participation Instruction in such case will be limited to matters relating to the Proposed Amendments to such Foreign Law Republic Titles but the Foreign Law Republic Titles will not be considered tendered for exchange pursuant to the Invitation.

By submitting Participation Instructions, which in each case must be made in accordance with the procedures set forth in *"The Invitation-Procedures for Participating in the Invitation"*, with respect to a Proposed Amendment to such Foreign Law Republic Titles, the holder of Foreign Law Republic Titles appoints Acupay or its nominees (or, where applicable, irrevocably instructs the relevant paying agent for such Foreign Law Republic Titles to appoint Acupay or its nominees) as its proxy to sign any relevant resolution, and to participate in any meeting of holders of the relevant series of Foreign Law Republic Titles that has been convened in connection with the Consent Solicitation, and consent to and vote in favor of, or reject and vote against, a Proposed Amendment to such Foreign Law Republic Titles as set forth in such Participation Instruction for those Foreign Law Republic Titles.

Notwithstanding the foregoing, holders of Foreign Law Republic Titles who have not delivered Participation Instructions may attend the meeting with respect to the Proposed Amendments to the relevant series of Foreign Law Republic Titles, as

applicable, in person or by proxy, in accordance with the procedures set forth in the relevant notice of a meeting (which are described in the relevant meeting supplement available at the relevant Offer Website reference identified in the table below).

Upon the declaration of effectiveness by the Republic of the Proposed Amendments to one or more series of Foreign Law Republic Titles, and only upon such event, on the Foreign Law Republic Titles Settlement Date, all outstanding Foreign Law Republic Titles of each series that is made subject to the Proposed Amendments to the Foreign Law Republic Titles (including Foreign Law Republic Titles of such series not tendered for exchange in the Invitation and those with respect to which holders rejected or voted against the relevant Proposed Amendments at the meeting with respect to the relevant Proposed Amendments) will be amended and restated as described in the meeting supplement available at the relevant Offer Website reference listed in the table below that corresponds to such Foreign Law Republic Titles, and the holders of such Foreign Law Republic Titles (excluding those that received the Consideration as a result of having tendered such Foreign Law Republic Titles for exchange pursuant to the Invitation) will receive, for each €1,000 face amount (converted, where applicable, into euro at the Applicable Exchange Rate, (subject to rounding) of such Foreign Law Republic Titles, the Consideration and any Accrued Interest Payments, provided that U.S. Bondholders shall only be entitled to receive Net Cash Proceeds in lieu of the PSI Payment Notes, pursuant to the Cash Proceeds Arrangement.

The Republic will make Accrued Interest Payments in respect of all Foreign Law Republic Titles that have not been tendered for exchange pursuant to the Invitation and are exchanged as a result of the Proposed Amendments to the Foreign Law Republic Titles becoming effective on the Foreign Law Republic Titles Settlement Date by delivering Accrued Interest Notes, provided that U.S. Bondholders shall only be entitled to receive Accrued Interest Cash Proceeds in lieu of the Accrued Interest Notes pursuant to the Cash Proceeds Arrangement. In the event that holders of Foreign Law Republic Titles receive a cash interest payment under the relevant Foreign Law Republic Title after the date of this Invitation Memorandum, (a) they will receive no Accrued Interest Payment and (b) the face amount of the PSI Payment Notes to be delivered to such holders will be reduced by an amount (subject to rounding) equal to the portion of such cash interest payment accrued on such relevant Foreign Law Republic Title from and including the date of this Invitation Memorandum to the date of such cash interest payment, and in the case of U.S. Bondholders will be subject to the Cash Proceeds Arrangement.

The face or notional amount, as applicable, of any New Bonds and GDP-linked Securities to be delivered by the Republic will be rounded down, if necessary, to the nearest €1.00 and €100.00, respectively, and no New Bonds or GDP-linked Securities will be delivered with a face or notional amount, as applicable, of less than €1.00 and €100.00, respectively. The face amount of any PSI Payment Notes and Accrued Interest Notes to be delivered by the Republic will be rounded down, if necessary, to the nearest €10.00 and €0.01 respectively and no PSI Payment Notes nor Accrued Interest Notes will be delivered with a face amount of less than €10.00 and €0.01 respectively. In the event that a holder of Foreign Law Republic Titles would not receive (as a result of the Proposed Amendments becoming effective) such minimum denomination of New Bonds, GDP-linked Securities, PSI Payment Notes or Accrued Interest Notes, as the case may be, such holder shall not receive from the Republic any cash amount or replacement securities in lieu of such New Bonds, GDP-linked Securities, PSI Payment Notes or Accrued Interest Notes.

The Republic reserves the right to accept the Foreign Law Republic Titles of any series tendered in the exchange for New Bonds, GDP-linked Securities and PSI Payment Notes, and make any Accrued Interest Payment by delivering Accrued Interest Notes, pursuant to the Invitation before giving effect to a Proposed Amendment for such series or, subject to the Minimum Participation Condition, the Financing Condition and the Other Conditions, in the event that the Proposed Amendment for such series is not approved, provided that U.S. Bondholders shall only be entitled to receive Net Cash Proceeds in lieu of the PSI Payment Notes or Accrued Interest Notes.

Upon delivery of the New Bonds, the GDP-linked Securities, the PSI Payment Notes and (if any) the Accrued Interest Notes, to BOGS and by BOGS to the relevant Settlement Account, the Republic shall have discharged in full, and be deemed to have fully performed and satisfied, all of its obligations under the Foreign Law Republic Titles (and any obligation, irrespective of its originally stated maturity or payment date, that formerly constituted a component part thereof) and the Invitation, (except the Republic's obligations under the Cash Proceeds Arrangement which shall be satisfied upon delivery of the Net Cash Proceeds of the PSI Payment Notes and the Accrued Interest Notes to the relevant Settlement Account), and the holders of Foreign Law Republic Titles shall (i) have no contractual or other rights or claims in law or equity arising out of or related to such Foreign Law Republic Titles, and (ii) discharge and release the Republic, and the fiscal agents, trustees and paying agents, as the case may be, in respect of the Foreign Law Republic Titles, and the trustees for the New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes and any of their respective agents, officials, officers, employees or advisors, from any and all claims (including claims in the form of a payment order, judgment, arbitral award or other such order or enforcement actions related thereto) they may have, now or

in the future, arising out of or related to such Foreign Law Republic Titles (and any obligation, irrespective of its originally stated maturity or payment date, that formerly constituted a component part thereof).

The terms of the Proposed Amendments to each series of Foreign Law Republic Titles and the procedures to be followed by the holders, including the date of any meeting, where applicable, are set forth in the meeting supplement available at the relevant Offer Website reference identified in the table below for each series of Foreign Law Republic Titles. For the avoidance of doubt, a separate bondholders' meeting will be held in respect of each series of Foreign Law Republic Titles to consider and, if thought fit, approve the Proposed Amendments.

ISIN	Outstanding principal amount as of 24 February 2012*	Maturity	Offer Website Reference
XS0147393861	€ 450,000,000	15/05/2012	Meeting Supplement I-A
XS0372384064	U.S.\$1,434,023,000	25/06/2013	Meeting Supplement I-B
XS0097596463	€ 69,000,000	21/05/2014	Meeting Supplement I-C
XS0165956672	€ 400,000,000	08/04/2016	Meeting Supplement I-D
XS0357333029	€5,547,200,000	11/04/2016	Meeting Supplement I-E
XS0071095045	¥40,000,000,000	08/11/2016	Meeting Supplement I-F
XS0078057725	¥30,000,000,000	03/07/2017	Meeting Supplement I-G
XS0079012166	¥50,000,000,000	08/08/2017	Meeting Supplement I-H
XS0260024277	€2,086,000,000	05/07/2018	Meeting Supplement I-I
XS0286916027	€ 280,000,000	22/02/2019	Meeting Supplement I-J
XS0097010440	¥25,000,000,000	30/04/2019	Meeting Supplement I-K
XS0097598329	€ 110,000,000	03/06/2019	Meeting Supplement I-L

ISIN	Outstanding principal amount as of 24 February 2012*	Maturity	Offer Website Reference
XS0224227313	€ 250,000,000	13/07/2020	Meeting Supplement I-M
XS0251384904	€ 250,000,000	19/04/2021	Meeting Supplement I-N
XS0255739350	€ 100,000,000	31/05/2021	Meeting Supplement I-O
XS0256563429	€ 150,000,000	09/06/2021	Meeting Supplement I-P
XS0223870907	€ 250,000,000	07/07/2024	Meeting Supplement I-Q
XS0223064139	€ 400,000,000	06/07/2025	Meeting Supplement I-R
XS0260349492	€ 130,000,000	10/07/2026	Meeting Supplement I-S
XS0110307930	€ 200,000,000	14/04/2028	Meeting Supplement I-T
XS0192416617	€1,000,000,000	10/05/2034	Meeting Supplement I-U
XS0191352847	€1,000,000,000	17/07/2034	Meeting Supplement I-V
XS0292467775	€1,778,352,000	25/07/2057	Meeting Supplement I-W

**\*Outstanding principal amount does not include any Foreign Law Republic Titles owned by the Republic, all of which will be cancelled prior to the Expiration Deadline**

***The Proposed Amendments to the Foreign Law Guaranteed Titles***

Subject to the terms and conditions of this Invitation, the Republic is soliciting consents from the holders of each series of Foreign Law Guaranteed Titles in favor of the amendments to each such series described in the meeting supplement available at the relevant Offer Website reference set forth in the table below, each of which is incorporated by reference into this Invitation Memorandum whether posted to the Offer Website on, before or after the date of this Invitation Memorandum.

For the avoidance of doubt, a holder of Foreign Law Guaranteed Titles that validly submits a Participation Instruction to tender such Foreign Law Guaranteed Titles for exchange also consents to and votes in favor of, the Proposed Amendments to such Foreign Law Guaranteed Titles and appoints Acupay or its nominees (or, where applicable, irrevocably instructs the paying agent in respect of such Foreign Law Guaranteed Titles to appoint Acupay or its nominees) as its proxy to sign any relevant resolution, and to consent and vote in favor of such Proposed Amendments. Such holder need take no further action in connection with the Consent Solicitation with respect to such Foreign Law Guaranteed Titles.

Holders of Foreign Law Guaranteed Titles, subject to the Offer and Distribution Restrictions, may submit a Participation Instruction to consent to and vote in favour of the Proposed Amendments to such Foreign Law Guaranteed Titles even if they have not tendered such Foreign Law Guaranteed Titles for exchange by the Republic as described above. Holders of Foreign Law Guaranteed Titles, subject to the Offer and Distribution Restrictions, may submit a Participation Instruction to reject and vote against the Proposed Amendments to the Foreign Law Guaranteed Titles, but in that case may not tender such Foreign Law Guaranteed Titles for exchange pursuant to the Invitation. The Participation Instruction in such case will be limited to matters relating to the Proposed Amendments to such Foreign Law Guaranteed Titles but the Foreign Law Guaranteed Titles will not be considered tendered for exchange pursuant to the Invitation.

By submitting Participation Instructions, which in each case must be made in accordance with the procedures set forth in *“The Invitation—Procedures for Participating in the Invitation”*, with respect to a Proposed Amendment to such Foreign Law Guaranteed Titles, the holder of Foreign Law Guaranteed Titles appoints Acupay or its nominees (or, where applicable, irrevocably instructs the relevant paying agent for such Foreign Law Guaranteed Titles to appoint Acupay or its nominees) as its proxy to sign any relevant resolution, and to participate in any meeting of holders of the relevant series of Foreign Law Guaranteed Titles that has been convened in connection with the Consent Solicitation, and consent to and vote in favor of, or reject and vote against, a Proposed Amendment to such Foreign Law Guaranteed Titles as set forth in such Participation Instruction for those Foreign Law Guaranteed Titles.

Notwithstanding the foregoing, holders of Foreign Law Guaranteed Titles who have not delivered Participation Instructions may attend the meeting with respect to the Proposed Amendments to the relevant series of Foreign Law Guaranteed Titles, as applicable, in person or by proxy, in accordance with the procedures set forth in the relevant notice of a meeting (which are described in the relevant meeting supplement available at the relevant Offer Website reference identified in the table below).

Upon the declaration of effectiveness by the Republic of the Proposed Amendments to one or more series of Foreign Law Guaranteed Titles, and only upon such event, on the Foreign Law Guaranteed Titles Settlement Date, all outstanding Foreign Law Guaranteed Titles of each series that is made subject to the Proposed Amendments to the Foreign Law Guaranteed Titles (including Foreign Law Guaranteed Titles of such series not tendered for exchange in the Invitation and those with respect to which holders rejected or voted against the relevant Proposed Amendments at the meeting with respect to the relevant Proposed Amendments) will be amended and restated as described in the meeting supplement available at the relevant Offer Website reference listed below that corresponds to such Foreign Law Guaranteed Titles, and the holders of such Foreign Law Guaranteed Titles (excluding those that received the Consideration as a result of having tendered such Foreign Law Guaranteed Titles for exchange pursuant to the Invitation) will receive, for each €1,000 face amount (converted, where applicable, into euro at the Applicable Exchange Rate subject to rounding) of such Foreign Law Guaranteed Titles, the Consideration and any Accrued Interest Payment, provided that U.S. Bondholders shall only be entitled to receive Net Cash Proceeds in lieu of the PSI Payment Notes or Accrued Interest Notes to be delivered as promptly as practicable after the Foreign Law Guaranteed Titles Settlement Date.

The Republic will make Accrued Interest Payments in respect of all Foreign Law Guaranteed Titles that have not been tendered for exchange pursuant to the Invitation and are exchanged as a result of the Proposed Amendments to the Foreign Law Guaranteed Titles becoming effective on the Foreign Law Guaranteed Titles Settlement Date by delivering Accrued Interest Notes, provided that U.S. Bondholders shall only be entitled to receive Accrued Interest Cash Proceeds in lieu of the Accrued Interest Notes pursuant to the Cash Proceeds Arrangement. In the event that holders of Foreign Law Guaranteed Titles receive a cash interest payment under the relevant Foreign Law Guaranteed Title after the date of this Invitation Memorandum, (a) they will receive no Accrued Interest Payment and (b) the face amount of the PSI Payment Notes to be delivered to such holders will be reduced by an amount (subject to rounding) equal to the portion of such cash interest payment accrued from and including the date of this Invitation Memorandum to the date of such cash interest payment, and in the case of U.S. Bondholders will be subject to the Cash Proceeds Arrangement.

The face or notional amount, as applicable, of any New Bonds and GDP-linked Securities to be delivered by the Republic will be rounded down, if necessary, to the nearest €1.00 and €100.00, respectively, and no New Bonds or GDP-linked Securities will be delivered with a face or notional amount, as applicable, of less than €1.00 and €100.00, respectively. The face amount of any PSI Payment Notes and Accrued Interest Notes to be delivered by the Republic will be rounded down, if necessary, to the nearest €10.00 and €0.01 respectively and no PSI Payment Notes nor Accrued Interest Notes will be delivered with a face amount of less than €10.00 and €0.01 respectively. In the event that a holder of Foreign Law Guaranteed Titles would not receive (as a result of the Proposed Amendments becoming effective) such minimum denomination of New Bonds, GDP-linked Securities, PSI Payment Notes or Accrued Interest Notes, as the case may be, such holder shall not receive from the Republic any cash amount or replacement securities in lieu of such New Bonds, GDP-linked Securities, PSI Payment Notes or Accrued Interest Notes.

The Republic reserves the right to accept the Foreign Law Guaranteed Titles of any series tendered for exchange for New Bonds, GDP-linked Securities and PSI Payment Notes, and make any Accrued Interest Payment by delivering Accrued Interest Notes, pursuant to the Invitation before giving effect to a Proposed Amendment for such series or, subject to the Minimum Participation Condition, the Financing Condition and the Other Conditions, in the event that the Proposed Amendment for such series is not approved, provided that U.S. Bondholders shall only be entitled to receive Net Cash Proceeds in lieu of the PSI Payment Notes or Accrued Interest Notes.

Upon delivery of the New Bonds, the GDP-linked Securities, the PSI Payment Notes and the Accrued Interest Notes, if any, to BOGS and by BOGS to the relevant Settlement Account, each of the Republic and the relevant Issuer of Foreign Law Guaranteed Titles shall have discharged in full, and be deemed to have fully performed and satisfied, all of its obligations under the Foreign Law Guaranteed Titles (and any obligation, irrespective of its originally stated maturity or payment date, that formerly constituted a component part thereof) and the Invitation, and the holders of Foreign Law Guaranteed Titles (except the Republic's obligations under the Cash Proceeds Arrangement which shall be satisfied upon delivery of the Net Cash Proceeds of the PSI Payment Notes and the Accrued Interest Notes to the relevant Settlement Account), shall (i) have no contractual or other rights or claims in law or equity arising out of or related to such Foreign Law Guaranteed Titles, and (ii) discharge and release the Republic, the relevant Issuer of Foreign Law Guaranteed Titles and the fiscal agents, trustees and paying agents, as the case may be, in respect of the Foreign Law Guaranteed Titles, and the trustees for the New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes and any of their respective agents, officials, officers, employees or advisors, from any and all claims (including claims in the form of a payment order, judgment, arbitral award or other such order or enforcement actions related thereto) they may have, now or in the future, arising out of or related to such Foreign Law Guaranteed Titles (and any obligation, irrespective of its originally stated maturity or payment date, that formerly constituted a component part thereof). The terms of the Proposed Amendments to each series of Foreign Law Guaranteed Titles and the procedures to be followed by the holders, including the date of any meeting, where applicable, are set forth in the meeting supplement available at the relevant Offer Website reference identified in the table below for each series of Foreign Law Guaranteed Titles. For the avoidance of doubt, a separate bondholders' meeting will be held in respect of each series of Foreign Law Guaranteed Titles to consider and, if thought fit, approve the Proposed Amendments.

ISIN	Outstanding principal amount as of 24 February 2012*	Maturity	Offer Website Reference	ISIN	Outstanding principal amount as of 24 February 2012*	Maturity	Offer Website Reference
FR0000489676	€190,000,000	13/09/2012	Meeting Supplement II-A	XS0215169706	€450,000,000	17/03/2017	Meeting Supplement II-G
XS0208636091	€250,000,000	21/12/2012	Meeting Supplement II-B	XS0160208772	€165,000,000	27/12/2017	Meeting Supplement II-H
XS0165688648	€412,500,000	02/04/2013	Meeting Supplement II-C	XS0280601658	€255,000,000	20/12/2019	Meeting Supplement II-I
XS0142390904	€197,000,000	30/01/2014	Meeting Supplement II-D	XS0354223827	€240,000,000	26/03/2013	Meeting Supplement II-J
FR0010027557	€200,000,000	29/10/2015	Meeting Supplement II-E	XS0198741687	€160,000,000	12/08/2014	Meeting Supplement II-K
XS0193324380	€250,000,000	24/05/2016	Meeting Supplement II-F	XS0308854149	€200,940,000	18/07/2017	Meeting Supplement II-L

***\*Outstanding principal amount does not include any Foreign Law Guaranteed Titles owned by the Republic all of which will be cancelled prior to the Expiration Deadline***

#### ***Consent, Rejection and Voting Upon Proposed Amendments***

By tendering Designated Securities for exchange pursuant to the Invitation, a holder of Designated Securities also consents to and votes in favor of the Proposed Amendments with respect to such Designated Securities, where applicable. A holder of Designated Securities may submit a Participation Instruction to consent to and vote in favor of the Proposed Amendments to its Designated Securities even if it has not tendered such Designated Securities for exchange pursuant to the Invitation. A holder of Designated Securities may submit a Participation Instruction to reject and vote against the Proposed Amendments to its Designated Securities, but in that case may not tender such Designated Securities for exchange in the Invitation.

Holders of Foreign Law Republic Titles or Foreign Law Guaranteed Titles who have not delivered Participation Instructions may attend the meeting with respect to the Proposed Amendments to the relevant series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles, as applicable, in person or by proxy, in accordance with the procedures set forth in the relevant notice of a meeting.

## **Conditions of the Invitation**

### ***General conditions***

The Republic expressly reserves the right, in its sole discretion, to delay acceptance of Designated Securities of one or more series tendered for exchange pursuant to the Invitation, including without limitation to comply with applicable laws and regulations.

Unless the Proposed Amendments are made effective pursuant to the terms of the Invitation, the Republic may only exchange Designated Securities of any series for New Bonds, GDP-linked Securities and PSI Payment Notes, and make any Accrued Interest Payment by delivering Accrued Interest Notes, pursuant to the Invitation after the submission of a valid Participation Instruction tendering Designated Securities of such series for exchange in accordance with the procedures described in “*The Invitation—Procedures for Participating in the Invitation*”. These procedures include the blocking of the Designated Securities tendered for exchange in the relevant account in the relevant Issuer Clearing System as described in “*Risk Factors and Other Considerations—Restrictions on transfer of Designated Securities for which Participation Instructions are submitted*” for which Participation Instructions are submitted.

The Republic will at all times have the discretion to accept any Designated Securities tendered for exchange which tender would otherwise be invalid or, in the sole opinion of the Republic, may otherwise be invalid.

The Republic is not under any obligation to accept any tender of Designated Securities for exchange pursuant to the Invitation or to put any Proposed Amendments into effect. Tenders of Designated Securities for exchange may be rejected in the sole discretion of the Republic for any reason or for no reason and the Republic is under no obligation to holders of Designated Securities to furnish any reason or justification for refusing to accept any such tender. For example, tenders of Designated Securities for exchange may be rejected and not accepted and may be treated as not having been validly tendered in the Invitation if the Participation Instructions are not in proper form, if the Invitation is terminated, if the Invitation does not comply with the relevant requirements of a particular jurisdiction or if any of the Minimum Participation Condition, the Financing Condition and the Other Conditions is not satisfied or waived.

Bondholders are advised that the Republic may, in its sole discretion, accept tenders for exchange of Designated Securities of any series pursuant to the Invitation on more than one date if the Invitation is extended or re-opened, in whole or in part.

The failure of any person to receive a copy of this Invitation Memorandum or any announcement made or notice issued in connection with the Invitation shall not invalidate any aspect of the Invitation.

Each of the following conditions (namely, the Minimum Participation Condition, the Financing Condition and the Other Conditions) applies to each Invitation and each Settlement Date is for the sole benefit of the Republic and may be waived by the Republic, in whole or in part, at any time and from time to time, on one or more occasions in its discretion. Any determination by the Republic concerning the conditions set forth below (including whether or not any such condition has been satisfied or waived) will be final and binding upon all parties.

### ***Minimum Participation Condition***

The Republic will complete the exchange of validly tendered Designated Securities if at least 90% of the aggregate principal amount currently outstanding of the Overall Debt (the **Minimum Participation Threshold**) has been validly tendered for exchange pursuant to the Invitation and the Parallel Invitations by the Expiration Deadline, and all other conditions to the Invitation have been satisfied or waived by the Republic. (The condition that the Minimum Participation Threshold be met, the **Minimum Participation Condition**).

For the purpose of establishing whether the Minimum Participation Condition has been met:

- (i) the principal amount of debt securities denominated in a currency other than euro will be equal to the amount of euro that could have been obtained two business days prior to the date of this Invitation Memorandum with the principal amount of that debt security using the Applicable Exchange Rate set out in the table below, and

<b>Currency</b>	<b>Applicable Exchange Rate per Euro<sup>(1)</sup></b>
U.S. dollar .....	1.323
Swiss francs .....	1.2072
Japanese yen .....	106.22

(1) The euro foreign exchange reference rate on 22 February 2012, published by the European Central Bank.

(ii) the principal amount of any index-linked debt security will be equal to its adjusted nominal amount, where the adjusted nominal amount of any index-linked debt security is the amount of the payment that would be due on the stated maturity date of that index-linked debt security or component part if its stated maturity date was the date of this Invitation Memorandum, based on the interpolated value for the third month preceding such month (M-3) and the second month preceding such month (M-2) of the related index on the date of this Invitation Memorandum determined in accordance with the terms and conditions of the index-linked debt security, but in no event will the adjusted nominal amount of such index-linked debt security or component part be less than its nominal amount unless the terms and conditions of the index-linked debt security provide that the amount of the payment made on such index-linked debt security may be less than its nominal amount

If at least 75% but less than 90% of the aggregate principal amount outstanding of the Overall Debt has been validly tendered for exchange pursuant to the terms of the Invitation and the Parallel Invitations, the Republic, in consultation with its official sector creditors, reserves the right to waive the Minimum Participation Condition and proceed to exchange Designated Securities tendered pursuant to the Invitation.

If the Republic has received tenders of Designated Securities and other debt securities of the Republic for exchange and has obtained consents to modify Designated Securities and other debt securities of the Republic in this Invitation and the Parallel Invitations that upon acceptance or becoming effective, as applicable, would result in at least 90% of the aggregate principal amount outstanding of the Overall Debt becoming either exchanged upon acceptance by the Republic or subject to the Proposed Amendments or the proposed amendments in Parallel Invitations, the Republic, in consultation with its official sector creditors, intends (subject to satisfaction or waiver of the Financing Condition and Other Conditions) to put into effect the Proposed Amendments to the Eligible Titles and/or the Proposed Amendments to one or more series of Foreign Law Republic Titles and/or the Proposed Amendments to one or more series of Foreign Law Guaranteed Titles (being series of such Foreign Law Republic Titles and/or Foreign Law Guaranteed Titles in respect of which the Proposed Amendments have become effective), as applicable.

If less than 75% of the aggregate principal amount outstanding of the Overall Debt has been validly tendered for exchange pursuant to the terms of the Invitation or the Parallel Invitations and the Republic has not obtained consents in the Consent Solicitation and the Parallel Invitations to put into effect the Proposed Amendments with respect to Designated Securities and other debt securities subject to the Parallel Invitations representing at least 75% of the aggregate principal amount outstanding of the Overall Debt, the Republic will not proceed with any part of the transactions described in this Invitation Memorandum.

#### ***Financing Condition***

The Invitation is conditional upon the Republic determining (prior to announcing its acceptance of any tenders for exchange) in its sole discretion that, subject only to satisfying or waiving the Minimum Participation Condition, it will be entitled to receive sufficient funds and/or PSI Payment Notes and Accrued Interest Notes, directly or indirectly, from the EFSF to allow the Republic to implement the Invitation and the Parallel Invitations. The PSI Payment Notes are expected to be provided to the Republic as the disbursement of a loan to the Republic under the PSI LM Facility Agreement, which is subject to the satisfaction of certain disbursement conditions, including the Republic's compliance with certain prior actions related to the implementation of its economic reform programme. The Accrued Interest Notes are expected to be provided to the Republic as the disbursement of a loan to the Republic under the Bond Interest Facility, which is subject to the satisfaction of certain disbursement conditions, including the Republic's compliance with certain prior actions related to the implementation of its economic reform programme. In each case each such disbursement will be subject to the EWG, acting in its absolute discretion, approving each disbursement under each of the PSI LM Facility Agreement and the Bond Interest Facility.

#### ***Other Conditions***

Notwithstanding any other provisions of the Invitation, the Invitation is conditional upon (a) there not having been threatened, instituted or pending any action, investigation or proceeding by or before any court or governmental, regulatory, arbitral

or administrative body that: (1) makes or seeks to make illegal (i) the exchange or substitution (as the case may be) of Designated Securities or any other securities issued or guaranteed by the Republic that are the subject of Parallel Invitations (the Parallel Invitation Securities) for New Bonds, GDP-linked Securities and/or PSI Payment Notes, the making of any Accrued Interest Payment by delivering Accrued Interest Notes, or the amendment of Designated Securities or Parallel Invitation Securities pursuant to the Invitation or any Parallel Invitation; (2) would or might result in a delay in, or restrict, the ability of the Republic to issue or deliver the New Bonds and/or GDP-linked Securities or deliver the PSI Payment Notes in exchange for, or in substitution of, Designated Securities or Parallel Invitation Securities, or make any Accrued Interest Payment by delivery of Accrued Interest Notes, or take any action required (in the Republic's sole discretion) in connection with the Proposed Amendments or any proposed amendments to any Parallel Invitation Securities pursuant to a Parallel Invitation; or (3) imposes or seeks to impose limitations on the ability of the Republic to issue or deliver the New Bonds and/or GDP-linked Securities or deliver the PSI Payment Notes in exchange for, or in substitution of, Designated Securities or Parallel Invitation Securities, or make any Accrued Interest Payment by delivery of Accrued Interest Notes, or take any action required (in the Republic's sole discretion) in connection with the Proposed Amendments or any proposed amendments to any Parallel Invitation Securities pursuant to a Parallel Invitation; and (b) there not having been any change or development that, in the Republic's sole discretion, materially reduces the anticipated benefits to the Republic of the Invitation or any Parallel Invitation or that could be likely to prejudice materially the success of the Invitation or any Parallel Invitation or that has had, or could reasonably be expected to have, a material adverse effect on the Republic or its economy, or on the financial support package arranged by the official sector to support the Republic's reform package (the Other Conditions).

#### ***Procedures for Participating in the Invitation***

*Bondholders that need assistance with respect to the procedures for participating in the Invitation should contact the Information, Exchange and Tabulation Agent, the contact details for which are on the back cover of this Invitation Memorandum.*

The Republic will only accept Participation Instructions with respect to Designated Securities pursuant to the Invitation which are validly made in accordance with the procedures set out in this section "*—Procedures for Participating in the Invitation*". The following procedures apply to Designated Securities which are held in the account of a Direct Participant in the relevant Issuer Clearing System. Bondholders are advised to read the following information carefully.

By submitting a Participation Instruction, or by submitting a Revocation Instruction, if any, each Direct Participant will be deemed to consent to have the relevant Issuer Clearing System provide any details set forth in such Participation Instruction or Revocation Instruction to the Information, Exchange and Tabulation Agent (and for the Information, Exchange and Tabulation Agent to provide such details to the Republic, Acupay (as the Bondholders' proxy) and its legal advisers).

***Only Direct Participants may submit Participation Instructions and Revocation Instructions with respect to Designated Securities. Each Bondholder that is not a Direct Participant must procure that the Direct Participant through which such Bondholder holds its Designated Securities submits valid Participation Instructions and, if applicable, Revocation Instructions, before the deadlines specified by the relevant Issuer Clearing System.***

*Bondholders are advised to check with any bank, securities broker or other intermediary through which they hold Designated Securities when such intermediary would need to receive instructions from a Bondholder in order for that Bondholder to be able to participate in, or revoke its instruction to participate in, the Invitation before the deadlines specified in this Invitation Memorandum. The deadlines set by any such intermediary and each Issuer Clearing System for the submission of Participation Instructions and Revocation Instructions may be earlier than the relevant deadlines specified in this Invitation Memorandum.*

#### ***Participation Instructions***

Participation Instructions must be submitted in respect of no less than the minimum denomination of the relevant series of Designated Securities, as set out in the column headed "Minimum denomination" in Annex I to this Invitation Memorandum, and may thereafter be submitted in integral multiples of such minimum denomination or such other authorized or specified denominations permitted under the terms of the relevant series of Designated Securities.

Participation Instructions in respect of Designated Securities held through an Issuer Clearing System must be submitted through the facilities of the relevant Issuer Clearing System, if the holder is a Direct Participant in such Issuer Clearing System, or indirectly through a Direct Participant in such Issuer Clearing System. Holders must ensure that such Participation Instructions are received by the Information, Exchange and Tabulation Agent by the Expiration Deadline.

Only Direct Participants may submit Participation Instructions to the relevant Issuer Clearing Systems. If the holder is not a Direct Participant, it (or a financial institution or other intermediary on its behalf) must procure for the Direct Participant through which it holds the Designated Securities to submit a Participation Instruction on its behalf to the relevant Issuer Clearing System and



ensure that such Participation Instructions are received by the Information, Exchange and Tabulation Agent by the Expiration Deadline.

The Republic has made special arrangements with the Issuer Clearing Systems for such Issuer Clearing Systems to deliver Participation Instructions to the Information, Exchange and Tabulation Agent by no later than the Expiration Deadline.

For a submission of a Participation Instruction with respect to Designated Securities held through an Issuer Clearing System to be effective, a Direct Participant in the relevant Issuer Clearing System through which such Designated Securities are held must submit a Participation Instruction on behalf of the holder and ensure that such Participation Instruction is received by the Information, Exchange and Tabulation Agent prior to the Expiration Deadline. The receipt of a Participation Instruction by an Issuer Clearing System will be acknowledged in accordance with the procedures laid out in the relevant Clearing System Notice of such Issuer Clearing System and result in the blocking of the related Designated Securities in such Issuer Clearing System. This will prevent the holder from being able to transfer such Designated Securities to third parties and holders of Designated Securities that submit Participation Instructions must take any steps necessary to ensure that no transfers can be effected in relation to such blocked Designated Securities, except as otherwise provided for under the terms of the Invitation.

Neither the Republic nor the Information, Exchange and Tabulation Agent will be responsible for ensuring that any Participation Instruction is submitted to or accepted by an Issuer Clearing System or for ensuring that the Issuer Clearing System delivers any Participation Instruction to the Information, Exchange and Tabulation Agent by the Expiration Deadline. If (i) the Participation Instruction of any holder is not delivered by the relevant Issuer Clearing System to the Information, Exchange and Tabulation Agent on or before the Expiration Deadline or (ii) a holder, or a Direct Participant or custodian on behalf of such holder, does not deliver any other required documents in connection with such submission, in each case on or before the applicable deadline, the Republic reserves the absolute right to (a) reject the Participation Instruction, (b) require that any errors or defects in the Participation Instruction be remedied or (c) waive any such errors or defects and accept the Participation Instruction. In any such case, the rules, procedures and regulations of the Issuer Clearing System will apply.

By submitting a Participation Instruction, holders of Designated Securities, and the relevant Direct Participant on their behalf, shall be deemed to have made the agreements, acknowledgements, representations, warranties and undertakings set forth below under “—Bondholders’ Agreements, Acknowledgements, Representations, Warranties and Undertakings” to the Republic, the Information, Exchange and Tabulation Agent.

By submitting a Participation Instruction with respect to any Eligible Titles, the holder of Eligible Titles appoints Acupay or its nominees as its proxy to sign any relevant resolution, and to consent to and vote in favor of or reject and vote against (as applicable), the Proposed Amendments to the Eligible Titles as set forth in such Participation Instruction with respect to those Eligible Titles. By submitting a Participation Instruction with respect to any Foreign Law Republic Titles or Foreign Law Guaranteed Titles, the Bondholder will irrevocably appoint, and/or instruct the relevant paying agent for such series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles, as the case may be, where applicable, to appoint, Acupay or its nominees as its proxies to consent to or reject, or participate in any meeting convened under the relevant series and instruct it to consent and vote in favor of, or reject and vote against the Proposed Amendment for such Foreign Law Republic Titles or Foreign Law Guaranteed Titles, as the case may be, as indicated in such relevant Participation Instruction.

#### *Direct Participants in an Issuer Clearing System*

Direct Participants in an Issuer Clearing System must submit Participation Instructions in accordance with the procedures established by such Issuer Clearing System. Direct Participants should refer to the respective notifications (including, in particular, the relevant Clearing System Notices) that Direct Participants receive from the Issuer Clearing Systems for detailed information regarding participation procedures, which may include certain special procedures, and should contact the relevant Issuer Clearing System with respect to questions as to the requirements for the submission of Participation Instructions to such Issuer Clearing System.

#### *Designated Securities held through a custodian or other securities intermediary*

Holders that hold Designated Securities which are held through an Issuer Clearing System through a financial institution or other intermediary must contact that financial institution or intermediary and instruct it to submit (or procure the submission of) a Participation Instruction by the relevant Direct Participant (if such financial institution or intermediary is not itself a Direct Participant) with respect to those Designated Securities on their behalf.

#### *Requirements for Participation Instructions*

Each Participation Instruction must specify, in addition to any information required by the relevant Issuer Clearing System:

- the principal amount and series of the Designated Securities to which such Participation Instruction relates;
- whether such Designated Securities are being tendered for exchange (in which case the holder by so tendering shall have also instructed Acupay to consent to and vote in favor of, where applicable, the Proposed Amendment with respect to such Designated Securities); and
- whether (a) the holder instructs Acupay to consent to and vote in favor of the Proposed Amendment with respect to the Designated Securities, without tendering such Designated Securities for exchange or (b) the holder instructs Acupay to reject and vote against the Proposed Amendment to such Designated Securities (in which case the Designated Securities may not be tendered for exchange pursuant to the Exchange Offer).

Mere blocking of such Designated Securities with the relevant Issuer Clearing System shall not constitute a valid Participation Instruction.

By submitting a valid Participation Instruction, a holder of Designated Securities and any Direct Participant submitting such Participation Instruction on such holder's behalf shall be deemed to make the agreements, acknowledgements, representations, warranties, undertakings and directions set out in “—*Bondholders' Agreements, Acknowledgements, Representations, Warranties and Undertakings*” below, to the Republic and the Information, Exchange and Tabulation Agent at the Expiration Deadline and at the time of settlement on the applicable Settlement Date (if a holder of Designated Securities or Direct Participant is unable to make any such agreement or acknowledgement or give any such representation, warranty, undertaking or direction, such holder or Direct Participant should contact the Information, Exchange and Tabulation Agent).

*Bondholder certification as to U.S. Status with respect to Designated Securities for which Participation Instructions are not submitted*

In the event that the Proposed Amendments to any series of Designated Securities is made effective, holders of such series that have not submitted Participation Instructions must provide a certification to the Republic and the Information, Exchange and Tabulation Agent through the relevant Issuer Clearing System, in accordance with the procedures set forth in the relevant Clearing System Notice, certifying that they are “U.S. Persons” and persons that would participate in the transactions contemplated in the invitation other than in an “offshore transaction”. A holder of Designated Securities that does not wish to submit a Participation Instruction pursuant to the Invitation may provide such certification to the Republic through the relevant Issuer Clearing System for receipt by the Information, Exchange and Tabulation Agent prior to the Expiration Deadline, in accordance with the procedures set forth in the relevant Clearing System Notice, to facilitate the delivery of the Consideration (for each €1,000 face amount of Designated Securities (converted into euro, where applicable, at the Applicable Exchange Rate (subject to rounding)), subject to the Cash Proceeds Arrangement, in the event that the Proposed Amendments to such Designated Securities are made effective. Such certification must state that such holder either (a) (i) is the beneficial owner of the Designated Securities in respect of which such certification has been submitted and (ii) is a U.S. Person that would participate in the transactions contemplated in the Invitation other than in an “offshore transaction” and a person would receive such Consideration and any Accrued Interest Notes, subject to the Cash Proceeds Arrangement in an “offshore transaction” (as defined under Rule 902 under the Securities Act) or (b) (i) is acting on behalf of the beneficial owner of the Designated Securities in respect of which such Participation Instruction has been submitted on a non-discretionary basis and has been duly authorised to so act and (ii) such beneficial owner has confirmed to it that such beneficial owner is a U.S. Person and would receive such Consideration and any Accrued Interest Notes, subject to the Cash Proceedings Arrangement, if the Proposed Amendments to such Designated Securities are made effective, other than in an offshore transaction.

#### ***Revocation Rights***

All Participation Instructions with respect to any Designated Securities may be validly revoked at any time prior to the Revocation Deadline, but will thereafter be irrevocable, unless the Republic extends the Expiration Deadline in such way that would cause the Invitation for those Designated Securities to last for more than 120 days or amends the Invitation for those Designated Securities in a manner it determines is materially adverse to holders of those Designated Securities, and in either case for such period of time as the Republic deems appropriate. In any of these cases, holders of Designated Securities will have the right to revoke Participation Instructions for Designated Securities of the applicable series reinstated for a period of two business days from the date the Republic first publicly announces that it is reinstating revocation rights or for any longer period specified by the Republic in its announcement. For the avoidance of doubt, in the case of each series of Foreign Law Republic Titles and Foreign Law Guaranteed Titles, in the case of each series of Foreign Law Republic Titles and Foreign Law Guaranteed Titles, in respect of the Consent Solicitation with respect to such series only, the Revocation Deadline for any consent or proxy given by way of a Participation Instruction or otherwise shall be 48 hours prior to the time of the bondholder meeting for such series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles as specified in the applicable notice of meeting. See “*The Invitation—Method of Announcements.*”

To effectively revoke a Participation Instruction, subject to the limitations described above, holders must follow the procedures set forth below under “—*Procedures for revocation of Participation Instructions.*” See “*Risk Factors and Other Considerations—Risks of Participating in the Invitation*” and “—*Risks of Not Participating in the Invitation*”. Agreements, acknowledgements, representations, warranties, undertakings and directions set out in paragraphs (p), (r), (t), (cc), (ee), (ff), (gg), (ii), (jj), (kk), (ll) and (mm) of “—*Bondholders’ Agreements, Acknowledgements, Representations, Warranties and Undertakings*” deemed made by holders of Designated Securities and any Direct Participants upon submission of a Participation Instruction shall survive any valid revocation of such Participation Instruction.

For the avoidance of doubt, any Bondholder who does not exercise any such right of revocation in the circumstances and in the manner specified herein shall be deemed to have waived such right of revocation and its Participation Instruction will remain effective.

Notwithstanding any valid revocation of Participation Instructions, if the Proposed Amendment for a series of Designated Securities is approved, each holder of Designated Securities of that series will be bound by the Proposed Amendments.

#### *Procedures for revocation of Participation Instructions*

A Direct Participant for its own account and/or on behalf of a holder may revoke a Participation Instruction in respect of Designated Securities by submitting a Revocation Instruction to the Issuer Clearing System to which the Participation Instruction was submitted for delivery to the Information, Exchange and Tabulation Agent prior to the Revocation Deadline. Upon receiving such Revocation Instructions, the Issuer Clearing System will deliver a notice of withdrawal to the Information, Exchange and Tabulation Agent prior to the Revocation Deadline, whereupon the Information, Exchange and Tabulation Agent will instruct the Issuer Clearing System to release the Designated Securities related to such Participation Instruction from their blocking instructions and disregard the tender for exchange, if any, and/or the consent to or rejection of the Proposed Amendment with respect to such Designated Securities.

For the Revocation Instructions to be effective, the Information, Exchange and Tabulation Agent must receive the Revocation Instruction from the Issuer Clearing System to which the Participation Instruction was submitted by the Revocation Deadline, or within two business days after the date the Republic first publicly announces (in the manner described under “—*Method of Announcements*”) the reinstatement of revocation rights, or by such later date as the Republic may provide in any such announcement in its discretion.

Holders that hold Designated Securities through a financial institution or other intermediary must instruct that intermediary to procure the valid submission of a Revocation Instruction to the relevant Issuer Clearing System and ensure that such Revocation Instruction is received by the Information, Exchange and Tabulation Agent by the Revocation Deadline.

Participation Instructions with respect to Designated Securities may not be partially revoked. Therefore, if a Direct Participant, for its own account and/or on behalf of a holder of Designated Securities that is not itself a Direct Participant, wishes to revoke a Participation Instruction with respect to a portion of the related Designated Securities, that Direct Participant must timely (a) submit a Revocation Instruction, as provided herein with respect to the entire Participation Instruction and (b) submit a new Participation Instruction with respect to the Designated Securities not intended to be affected by the revocation.

The Republic can offer no assurance that any custodian, direct participant or clearing system (including the Issuer Clearing Systems) will follow the procedures necessary to revoke or resubmit Participation Instructions, as these procedures are entirely within such parties’ discretion.

Any questions regarding the revocation of Participation Instructions may be addressed to the Information, Exchange and Tabulation Agent using the contact information provided on the back cover of this document.

#### *Irregularities*

All questions as to the validity, form and eligibility (including times of receipt) of any Participation Instruction or Revocation Instruction will be determined by the Republic in its sole discretion, which determination shall be final and binding.

The Republic reserves the absolute right to reject any and all Participation Instructions or Revocation Instructions not in proper form or for which any corresponding agreement by the Republic to accept would, in the opinion of the Republic and its legal advisers, be unlawful. The Republic also reserves the absolute right to waive any defects, irregularities or delay in the submission of any and all Participation Instructions or Revocation Instructions in its discretion. The Republic also reserves the absolute right to waive any such defect, irregularity or delay in respect of particular Participation Instructions or Revocation Instructions, whether or not the Republic elects to waive similar defects, irregularities or any delay in respect of any other such Participation Instructions or Revocation Instructions.

Any defect, irregularity or delay must be cured within such time as the Republic determines, unless waived by it. Participation Instructions and Revocation Instructions will be deemed not to have been made until such defects, irregularities or delays have been cured or waived. Neither the Republic nor the Information, Exchange and Tabulation Agent shall be under any duty to give notice to a Bondholder of any defects, irregularities or delays in any Participation Instruction or Revocation Instruction, nor shall any of them incur any liability for failure to give such notice.

***Bondholders' Agreements, Acknowledgements, Representations, Warranties and Undertakings***

By submitting a Participation Instruction, a Bondholder and any Direct Participant submitting such Participation Instruction on such Bondholder's behalf shall be deemed to agree, and acknowledge, represent, warrant and undertake, to the Republic and the Information, Exchange and Tabulation Agent the following at (i) the Expiration Deadline and (ii) the time of settlement of the Invitation on the applicable Settlement Date (and any Direct Participant submitting any Participation Instruction on behalf of one or more Bondholders must therefore ensure that each Bondholder represented by the relevant Participation Instruction is able to make such agreements or acknowledgements and give such representations, warranties and undertakings). If any Bondholder or Direct Participant is unable to make any such agreement or acknowledgement or give any such representation, warranty or undertaking, such Bondholder or Direct Participant should contact the Information, Exchange and Tabulation Agent immediately:

- (a) it has received the Invitation Memorandum (and has had access to and has reviewed to the extent applicable, the documents incorporated by reference into and referred to in this Invitation Memorandum) in accordance with applicable laws, including the Offer and Distribution Restrictions, and has reviewed and accepts the offer and distribution restrictions, terms, conditions, risk factors, the terms and conditions of the relevant New Bonds and GDP-linked Securities, the Cash Proceeds Arrangement and the procedures for receipt of PSI Payment Notes Cash Proceeds and Accrued Interest Notes Cash Proceeds and other considerations of the Invitation, all as described in this Invitation Memorandum (including the documents incorporated by reference into this Invitation Memorandum) and on the Offer Website, and has undertaken an appropriate analysis of the implications of such Invitation without reliance on the Republic, any Issuer of Foreign Law Guaranteed Titles, the EFSF, the Trustee or the Information, Exchange and Tabulation Agent;
- (b) it acknowledges and agrees (i) that neither this Invitation Memorandum nor the Offer Website contains any disclosure regarding the Republic, any Issuer of Foreign Law Guaranteed Titles or the EFSF and (ii) (A) that this Invitation is being made solely by the Republic, and that any securities to be delivered to any holders of Designated Securities exchanged or substituted pursuant to this Invitation will be delivered to such holders of Designated Securities by the Republic, and that the EFSF is under no obligation to issue any PSI Payment Notes or Accrued Interest Notes to such holders of Designated Securities or the Republic and will only be delivering the PSI Payment Notes and Accrued Interest Notes to the Republic if the Republic satisfies the conditions under the PSI LM Facility Agreement and the Bond Interest Facility, respectively, and the EWG, acting in its absolute discretion, approves the relevant disbursements under each of the PSI LM Facility Agreement and the Bond Interest Facility and (B) that none of the Issuers of Foreign Law Guaranteed Titles or the EFSF is making any offer or invitation to any holders of Designated Securities or is in any manner involved in or shall have any obligations pursuant to this Invitation;
- (c) in the case of Designated Securities, by submitting or procuring the submission of a Participation Instruction to, and by blocking the relevant Designated Securities in, the relevant Issuer Clearing System, it will be deemed to consent, in the case of a Direct Participant, to have such Issuer Clearing System provide any details set forth in the Participation Instruction to the Information, Exchange and Tabulation Agent (and for the Information, Exchange and Tabulation Agent to provide such details to the Republic, Acupay (as the Bondholders' proxy) and its legal advisers), and it acknowledges that its Participation Instruction contains an offer to enter into a contractual relationship with the Republic in accordance with the terms of the Invitation and that, consequently, the information contained in such Participation Instruction is required in connection with the completion of such Invitation and it agrees that the Information, Exchange and Tabulation Agent will store, process and use the data contained in such Participation Instruction to the extent required for the completion of the Invitation and/or the exercise of any rights under the representations, warranties and undertakings given in connection with the Invitation;
- (d) upon the terms and subject to the conditions of the Invitation, it, as indicated in its Participation Instructions, tenders for exchange in the Invitation and/or consents to and votes in favor of, or rejects or votes against, the Proposed Amendments to such Designated Securities the nominal amount of Designated Securities reflected in such Participation Instruction, and blocked in its account in the relevant Issuer Clearing System, subject to and effective upon such exchange or substitution by the Republic or the making of the Proposed Amendments to such series of Designated Securities effective, it renounces all right, title and interest in and to all such Designated Securities exchanged or substituted by or at

the direction of the Republic and waives and releases any rights or claims it may have against the Republic and (where applicable) the Issuers of Foreign Law Guaranteed Titles with respect to any such Designated Securities and the Invitation including any rights it may have to challenge the exchange or substitution and/or transfer of such Designated Securities;

(e) (in the case of Designated Securities held in BOGS) it waives, to the fullest extent permitted by applicable law, any confidentiality rights and protections afforded to it under the provisions of Paragraph 2 of Article 12 of Law 2198/1994 of the Republic;

(f) if the Designated Securities tendered for exchange are accepted by the Republic or are made subject to the Proposed Amendments, it acknowledges that, if applicable, the Accrued Interest Payment (which shall consist of Accrued Interest Notes) having a face value amount (subject to rounding) equal to the amount of the Accrued Interest on such Designated Securities) will be deemed made when Accrued Interest Notes are delivered to the relevant Settlement Account, provided that U.S. Bondholders shall only be entitled to the Accrued Interest Notes Cash Proceeds in lieu of Accrued Interest Notes pursuant to the Cash Proceeds Arrangement;

(g) it agrees to ratify and confirm each and every act or thing that may be done or effected by the Republic or any person nominated by the Republic in the proper exercise of his or her powers and/or authority hereunder;

(h) it agrees to do all such acts and things and execute and deliver any additional documents deemed by each of the Republic and the Information, Exchange and Tabulation Agent (or its custodian or other holder or third party acting on its behalf, as applicable) to be necessary or desirable, in each case to complete the transfer of the relevant Designated Securities to the Republic or its nominee in exchange for or substitution with the relevant New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes (as payment of Accrued Interest on such Designated Securities) and/or to perfect any of the authorities expressed to be given hereunder;

(i) the exchange or substitution of Designated Securities and the delivery by the Republic of (a) the New Bonds, GDP-linked Securities and PSI Payment Notes, and the making of Accrued Interest Payments by delivering Accrued Interest Notes to the relevant Settlement Account. Accrued Interest Notes shall be deemed to constitute full performance and satisfaction by each of the Republic and (where applicable) the Issuer of the Foreign Law Guaranteed Titles of all of its obligations under the Designated Securities (and any obligation, irrespective of its originally stated maturity or payment date, that formerly constituted a component part thereof) exchanged or substituted and the Invitation (except the Republic's obligations under the Cash Proceeds Arrangement which shall be satisfied upon delivery of the Net Cash Proceeds of the PSI Payment Notes and the Accrued Interest Notes to the relevant Settlement Account), such that following the exchange or substitution and cancellation of such Designated Securities and such delivery of New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes, it shall have no contractual or other rights or claims in law or equity arising out of or related to its Designated Securities;

(j) subject to, and effective upon the delivery by the Republic of New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes, in the manner contemplated under "*Delivery of New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes*", it discharges and releases the Republic, the Issuer of Foreign Law Guaranteed Titles (where applicable), and the fiscal agents, trustees, paying agents and bondholder agents, as the case may be, in respect of the Designated Securities and the Trustee in respect of the New Bonds and GDP-linked Securities, and the trustees for the PSI Payment Notes and Accrued Interest Notes and any of their respective agents, officials, officers, employees or advisors, from any and all claims (including claims in the form of a payment order, judgment, arbitral award or other such order or enforcement actions related thereto) it may have, now or in the future, arising out of or related to such Designated Securities (and any obligation, irrespective of its originally stated maturity or payment date, that formerly constituted a component part thereof) exchanged or substituted;

(k) it constitutes and appoints Acupay or its successor (and its custodian or other holder or third party acting on its behalf, as applicable) as its true and lawful agent and attorney-in-fact (with full knowledge that Acupay is an affiliate of Bondholder Communications Group LLC, an Information, Exchange and Tabulation Agent, which acts as the Republic's agent) with respect to all such Designated Securities, with full power of substitution, to (a) present, endorse and deliver such Designated Securities and all evidence of transfer and authenticity to the Republic, or upon the Republic's order, and (b) present such Designated Securities for transfer and cancellation;

(l) it constitutes and appoints Acupay or its successor (and its custodian or other holder acting on its behalf, as applicable) as its true and lawful agent and attorney-in-fact, and provides an irrevocable instruction to such attorney-in-fact and agent to complete and execute all or any form(s) of transfer, endorsements, registrations and/or other document(s) deemed necessary in the opinion of such attorney-in-fact and agent in relation to such Designated Securities in favor of the

Information, Exchange and Tabulation Agent or such other person or persons as the Republic may direct, for purposes of the exchange, substitution, transfer to the Republic and/or cancellation of such Designated Securities, and to deliver such form(s) of transfer and other document(s) in the attorney's and agent's opinion and/or the certificate(s) and other document(s) of title relating to such Designated Securities and to execute all such other documents, endorsements and/or registrations, announcements and notifications, and to do all such other acts and things as may be in the opinion of such attorney-in-fact or agent necessary or expedient for the purpose of, or in connection with, the acceptance and settlement of the Invitation and the transfer and/or cancellation of such Designated Securities;

(m) (a) (i) by submitting Participation Instructions to tender Designated Securities for exchange, it appoints as its proxy, or instructs the holder of record of its Designated Securities to complete and sign a form of proxy (or, where applicable with respect to Foreign Law Republic Titles and Foreign Law Guaranteed Titles, it irrevocably instructs the relevant paying agent for such Foreign Law Republic Titles or Foreign Law Guaranteed Titles to appoint Acupay or its nominees as its proxy) and in such proxy to authorize and instruct, Acupay or its nominees to sign any relevant resolution, attend, appoint a proxy to attend, and/or to cast votes at, any meeting convened under the relevant series of Designated Securities or any adjournment thereof, to consent to and vote in favor of, where applicable, a Proposed Amendment for that series of Designated Securities, or (ii) by submitting Participation Instructions with respect to a Proposed Amendment only, it appoints as its proxy, or instructs the holder of record of its Designated Securities to complete and sign a form of proxy (or, where applicable with respect to Foreign Law Republic Titles and Foreign Law Guaranteed Titles, it irrevocably instructs the relevant paying agent for such Foreign Law Republic Titles or Foreign Law Guaranteed Titles to appoint Acupay or its nominees as its proxy), and in such proxy to authorize and instruct, Acupay or its nominees to sign any relevant resolution, attend, appoint a proxy to attend, and/or to cast votes at, any meeting convened under the relevant series of Designated Securities or any adjournment thereof, if applicable, to (x) consent to and vote in favor of, or (y) reject and vote against, the Proposed Amendment to such series of Designated Securities as set forth in such Participation Instruction with respect to those Designated Securities; and (b) it acknowledges that such proxy shall become irrevocable once the Participation Instruction becomes irrevocable pursuant to the terms of the Invitation;

(n) if it has submitted such Participation Instructions through any custodian or any other holder or third party acting on its behalf, it has constituted and appointed such custodian, holder or third party as its true and lawful agent and attorney-in-fact to carry out all the necessary actions that are required to submit such Participation Instructions pursuant to the Invitation and to transfer such Designated Securities for cancellation and it will not revoke any instructions and/or powers-of-attorney given to such custodian, holder or third party unless it timely submits a Revocation Instruction;

(o) it has observed the laws of all relevant jurisdictions; obtained all requisite governmental, exchange control or other required consents; complied with all requisite formalities; and paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with its participation in the Invitation in any jurisdiction and that it has not taken or omitted to take any action in breach of the terms of the Invitation or which will or may result in the Republic and the Information, Exchange and Tabulation Agent, or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Invitation;

(p) all authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;

(q) no advice or recommendation has been provided to it by the Republic, the Issuer of Foreign Law Guaranteed Titles (if applicable), the EFSF, the Information, Exchange and Tabulation Agent, or the Trustee or any of their respective directors or employees, with regard to the tax consequences for the relevant Bondholder arising from (i) the exchange or substitution of Designated Securities pursuant to the Invitation for New Bonds, GDP-linked Securities and PSI Payment Notes (and the receipt of any Accrued Interest Payment by delivery of Accrued Interest Notes), or in relation to the New Bonds GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes, provided that U.S. Bondholders shall only be entitled to receive Accrued Interest Cash Proceeds in lieu of the Accrued Interest Notes pursuant to the Cash Proceeds Arrangement. or (ii) the consent to or rejection of the Proposed Amendments, as applicable, and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction, as well as any charges, costs and expenses by any intermediary through which the relevant Designated Securities are held, as a result of its participation in the Invitation (including (1) the exchange or substitution of its Designated Securities, the receipt pursuant to the Invitation of the relevant New Bonds and GDP-linked Securities, and the delivery of the PSI Payment Notes Cash Proceeds and Accrued Interest Notes Cash Proceeds in accordance with the Cash Proceeds Arrangement or (2) the consent to or rejection of the Proposed Amendments, as applicable) or in relation to the New

Bonds, GDP-linked Securities, PSI Payment Notes, and Accrued Interest Notes, the Net Cash Proceeds and the Cash Proceeds Arrangement and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Republic, the Issuer of Foreign Law Guaranteed Titles (if applicable), the EFSF or the Information, Exchange and Tabulation Agent, or the Trustee, or any of their respective directors or employees, or any other person in respect of such taxes and payments;

(r) it is not a person who may not lawfully participate in the Invitation or to whom it is unlawful to make an invitation pursuant to the Invitation under applicable securities laws and it has (before submitting, or arranging for the submission on its behalf, as the case may be, of a Participation Instruction) complied with all laws and regulations applicable to it for the purposes of its participation in the Invitation;

(s) the New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and, pursuant to the Invitation contemplated by this Invitation Memorandum, the PSI Payment Notes and Accrued Interest Notes may not be offered, sold or delivered, directly or indirectly, in the United States or to U.S. persons (terms used in this and the following paragraph that are defined in Regulation S under the Securities Act are used as defined in Regulation S).

(t) either (a) (i) it is the beneficial owner of the Designated Securities in respect of which such Participation Instruction has been submitted and (ii) it is a U.S. Person or a person that would participate in the transactions contemplated in the Invitation other than in an “offshore transaction” or (b) (i) it is acting on behalf of the beneficial owner of the Designated Securities in respect of which such Participation Instruction has been submitted on a non-discretionary basis and has been duly authorized to so act and (ii) such beneficial owner has confirmed to it that it is a U.S. Person or a person that would participate in the transactions contemplated in the Invitation other than in an “offshore transaction”.

(u) the Invitation is being made under Section 3(a)(9) of the Securities Act, which provides an exemption from registration for exchanges of securities by the issuer with its existing security holders exclusively where no commission or other remuneration is paid or given directly or indirectly to any broker, dealer, salesperson or other person for soliciting such exchange;

(v) (i) it is not located or resident in Canada or, while resident or located in Canada, it is acting on behalf of a beneficial owner of Designated Securities that is not resident or located in Canada, and (ii) it did not receive the Invitation Memorandum or any invitation to participate in the Invitation in Canada;

(w) it is not located in Japan or a 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));

(x) (a) either (i) it is the beneficial owner of the Designated Securities in respect of which such Participation Instruction has been submitted and has full power and authority to tender for exchange, transfer and assign such Designated Securities, and/or consent to and vote in favor of, or reject and vote against, the Proposed Amendments, and to appoint proxies in respect thereto and to submit all required documents in relation thereto or (ii) it has been granted full power and authority by the beneficial owner of the Designated Securities to tender such Designated Securities for exchange, transfer and assign such Designated Securities tendered for exchange, and/or consent to and vote in favor of, or reject and vote against, the Proposed Amendments, and to appoint proxies in respect thereto and to submit all required documents in relation thereto; (b) if such Designated Securities are accepted for exchange by the Republic or made subject to the Proposed Amendments to such series of Designated Securities, such Designated Securities will be transferred and/or assigned to, or to the order of, the Republic with full title free and clear from all liens, charges, encumbrances, interests, rights of third parties and restrictions of any kind, not subject to any adverse claim and together with all rights attached to such Designated Securities, and it is solely responsible for complying with this undertaking and the Republic shall not be liable to any third party that has now, or may have in the future, any right or interest of any kind in such Designated Securities, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Republic to be necessary or desirable to complete the transfer and/or assignment and cancellation of such Designated Securities or to evidence such power and authority; and (c) the delivery by the Republic of the New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes to the relevant Settlement Account will discharge the obligation of the Republic to such Bondholder in respect of the delivery of the New Bonds, GDP-linked Securities, the PSI Payment Notes and the delivery of the Accrued Interest Notes, as the case may be, (except the Republic’s obligations under the Cash Proceeds Arrangement which shall be satisfied upon delivery of the Net Cash Proceeds of the PSI Payment Notes and the Accrued Interest Notes to the relevant Settlement Account) and no additional amounts shall be payable to the Bondholder in the event of a delay in

the transmission of the relevant New Bonds, GDP-linked Securities, PSI Payment Notes and/or Accrued Interest Notes by the relevant direct participant in BOGS and/or any other intermediary to the Bondholder;

(y) it acknowledges and accepts (i) the Cash Proceeds Arrangement, (ii) that the PSI Payment Notes Cash Proceeds and Accrued Interest Notes Cash Proceeds will be delivered on a pro rata basis to it and the relevant direct participants in BOGS at such time as the Republic effects Sales of all PSI Payment Notes and Accrued Interest Notes with respect to which holders will receive the Net Cash Proceeds pursuant to this Invitation, (iii) that, depending on market conditions, the volume of PSI Payment Notes and Accrued Interest Notes sold or other developments, the PSI Payment Notes Cash Proceeds and/or the Accrued Interest Notes Cash Proceeds may be less than the face value of the PSI Payment Notes and/or the Accrued Interest Notes, as the case may be, and may not be available until up to 90 days after the relevant Settlement Date, and (iv) that neither the Republic nor the Information Agent will be obligated to pay any amount other than, or additional to, the PSI Payment Notes Cash Proceeds or the Accrued Interest Notes Cash Proceeds, as the case may be;

(z) it holds and will hold, until the time of settlement of the Invitation on the applicable Settlement Date, the Designated Securities in respect of which such Participation Instruction was submitted pursuant to the Invitation and blocked in the relevant Issuer Clearing System and, in accordance with the requirements of, and by the deadline required by, such Issuer Clearing System, it has submitted, or has caused to be submitted, a Participation Instruction to such Issuer Clearing System to authorize the blocking of such Designated Securities with effect on and from the date of such submission so that, at any time pending the transfer of such Designated Securities on the applicable Settlement Date, or to its agent on its behalf, no transfers or any other disposal of such Designated Securities may be effected;

(aa) the terms and conditions of the Invitation shall be incorporated in, and form a part of, the Participation Instruction which shall be read and construed accordingly, and that the information given by or on behalf of such Bondholder in such instructions is true and will be true in all respects at the time of the exchange or substitution on the applicable Settlement Date;

(bb) it accepts and acknowledges that (i) the Republic is under no obligation to accept tenders for exchange of Designated Securities of any series pursuant to the Invitation and accordingly such tenders may be accepted or rejected by the Republic in its sole discretion and for any reason or for no reason, and that the Republic is under no obligation to put any Proposed Amendments into effect; and (ii) the EFSF is under no obligation to carry out any disbursements under the PSI LM Facility Agreement and/or the Bond Interest Facility other than following the satisfaction of certain conditions set forth therein, which includes the approval by the EWG, at its absolute discretion, of the requisite disbursements under each of the PSI LM Facility Agreement and the Bond Interest Facility;

(cc) the submission of a Participation Instruction and of a Revocation Instruction, if any, is within the exclusive responsibility of it, its custodian or other intermediary or other holder or third party acting on its behalf, as applicable, and it further acknowledges that the Republic shall not be liable with respect to any failure in the submission or transfer, or any delayed submission or transfer, or any error in the execution of any such submission or transfer, of the Designated Securities, Participation Instructions or any Revocations Instructions through the relevant Issuer Clearing System, or any failure to execute, or any delayed execution of any other steps or formality, necessary or desirable to complete validly the tender procedures, the consent, rejection, or voting procedures or the revocation procedures, as applicable, of the Invitation;

(dd) it instructs (where applicable) its custodian, other securities intermediary, or any other holder or third party acting on its behalf to transfer the Designated Securities tendered for exchange or made subject to the Proposed Amendments to the Republic for cancellation, according to the terms and conditions described in this Invitation Memorandum, or if such Designated Securities are not accepted by the Republic pursuant to the terms and conditions of the Invitation and not made subject to the Proposed Amendments, it instructs its custodian, holder or third party acting on its behalf to release such Designated Securities to it, and it understands and acknowledges that neither the Republic nor the Information, Exchange and Tabulation Agent shall be responsible for any failure, or any delay, or any error in the execution of any such release of the Designated Securities;

(ee) if any one or more of the above representations, warranties and undertakings made by or with respect to it shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining representations, warranties and undertakings made by or with respect to it, and the representations, warranties and undertakings made by or with respect to all other holders, shall in no way be affected, prejudiced or otherwise disturbed thereby;



(ff) it agrees that the Invitation, the Participation Instruction, and/or the Revocation Instruction, as well as any exchange or substitution of Designated Securities pursuant to the Invitation, and any non-contractual obligations arising out of or in connection with the Invitation, are governed by, and shall be construed in accordance with, the laws of the Republic;

(gg) it irrevocably and unconditionally agrees for the benefit of the Republic and the Information, Exchange and Tabulation Agent that the courts of the Republic are to have jurisdiction to settle any disputes which may arise out of or in connection with the Invitation, the Participation Instruction, and/or the Revocation Instruction (including any dispute relating to any non-contractual obligations arising out of or in connection with the Invitation, the Participation Instruction, and/or the Revocation Instruction) and that, accordingly, any suit, action or proceedings arising out of or in connection with such Invitation, the Participation Instruction and/or the Revocation Instruction may be brought in such courts;

(hh) it understands that acceptance for exchange of Designated Securities validly tendered for exchange by it pursuant to the Invitation will constitute a binding agreement between it and the Republic, acting for itself and on behalf of the Issuer of the Foreign Law Guaranteed Titles (if applicable), in accordance with and subject to the terms and conditions of the Invitation;

(ii) it understands that the Republic may, at its sole discretion, extend, re-open, amend, waive any condition of or terminate the Invitation at any time, in whole or in part, and that in the event of a termination of the Invitation, (i) the Participation Instructions with respect to Designated Securities held through an Issuer Clearing System (including the blocking instructions) with respect to such Designated Securities will be released;

(jj) none of the Republic, the Issuers of Foreign Law Guaranteed Titles, the EFSF, the Trustee and the Information, Exchange and Tabulation Agent, or any of their respective directors or employees, has given it any information with respect to the Invitation save as expressly set out in this Invitation Memorandum (and the documents incorporated by reference herein) nor has any of them made any advice or recommendation to it as to (i) whether it should tender Designated Securities for exchange in the Invitation, (ii) whether it should consent to and vote in favor of, or reject and vote against, any Proposed Amendment, or (iii) the Minimum Participation Condition, the Financing Condition (including the Republic's ability to satisfy the Financing Condition), or any Other Condition of this Invitation, and it has made its own decision with regard to tendering Designated Securities for exchange in the Invitation, consenting to or voting in favor of, or rejecting or voting against, any Proposed Amendment based on any legal, tax or financial advice it has deemed necessary to seek;

(kk) it acknowledges that the Republic, the Issuer of Foreign Law Guaranteed Titles (if applicable), the Trustee and the Information, Exchange and Tabulation Agent will rely upon the truth and accuracy of the foregoing acknowledgments, agreements, representations, warranties and undertakings;

(ll) it will indemnify the Republic, the relevant Issuer of the Foreign Law Guaranteed Titles (if applicable), the Trustee and the Information, Exchange and Tabulation Agent against any and all losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the agreements, acknowledgements, representations, warranties and/or undertakings given pursuant to, the Invitation by any such Bondholder; and

(mm) it agrees, to the extent relevant for U.S. federal income tax purposes, to report original issue discount on the New Bonds in accordance with the original issue discount information provided by the Republic to the Trustee.

The receipt of a valid Participation Instruction pursuant to the Invitation by the relevant Issuer Clearing System and the Information, Exchange and Tabulation Agent will constitute instructions to debit the securities account of the relevant Direct Participant on the applicable Settlement Date in respect of all of the Designated Securities that the relevant Bondholder has tendered for exchange. BOGS will execute such instructions on the relevant Settlement Date. In the case of any Issuer Clearing System other than BOGS, such instructions shall be executed at such time as the relevant Issuer Clearing System is in receipt of a notice from BOGS confirming a credit to its account at BOGS (or to a BOGS account maintained by a custodial nominee acting on its behalf) of the Consideration delivered in exchange for such Designated Securities, and to transfer such Designated Securities to the specified account of the Republic or its agent on its behalf (or to deliver such securities for cancellation upon the order of the Republic or the Bank of Greece). All such instructions shall be (x) subject to automatic withdrawal (i) on the date of any termination of the Invitation (including where such Designated Securities are not accepted for exchange by the Republic) or (ii) on the valid revocation of such Participation Instruction by the relevant Bondholder prior to the Revocation Deadline, and (y) subject to acceptance of the Invitation by the Republic and all other conditions of the Invitation (or the waiver of such conditions by the Republic).

### **Amendment and Termination of the Invitation**

Notwithstanding any other provision of the Invitation, the Republic may, subject to applicable laws, at its option and in its sole discretion, at any time before any acceptance by it of any tender for exchange in the Invitation or its decision to put into effect any of the Proposed Amendments:

- (a) extend the Expiration Deadline for, or re-open, the Invitation with respect to one or more series of Designated Securities (in which case all references in this Invitation Memorandum to “Expiration Deadline” shall, for the purposes of the Invitation with respect to such series of Designated Securities (unless the context otherwise requires), be to the latest time and date to which the Expiration Deadline has been so extended or such Invitation re-opened);
- (b) otherwise extend, re-open or amend the Invitation in any respect (including, but not limited to, any increase, decrease, extension, re-opening or amendment, as applicable, in relation to the Minimum Participation Threshold, Revocation Deadline, Expiration Deadline, Eligible Titles Settlement Date, any Meeting Date, Foreign Law Republic Titles Settlement Date and/or Foreign Law Guaranteed Titles Settlement Date) with respect to one or more series of Designated Securities;
- (c) delay the acceptance of Participation Instructions or exchange of Designated Securities validly submitted for exchange in the Invitation with respect to one or more series of Designated Securities until satisfaction or waiver of the conditions to the Invitation, even if the Invitation has expired;
- (d) terminate the Invitation with respect to one or more series of Designated Securities, including with respect to Participation Instructions submitted before the time of such termination; or
- (e) withdraw the Invitation from any one or more jurisdictions or in respect of any one or more series of Designated Securities.

The Republic also reserves the right at any time to waive any or all of the conditions of the Invitation as set out in this Invitation Memorandum.

In addition, the Republic reserves the right to extend or delay the Eligible Titles Settlement Date, the Foreign Law Republic Titles Settlement Date and/or the Foreign Law Guaranteed Titles Settlement Date for one or more series of Designated Securities, to terminate the Invitation for one or more series of Designated Securities or to modify the settlement procedures in any way and at any time if:

- (i) any court order or judgment is issued, or any legal proceedings are commenced with the purpose of preventing the Consent Solicitation, any bondholders’ meeting with respect to any Proposed Amendment, the effectiveness of any Proposed Amendment, the exchange or cancellation of the Designated Securities tendered, attaching or enjoining delivery of the New Bonds or GDP-linked Securities, impeding or attaching the delivery of the PSI Payment Notes or Accrued Interest Notes pursuant to the Invitation and/or any Parallel Invitation to the relevant Settlement Accounts or delivery of the PSI Payment Notes Cash Proceeds or the Accrued interest Notes Cash Proceeds or payments under the New Bonds or GDP-linked Securities; or
- (ii) the Republic, in its sole discretion and to the extent permitted by applicable laws, rules and regulations, determines that such extension, delay, termination or modification is in the best interests of the Republic or the holders of Designated Securities seeking to participate in the Invitation, in light of any court order, judgment or pending administrative, litigation, arbitral or other legal proceedings against the Republic.

The Republic will ensure an announcement is made in respect of any such extension, re-opening, amendment, termination or modification as soon as is reasonably practicable after the relevant decision is made. See “*The Invitation—Method of Announcements*”. To the extent a decision is made to waive any condition of the Invitation generally, as opposed to in respect of certain offers of Designated Securities for exchange only, the Republic will make a similar announcement in respect of such decision as soon as is reasonably practicable after such decision is made.

### ***Procedures upon rejection of tenders to exchange or termination of Invitation by the Republic***

If a tender of Designated Securities for exchange is rejected by or on behalf of the Republic, or if the Invitation with respect to any series of Designated Securities is terminated by the Republic, the Information Exchange and Tabulation Agent will instruct the relevant Issuer Clearing System to unblock such Designated Securities in the relevant account of such Issuer Clearing System as soon as is reasonably practicable.

### **Delivery of New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes**

If Designated Securities validly tendered for exchange pursuant to the Invitation are accepted for exchange by the Republic, the relevant New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes will be delivered by the Republic on the applicable Settlement Date to BOGS and by BOGS to the relevant Settlement Account, provided that U.S. Bondholders shall only be entitled to receive Accrued Interest Note Cash Proceeds in lieu of the Accrued Interest Notes pursuant to the Cash Proceeds Arrangement.

If the Republic obtains the requisite consents for the Proposed Amendments to the Eligible Titles, the Proposed Amendments to some or all of the Foreign Law Republic Titles and the Proposed Amendments to some or all of the Foreign Law Guaranteed Titles, and decides to declare any of the Proposed Amendments effective and (where applicable) exercises its option to exchange such Designated Securities pursuant to the Proposed Amendments, it will seek to do so as promptly as practicable after the Expiration Deadline or Meeting Date, as the case may be.

If the Proposed Amendments to the Eligible Titles are made effective pursuant to the terms of the Invitation, the New Bonds, GDP-linked Securities and PSI Payment Notes will be delivered by the Republic and the Accrued Interest Payments will be made (by delivery of Accrued Interest Notes) on the Eligible Titles Settlement Date to BOGS and by BOGS to the relevant Settlement Account, provided that U.S. Bondholders shall only be entitled to receive Accrued Interest Cash Proceeds in lieu of the Accrued Interest Notes pursuant to the Cash Proceeds Arrangement.

If the Proposed Amendments to any series of Foreign Law Republic Titles or Foreign Law Guaranteed Titles are made effective pursuant to the terms of the Invitation, the New Bonds, GDP-linked Securities and PSI Payment Notes will be delivered by the Republic and the Accrued Interest Payments will be made (by delivery of Accrued Interest Notes) on the Foreign Law Republic Titles Settlement Date or the Foreign Law Guaranteed Titles Settlement Date, as applicable to BOGS and by BOGS to the relevant Settlement Account, provided that U.S. Bondholders shall only be entitled to receive Accrued Interest Cash Proceeds in lieu of the Accrued Interest Notes pursuant to the Cash Proceeds Arrangement.

Upon the delivery by the Republic of the New Bonds, the GDP-linked Securities and the PSI Payment Notes and the Accrued Interest Notes to BOGS and by BOGS to the relevant Settlement Account, the Republic will have discharged all of its obligation to the holders of the Designated Securities (and any obligation, irrespective of its originally stated maturity or payment date, that formerly constituted a component part thereof) exchanged or substituted, as applicable, and all of its obligations pursuant to the Invitation (except the Republic's obligations under the Cash Proceeds Arrangement which shall be satisfied upon delivery of the Net Cash Proceeds of the PSI Payment Notes and the Accrued Interest Notes to the relevant Settlement Account).

Provided the Republic delivers, or has delivered on its behalf, the New Bonds, the GDP-linked Securities and the PSI Payment Notes, and makes, or has made on its behalf, the Accrued Interest Payment by delivering Accrued Interest Notes, for all Designated Securities exchanged or substituted, as the case may be, pursuant to the Invitation to BOGS and by BOGS to the relevant Settlement Account, under no circumstances will any additional interest be payable to a Bondholder because of any delay in the delivery of the New Bonds, the GDP-linked Securities, the PSI Payment Notes Cash Proceeds or the Accrued Interest Notes Cash Proceeds by any Direct Participant in BOGS.

None of the Republic, the Information, Exchange and Tabulation Agent or the Trustee will be responsible for any errors, delays in processing or systemic breakdowns or other failure in the delivery of the relevant New Bonds, GDP-linked Securities, PSI Payment Notes and/or Accrued Interest Notes by any Direct Participant in BOGS and/or any other securities intermediary with respect to such Designated Securities to the Bondholder, and no additional amounts will be payable to the Bondholder in the event of any delay in such delivery.

### **Announcement of Results**

As soon as reasonably practicable after the Expiration Deadline, the Republic will announce whether the Minimum Participation Condition, the Financing Condition and the Other Conditions have been satisfied or waived. If so, the Republic will also announce, on one or more occasions, whether it will accept valid tenders for exchange of Designated Securities of any series pursuant to the Invitation, and whether the Proposed Amendments to the Eligible Titles have been approved by the holders of the Eligible Titles in accordance with the Greek Bondholder Act and whether it will put into effect the Proposed Amendments to the Eligible Titles and/or (subject to the passing of the applicable resolutions at the relevant Bondholder meeting) any Proposed Amendments to the Foreign Law Republic Titles (and if so which) and/or (subject to the passing of the applicable resolutions at the relevant Bondholder meeting) any of the Proposed Amendments to the Foreign Law Guaranteed Titles (and if so which). If it decides to accept tenders for exchange and/or put any of the Proposed Amendments into effect, the Republic will announce, on one or more occasions, (i) the aggregate nominal amount of each series of Designated Securities participating in the Invitation and any

Parallel Invitation, and (ii) (a) the aggregate nominal amount of the New Bonds and aggregate notional amount of GDP-linked Securities, and (b) the aggregate nominal amount of PSI Payment Notes and Accrued Interest Notes, in each case to be delivered by the Republic to the holders of Designated Securities on the relevant Settlement Date pursuant to the Invitation and any Parallel Invitations, provided that U.S. Bondholders shall only be entitled to receive Accrued Interest Cash Proceeds in lieu of the Accrued Interest Notes pursuant to the Cash Proceeds Arrangement. If the Republic elects to extend the Invitation period for any series of Designated Securities, announcements relating to such series may be deferred.

See also “*The Invitation—Method of Announcements*” below.

If the Republic obtains the requisite consents for the Proposed Amendments to the Eligible Titles, the Proposed Amendments to some or all of the Foreign Law Republic Titles and the Proposed Amendments to some or all of the Foreign Law Guaranteed Titles, and decides to declare any of the Proposed Amendments effective and (where applicable) exercises its option to exchange such Designated Securities pursuant to the Proposed Amendments, it will seek to do so as promptly as practicable after the Expiration Deadline or Meeting Date, as the case may be.

### **Method of Announcements**

Unless stated otherwise, announcements in connection with the Invitation will be made (a) by publication on the special announcement section on the website of the Athens Exchange at [www.ase.gr](http://www.ase.gr), (b) by publication on the special announcement section on the website of the Electronic Secondary Securities Market (HDAT) operated by the Bank of Greece, and (c) by publication on the Offer Website. Insofar as such announcements relate to Designated Securities listed on the Italian Stock Exchange and/or the Luxembourg Stock Exchange, they will also be made by publication through the regulatory news service of the Italian Stock Exchange and/or by publication on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu), respectively. All such announcements may also be (i) found on the relevant Reuters Insider Screen, (ii) made by the delivery of notices to the Issuer Clearing Systems for communication to Direct Participants, and/or (iii) made by the issue of a press release to a Notifying News Service. Copies of all such announcements, press releases and notices can also be obtained on the Offer Website.

The certification of Process Manager with respect to the decision of the Bondholders of Eligible Titles regarding the Proposed Amendments to the Eligible Titles under the Greek Bondholder Act will be published on the Offer Website, and any approval (by a decision of the Ministerial Council) of such decision of the Bondholders will be published in the Government Gazette of the Hellenic Republic.

Significant delays may be experienced where notices are delivered via the Issuer Clearing Systems, other clearing systems, clearing system participants and other intermediaries and therefore Bondholders, subject to the offer and distribution restrictions, see “*Offer and Distribution Restrictions*”, are urged to consult the Offer Website for the relevant announcements during the course of the Invitation. Conveyance of notices and other communications by (i) the Issuer Clearing System to Direct Participants and (ii) by Direct Participants and/or any other intermediary to Bondholders will be governed by arrangements between them, and subject to any statutory or regulatory requirements as may be in effect from time to time.

### **Governing law**

This Invitation Memorandum, the Invitation, each Participation Instruction, each Revocation Instruction, any exchange or substitution of Designated Securities pursuant to the Invitation and any non-contractual obligations arising out of or in connection with the Invitation, are governed by, and shall be construed in accordance with, the laws of the Republic save for the Consent Solicitation in respect of each series of the Foreign Law Republic Titles and any non-contractual obligations arising out of or in connection with the Consent Solicitation in respect of each series of the Foreign Law Republic Titles which are governed by, and shall be construed in accordance with, the laws of the relevant governing law for such series of Foreign Law Republic Titles.

### **Questions and requests in relation to the Invitation, Participation Instructions, Revocation Instructions and the procedures for participating in the Invitation**

Questions and requests for assistance in connection with the delivery of Participation Instructions, Revocation Instructions and the procedures for participating in the Invitation (including questions in relation to settlement) must be directed to the Information, Exchange and Tabulation Agent, the contact details for each of which are on the back cover of this Invitation Memorandum.

### **Repurchases of Designated Securities that remain outstanding; Subsequent exchange offers**

The Republic reserves the right, in its sole discretion, to purchase, exchange, offer to purchase or exchange, or to issue an invitation to submit offers to exchange or sell any Designated Securities that are not exchanged or substituted pursuant to the Invitation or Parallel Invitations (in accordance with their respective terms) and, to the extent permitted by applicable law, purchase

or offer to purchase Designated Securities in the open market, in privately negotiated transactions or otherwise. Any such purchase, exchange, offer to purchase or exchange or settlement will be made in accordance with applicable law. The terms of any such purchases, exchanges, offers or settlements could differ from the terms of the Invitation.

## THE NEW BONDS AND THE GDP-LINKED SECURITIES

There are material differences between (a) the Designated Securities, (b) the New Bonds and (c) the GDP-linked Securities, and Bondholders should consider carefully all such differences before any decision is made with respect to the Invitation. For Bondholders' convenience, the terms and conditions of the New Bonds and the GDP-linked Securities are set out below.

### New Bonds

The New Bonds will be (a) authorised and issued by the Republic pursuant to (i) Law 2187/1994 (Government Gazette A 16/1994) of the Republic as amended and in force, (ii) Law 2198/1994 (Government Gazette A 43/1994) of the Republic as amended and in force, (iii) Law 2362/1995 (Government Gazette A 247/1995) of the Republic as amended and in force, (iv) Law 4050/2012 (Government Gazette A 36/2012) of the Republic, and (v) a ministerial decision which will approve the terms and conditions of the New Bonds, the Trust Deed, and the Co-Financing Agreement, and (b) constituted by the Trust Deed. The New Bonds will have the benefit of, and be subject to, the terms of the Co-Financing Agreement. In the event of any inconsistency between the provisions of the Co-Financing Agreement, the Trust Deed and the terms and Conditions of the New Bonds, the Co-Financing Agreement will prevail. The forms of the Trust Deed and the Co-Financing Agreement (each of which is subject to completion) will be available on the Offer Website. The Trust Deed and the Co-Financing Agreement, when executed, will be available for inspection, during normal business hours at the office for the time being of the Trustee at 1 King's Arms Yard, London EC2R 7AF, United Kingdom.

For each €315 aggregate face amount of New Bonds to be delivered by the Republic as part of the Consideration, the €315 aggregate face amount of such New Bonds will be divided across twenty series of New Bonds maturing on successive anniversaries of 24 February 2012 commencing on 24 February 2023 with the following aggregate face amounts for each corresponding maturity dates:

Series	Maturity Dates of the relevant series of New Bonds	Aggregate face amount for the relevant series of New Bonds
1-5	11 <sup>th</sup> to 15 <sup>th</sup> anniversary of 24 February 2012	€15
6-20	16 <sup>th</sup> to 30 <sup>th</sup> anniversary of 24 February 2012	€16

The twenty series of New Bonds will have the same terms and conditions in the form set out below except for their maturity dates.

There are material differences between the Designated Securities and the New Bonds. Bondholders should consider carefully all such differences before any decision is made with respect to the Invitation and are urged to read the terms and conditions of the New Bonds in their entirety. The New Bonds contain the following features, including, without limitation:

- (a) the New Bonds will be issued in dematerialised and uncertificated form registered within the System for Monitoring Transactions in Book-Entry Securities of Law 2198/1994, a system which is subject to Greek law and managed by the Bank of Greece. Application will be made to list the New Bonds on the Athens Stock Exchange and to admit the New Bonds for trading on the Athens Stock Exchange and the Electronic Secondary Securities Market (HDAT) operated by Bank of Greece;
- (b) certain actions in relation to the New Bonds such as acceleration, enforcement and modification can only be taken with the consent or direction of holders of the requisite majority of the "Class Securities" (as defined in "*The terms and conditions of the New Bonds*" below) which consist of each series of the New Bonds taken as a whole and any other Securities (as defined therein) issued by the Republic, the terms and conditions of which specify that such Securities are entitled to the benefit of, and are bound by, the terms of the Co-Financing Agreement;
- (c) all payments of interest and principal on the New Bonds will be made by the Republic without withholding or deduction for, or on account of, any present or future taxes, levies or duties of whatever nature imposed, levied, collected or assessed by or on behalf of the Republic or any political subdivision or taxing authority thereof (**Greek Withholding Taxes**), unless such withholding or deduction is required by law. In such event, the Republic will pay such additional amounts as may be necessary in order that the net payment made in respect of the New Bonds after such withholding or deduction for or on account of Greek Withholding Taxes is not less than the amount that

would have been receivable in respect of the New Bonds in the absence of such withholding or deduction, subject to certain exceptions as set out in the terms and conditions of the New Bonds; and

- (d) the New Bonds contain certain Events of Default (as defined therein) including, without limitation, (i) any payment of principal in relation to any Relevant Indebtedness (as defined therein) is not paid when due at maturity after giving effect to any applicable grace period or (ii) any Relevant Indebtedness becomes due and payable prior to its stated maturity otherwise than at the option of the Republic (after giving effect to any applicable grace period), provided that the amount of Relevant Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above individually or in the aggregate exceeds €250 million (or its equivalent in any other currency or currencies).

#### ***The terms and conditions of the New Bonds***

*The terms and conditions of the New Bonds set out below should be read together with the Trust Deed and the Co-Financing Agreement, each of which will be entered into on or before the issue date of the New Bonds. When used in the terms and conditions of the New Bonds and this section “—The New Bonds”, unless the context requires otherwise the term “Bonds” means the relevant series of New Bonds. Terms used in this subsection “—The terms and conditions of the New Bonds” shall have the meanings given them herein.*

These bonds due [●]<sup>1</sup> (the **Bonds**, which expression shall, in these Conditions, unless the context otherwise requires, include any further bonds issued and forming a single Series with the Bonds) are:

- (a) authorised and issued by The Hellenic Republic (the **Republic**) pursuant to: (i) Law 2187/1994 (Government Gazette A 16/1994) of the Republic as amended and in force, (ii) Law 2198/1994 (Government Gazette A 43/1994) of the Republic (**Law 2198/1994**) as amended and in force, (iii) Law 2362/1995 (Government Gazette A 247/1995) of the Republic as amended and in force, (iv) Law 4050/2012 (Government Gazette A 36/2012) of the Republic, and (v) a ministerial decision which approves these Conditions, the trust deed dated [●] 2012 (the **Trust Deed**) made between the Republic and Wilmington Trust (London) Limited (the Trustee, which expression shall include its successor(s)) as trustee for the Holders of the Bonds, and the Co-Financing Agreement (as defined below); and
- (b) constituted by the Trust Deed.

The Bonds shall be Securities for the purposes of the Trust Deed. Terms used but not defined herein shall have the respective meanings given to them in the Trust Deed. The Holders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed applicable to them.

By its acceptance of the Bonds, a Holder of this Series of Bonds will be entitled to the benefit of, will be bound by, and will be deemed to have notice of, all the applicable provisions of the co-financing agreement among, *inter alios*, the Republic, the Trustee and the European Financial Stability Facility (referred to in these Conditions together with its permitted successors and assigns, the **EFSF**) and dated on or about the Exchange Date (the **Co-Financing Agreement**) including, without limitation, (i) Clause 2.3 (*Amendments and Waivers: Bond Creditors*) and Clause 8.6 (*EFSF, the Bond Trustee and the Bond Creditors*) of the Co-Financing Agreement, each of which limits the ability of the Republic, the Trustee and the Holders to amend or waive the terms of the Conditions or the Trust Deed under certain circumstances without the prior written consent of the EFSF, (ii) Clause 3.1 (*Turnover of Receipts by Creditors - Sums received by the Creditors*) of the Co-Financing Agreement, which requires any Holder which recovers any amount due under the Bonds other than in accordance with the Co-Financing Agreement to make a payment in an amount equal to such amount recovered to the Common Paying Agent (as defined therein) for application in accordance with the Co-Financing Agreement or, under certain circumstances, in accordance with Clause 3.4 (*Payments between Creditors*); and (iii) Clause 2.5 (*Clause 6(6) Repayments*), which sets out the Republic's obligation to make an offer to repurchase the Bonds under certain circumstances in the event that the Republic is required to make and does make an early repayment of monies to the EFSF as a result of certain events relating to market disruption, all as more particularly set out in the Co-Financing Agreement. No Holder shall have any right to enforce or take proceedings under or in relation to the Co-Financing Agreement. The Trustee shall have the sole and exclusive right to enforce the Co-Financing Agreement with respect to the interests of itself and the Holders and/or to take proceedings in relation to the Co-Financing Agreement for itself and on behalf of the Holders. In the event of any inconsistency between the provisions of the Co-Financing Agreement and these Conditions and/or the Trust Deed, the Co-Financing Agreement will prevail for the purposes of the Bonds of this Series. Where under the Trust Deed or these Conditions the Trustee is entitled or required to exercise any of its powers, trusts, authorities, duties and discretions, such exercise will be subject to the provisions of the Co-Financing Agreement.

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<sup>1</sup>The Bonds will be issued in 20 Series (but they shall together constitute a single Class) under 20 separate ISINS with each ISIN maturing on successive anniversaries of 24 February 2012, commencing on 24 February 2023.

For the purposes of the Trust Deed and these Conditions, the Bonds and any other Securities issued by the Republic the terms and conditions of which specify that such Securities are entitled to the benefit of, and are bound by, the terms of the Co-Financing Agreement shall constitute a single Class (the **Class Securities**).

The Trust Deed and the Co-Financing Agreement are available for inspection, during normal business hours at the office for the time being of the Trustee at 1 King's Arms Yard, London EC2R 7AF, United Kingdom.

## 1. **FORM, DENOMINATION AND TITLE**

### 1.1 **Form and Denomination**

Pursuant to Law 2198/1994 and the Operating Regulations of the System for Monitoring Transactions in Book-Entry Securities issued by an act of the Governor of the Bank of Greece pursuant to the above Law 2198/1994 (as amended and in force from time to time, the **Regulations**), the Bonds are issued in dematerialised and uncertificated form registered within the System for Monitoring Transactions in Book-Entry Securities of Law 2198/1994 managed by the Bank of Greece (the **BOGS System**) in the denomination of €1.00 each (the **Principal Amount** of each Bond). The currency of the Bonds shall be the **Euro**, which denotes the single currency unit of each participating member state of the European Union that adopts or has adopted the Euro as its lawful currency in accordance with the legislation of the European Union in relation to the Economic and Monetary Union.

### 1.2 **Title**

While the Bonds are in dematerialised and uncertificated form in the BOGS System, each person approved as a participant in the BOGS System in accordance with the Regulations to whose account in the BOGS System any Bonds are credited shall be a **Holder** for purposes of the Bonds, these Conditions and the Trust Deed. A Holder will be treated by the Republic, the Trustee and the operator of the BOGS System as the absolute owner of the Bonds credited to its account in the BOGS System for all purposes pursuant to these Conditions, the Co-Financing Agreement and the Trust Deed and no person will be liable for so treating the Holder.

No Holder nor any person recorded in the accounts created by any Holder in its capacity as a participant in the BOGS System as having an interest in any Bonds will have any right to enforce any term or condition of any Bond under the Contracts (Rights of Third Parties) Act 1999 but this shall not affect any right or remedy of any such person which exists or is available apart from that Act.

Transfers of Bonds between participants in the BOGS System shall be effected in accordance with the Regulations.

The Trust Deed sets out the provisions relating to the form, ownership and transfer of the Bonds in the event they are not in dematerialised form in the BOGS System.

### 1.3 **Trust Deed**

Notwithstanding that the Bonds are issued in dematerialised and uncertificated form in the BOGS System, each Holder of this Series of Bonds is entitled as a beneficiary of the trusts established under the Trust Deed in respect of the Republic's covenants given to the Trustee pursuant to the Trust Deed including, without limitation, the covenant to pay set out in Clause 2.1 thereof. The Trustee holds the benefit of such covenants on trust for the Holders of this Series of Bonds and itself in accordance with the terms of the Trust Deed. Subject to the next sentence, only the Trustee may enforce the provisions of the Trust Deed and these Conditions. No Holder of the Bonds of this Series shall be entitled to (i) take any steps or action against the Republic to enforce the performance of any of the provisions of the Trust Deed or these Conditions or (ii) take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Republic and arising out of or in connection with the Trust Deed or these Conditions, in each case unless the Trustee, having become bound pursuant to the Trust Deed to take any such action, steps or proceedings, fails to do so within a reasonable period and such failure is continuing.

## 2. **STATUS OF THE BONDS AND NEGATIVE PLEDGE**

In these Terms and Conditions:

**Exchange Date** means *[date of settlement of the exchange]*.

**Relevant Indebtedness** means any borrowed money in the form of bonds or similar debt instruments issued or guaranteed by the Republic on or after the Exchange Date which are, or are capable of being and intended to be, quoted, listed or



ordinarily purchased and sold on any stock exchange, automated trading system or over-the-counter or other securities market.

The Bonds constitute direct, general, unconditional, unsubordinated and, subject to this Condition, unsecured obligations of the Republic. The Bonds rank, and will rank, *pari passu* among themselves and with all unsecured and unsubordinated borrowed money of the Republic. The due and punctual payment of the Bonds and the performance of the obligations of the Republic with respect thereto are backed by the full faith and credit of the Republic.

So long as any Bond remains Outstanding, the Republic shall not create or permit to subsist any mortgage, pledge, lien or charge upon any of its present or future revenues, properties or assets to secure any Relevant Indebtedness, unless the Bonds shall also be secured by such mortgage, pledge, lien or charge equally and rateably with such Relevant Indebtedness or by such other security (A) as the Trustee shall in its absolute discretion deem to be not materially less beneficial to the interests of the Holders or (B) as may be approved by a resolution of the requisite majority of Holders or written resolution of the Holders, in each case in accordance with Condition 10.

### 3. **INTEREST**

#### 3.1 **Interest Rate and Interest Payment Dates**

The Republic shall pay interest on the Principal Amount of each Bond at the relevant rates on the corresponding interest payment dates (each such date an **Interest Payment Date**) as set out in the table below and such interest payments shall be payable in arrear commencing on 24 February 2013 calculated on the basis of actual number of days from and including the prior Interest Payment Date to but excluding the following Interest Payment Date provided that the Republic shall pay interest on the first Interest Payment Date calculated on the basis of the actual number of days from and including 24 February 2012 (the **Launch Date**) to but excluding that Interest Payment Date.

<b>Interest Payment Date(s)</b>	<b>Rate</b>
24 February of each year from 2013 to 2015 (inclusive)	2.00% per annum
24 February of each year from 2016 to 2020 (inclusive)	3.00% per annum
24 February 2021	3.65% per annum
24 February of each year from 2022 to the Maturity Date (inclusive)	4.30% per annum

#### 3.2 **Interest Accrual**

The Republic shall not be required to pay interest on a Bond from and including the due date for redemption of that Bond unless payment for redemption of such Bond is not made by the Republic on such date in which event the obligation of the Republic to pay interest shall continue as provided in the Trust Deed.

#### 3.3 **Calculation of Broken Interest**

When interest is required to be calculated in respect of a period ending on a date other than an Interest Payment Date (the **End Date**), it shall be calculated on the basis of the actual number of days from and including the date of the last Interest Payment Date (or for any period ending prior to the first Interest Payment Date, the Launch Date) to but excluding the End Date.

### 4. **REDEMPTION AND PURCHASE OF BONDS**

#### 4.1 **Redemption at Maturity**

Unless previously purchased and cancelled as provided below, the Republic will redeem the Bonds at their Principal Amount on [●]<sup>2</sup> (the **Maturity Date**).

<sup>2</sup>The Bonds will be issued in 20 Series (but they shall together constitute a single Class) under 20 separate ISINS with each ISIN maturing on successive anniversaries of 24 February 2012, commencing on 24 February 2023.

#### 4.2 **Purchases**

The Republic may at any time purchase or otherwise acquire Bonds at any price in the open market or otherwise.

#### 4.3 **Cancellation**

Any Bond purchased or otherwise acquired by the Republic may be held, reissued, resold or, at the option of the Republic, cancelled *provided that* any such Bond purchased or otherwise acquired by the Republic shall, unless previously reissued or resold, be cancelled on or before 31 December in the year of purchase and thereafter may not be reissued or resold.

### 5. **PAYMENTS**

#### 5.1 **Payments in respect of the Bonds**

Payments of principal and interest or other amounts payable to the Holders under the Bonds will be made to the Holders in the manner provided in, and in accordance with, the Regulations or otherwise as specified in the Trust Deed, provided always that in any event final discharge of the obligation to make payments due to the Holders will only occur on the receipt of such payments by the Holders or by the Trustee on behalf of the Holders.

#### 5.2 **Payments subject to applicable laws**

Payments in respect of the Bonds are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the denomination of the Bonds or the provisions of Condition 5.1 or Condition 6.

#### 5.3 **No commissions**

No commissions or expenses shall be charged to the Holders in respect of any payments made in accordance with this Condition.

#### 5.4 **Payment on Business Days**

If any date for payment in respect of any Bond is not a business day, the Holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment.

In this paragraph, “business day” for the purposes of any payments made in connection with the Bonds means a day (other than a Saturday or a Sunday) on which (i) commercial banks are generally open for business and carrying out transactions in Euro in Athens and (ii) the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) System, or any successor thereto, is operating credit or transfer instructions in respect of payments in Euro.

#### 5.5 **Agents**

The initial Paying Agent for the Bonds shall be the Bank of Greece. The Republic reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

- (a) there will at all times be a Paying Agent having a specified office in a European city which, so long as the Bonds are admitted to trading on a regulated market within the European Economic Area and the rules of such regulated market require, shall be such European city as the rules of such regulated market may require or permit; and
- (b) the Republic undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

Notice of any termination or appointment and of any changes in specified offices will be given to the Holders promptly by the Republic in accordance with Condition 11 and to the Trustee.

### 6. **TAXATION**

- 6.1 All payments of interest and principal on the Bonds will be made by the Republic without withholding or deduction for, or on account of, any present or future taxes, levies or duties of whatever nature imposed, levied, collected or assessed by or on behalf of the Republic or any political subdivision or taxing authority thereof (**Greek Withholding Taxes**), unless such withholding or deduction is required by law. In such event, the Republic will pay such additional amounts (**Additional Amounts**) as may be necessary in order that the net payment made in respect of the Bonds after such withholding or deduction for or on account of Greek Withholding Taxes is not less than the amount that would have been receivable in

respect of the Bonds in the absence of such withholding or deduction; *provided that* the foregoing obligation to pay Additional Amounts shall not apply to:

- (a) any Greek Withholding Taxes that would not have been imposed or levied on a Holder or beneficial owner of the Bonds but for the existence of any present or former connection between such Holder or beneficial owner and the Republic or any political subdivision thereof, including, without limitation, such Holder or beneficial owner (i) being or having been a citizen or resident thereof, (ii) maintaining or having maintained an office, permanent establishment or branch therein, or (iii) being or having been present or engaged in trade or business therein, except for a connection solely arising from the mere ownership of, or receipt of payment under such Bonds;
- (b) any Greek Withholding Taxes imposed with respect to any Bond held by or on behalf of a Holder or beneficial owner who would not be liable for or subject to such Greek Withholding Taxes by making a declaration of non-residence or other similar claim or exemption to the relevant tax authority if, after having been requested to make such a declaration or claim, such Holder or beneficial owner fails to do so;
- (c) in the event that the Bonds are not in dematerialised form in the BOGS System, any Greek Withholding Taxes that would not have been so imposed but for the presentation by the Holder of such Bond for payment more than 30 days after the Relevant Date, except to the extent that the Holder thereof would have been entitled to such Additional Amount on the last day of such 30 day period;
- (d) in the event that the Bonds are not in dematerialised form in the BOGS System, any Greek Withholding Taxes imposed with respect to any Bond presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond to another Paying Agent in a Member State of the European Union; or
- (e) any withholding or deduction required to be made pursuant to any European Union Directive on the taxation of savings income implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

6.2 The **Relevant Date** in relation to any Bond means:

- (a) the due date for payment in respect thereof; or
- (b) (if the full amount of the monies payable on such date has not been received by the Trustee or the Paying Agent on or prior to such due date) the date on which, the full amount of such monies having been so received, notice to that effect is duly given to the Holders in accordance with Condition 11 or individually.

6.3 **OID Reporting Requirement**

- (a) The Republic shall file with the Trustee no later than 31 January 2013 (i) a written notice specifying the amount of original issue discount (including daily rates and accrual periods) accrued on the Bonds and (ii) such other specific information relating to such original issue discount, including, but not limited to, the issue date and yield to maturity of the Bonds, as necessary to satisfy the relevant reporting requirements under the U.S. Internal Revenue Code of 1986, as amended. This provision shall not apply with respect to any Bonds for which the Republic has filed IRS Form 8281 with the U.S. Internal Revenue Service. The Republic shall provide a copy of IRS Form 8281, if any, to the Trustee.
- (b) The Republic shall provide the information described in Condition 6.3(a) above to the Trustee based on the lowest applicable issue price for the Bonds, as determined for U.S. federal income tax purposes. By its acceptance of the Bonds, a Holder will be required, to the extent relevant for U.S. federal income tax purposes, to report original issue discount on the Bonds in accordance with the original issue discount information provided by the Republic to the Trustee pursuant to Condition 6.3(a) above.
- (c) A Holder may request the information described in Condition 6.3(a) above in writing (together with such evidence as to the Holder's identity and beneficial entitlement to such Bonds as the Trustee may reasonably request or require) to the Trustee at Wilmington Trust (London) Limited, Third Floor, 1 King's Arm Yard, London EC2R 7AF, United Kingdom, and the Trustee agrees to provide the same to such Holder to the extent the Trustee received such information from the Republic, *provided that* under no circumstances shall the Trustee be responsible for or incur any liability whatsoever to any persons as to the accuracy or correctness of such information provided by the Republic to the Trustee.

## 7. **PRESCRIPTION**

Claims for principal and interest on the Bonds shall become void unless made within the period of five years from the Relevant Date.

## 8. **EVENTS OF DEFAULT**

### 8.1 **Events of Default**

The following shall each constitute an **Event of Default**:

- (a) the Republic fails to pay interest on any Class Securities or fails to make payment on the GDP-linked securities issued in connection with the issue of the Class Securities, in each case before the day falling 30 days after the due date for such payment; or
- (b) the Republic is in default in the performance of any covenant, condition or provision set out in the Class Securities, the Trust Deed (insofar as it relates to the Class Securities only) or the Co-Financing Agreement and continues to be in default for 30 days after written notice thereof has been given to the Republic by the Trustee; or
- (c) (i) any payment of principal in relation to any Relevant Indebtedness is not paid when due at maturity after giving effect to any applicable grace period or (ii) any Relevant Indebtedness becomes due and payable prior to its stated maturity otherwise than at the option of the Republic (after giving effect to any applicable grace period), provided that the amount of Relevant Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above individually or in the aggregate exceeds EUR250 million (or its equivalent in any other currency or currencies); or
- (d) the amounts outstanding under the financial assistance facility agreement dated [•] 2012 among the Republic, the EFSF and the Bank of Greece in order to provide financing of up to €30,000,000,000 to finance in part the voluntary liability management transaction by way of voluntary bond exchange to be entered into between the Republic and certain private sector investors as described in the Euro Summit Statement dated 26 October 2011 are declared to be due and payable prior to their scheduled maturity as a result of an event of default thereunder; or
- (e) the Republic declares a moratorium with respect to any Class Securities, including where such moratorium forms part of a general moratorium over all or part of the Republic's indebtedness; or
- (f) the Republic rescinds, repudiates or expropriates or purports to rescind, repudiate or expropriate any of any Class Securities or its obligations arising under the Trust Deed (insofar as it relates to the Class Securities only) or the Co-Financing Agreement or otherwise declares invalid its obligations under any Class Securities, the Trust Deed (insofar as it relates to the Class Securities only) or the Co-Financing Agreement; or
- (g) any applicable order, decree, enactment, treaty or regulation prevents the Republic from performing its obligations set out in any Class Securities, the Trust Deed (insofar as it relates to the Class Securities only) or the Co-Financing Agreement as a result of any change in law or regulation in the Republic.

### 8.2 **Acceleration and Rescission**

If an Event of Default occurs and is continuing, the Trustee shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction by the directing holders), if so directed or requested in writing by holders for the time being of at least 25 per cent. of the Class Securities then Outstanding, give notice in writing to the Republic in accordance with Condition 11 (an **Acceleration Notice**) that the Bonds are immediately due and payable, whereupon an amount equal to the outstanding Principal Amount of the Bonds together with accrued but unpaid interest shall become immediately due and payable.

The holders of at least 50 per cent. of the Class Securities then Outstanding may rescind an Acceleration Notice. Such rescission shall be made by giving notice in writing to the Republic and to the Trustee, whereupon such Acceleration Notice shall be rescinded and shall have no further effect and any amounts that had become immediately due and payable pursuant to such Acceleration Notice and had not been paid shall remain outstanding on the terms and conditions applicable prior to such Acceleration Notice and any Event of Default referred to in such Acceleration Notice or resulting from a failure to pay any amount that had become due and payable pursuant to such Acceleration Notice shall be

irrevocably waived. No such rescission shall affect any other or any subsequent Event of Default or any right of any Holder in relation thereto. Such rescission will be conclusive and binding on all Holders.

A **holder** in relation to any Class Security means each person the Republic is required to treat as the holder of the Class Security in accordance with the terms and conditions of such Class Security or any agreement constituting such Class Security.

## 9. **ENFORCEMENT**

Subject to the Trust Deed and the Co-Financing Agreement, the Trustee shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction by the relevant holders), if so requested in writing by holders for the time being of at least 25 per cent. of the Class Securities then Outstanding, take such proceedings against the Republic as it may think fit to enforce the provisions of the Bonds, the Trust Deed or the Co-Financing Agreement.

No Holder shall be entitled to proceed directly against the Republic by instituting any proceeding, judicial or otherwise, with respect to the Bonds or the Trust Deed, or for the appointment of a receiver or a trustee, or for any other remedy hereunder, unless the Trustee, having become bound so to proceed under the Trust Deed, fails to do so within a reasonable period and the failure shall be continuing.

## 10. **MEETINGS AND MODIFICATIONS**

### 10.1 **General**

The provisions relating to modifications as set out under Clause 17 of the Trust Deed and for convening meetings of Holders as set out in Schedule 4 of the Trust Deed shall apply to the Bonds, provided that, for the purposes of any proposal relating to, or proposed modification of, the Bonds of this Series or any other Class Securities or any Cross-Series Modification or any Cross-Series Proposals, the Class Securities shall be treated as a single series and all reference to “series” or “Debt Securities” shall be construed accordingly and the definition of “Reserved Matters” shall include a reference to any directions requested by the Trustee from the Holders of the Bonds in connection with any modification to the terms of the Co-Financing Agreement or any action that the Trustee is entitled to take under the Co-Financing Agreement.

For the purposes of Conditions 8.2, 9 and 10, a Bond will be deemed to be not **Outstanding** as set out in Clause 1.1 of the Trust Deed and where the Bond is held by the Republic, by a department, ministry or agency of the Republic, or by a corporation, trust or other legal entity that is controlled by the Republic or a department, ministry or agency of the Republic and, in the case of a Bond held by any such above-mentioned corporation, trust or other legal entity, the Holder of the Bond does not have autonomy of decision, where:

- (x) the Holder of a Bond for these purposes is the entity legally entitled to vote the Bond for or against a proposal and/or proposed modification or, if different, the entity whose consent or instruction is by contract required, directly or indirectly, for the legally entitled Holder to vote the Bond for or against a proposal and/or proposed modification;
- (y) a corporation, trust or other legal entity is controlled by the Republic or by a department, ministry or agency of the Republic if the Republic or any department, ministry or agency of the Republic has the power, directly or indirectly, through the ownership of voting securities or other ownership interests, by contract or otherwise, to direct the management of or elect or appoint a majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of that legal entity; and
- (z) the Holder of a Bond has autonomy of decision if, under applicable law, rules or regulations and independent of any direct or indirect obligation the Holder may have in relation to the Republic: (i) the Holder may not, directly or indirectly, take instruction from the Republic on how to vote on a proposal and/or proposed modification; or (ii) the Holder, in determining how to vote on a proposal and/or proposed modification, is required to act in accordance with an objective prudential standard, in the interest of all of its stakeholders or in the Holder’s own interest; or (iii) the Holder owes a fiduciary or similar duty to vote on a proposal and/or proposed modification in the interest of one or more persons other than a person whose holdings of Bonds (if that person then held any Bonds) would be deemed to be not Outstanding under this definition.

The following paragraphs constitute a summary of the relevant clauses in the Trust Deed and shall be subject to the provisions set out therein as amended by the foregoing paragraphs in this Condition 10.1.

#### 10.2 **Convening a meeting of holders**

A meeting of holders:

- (a) may be convened by the Republic or the Trustee at any time; and
- (b) will be convened by the Republic if a meeting is requested in writing by the holders of not less than 10% of the aggregate principal amount of the Class Securities then Outstanding and if the Republic fails to convene a meeting within 14 days of the request, the same may be convened by the Trustee at the request of any of such holders (subject to it being indemnified, secured and/or pre-funded to its satisfaction by the relevant holders).

#### 10.3 **Quorum**

- (a) The quorum at any meeting at which holders will vote on a proposal in relation to, or a proposed modification of:
  - (i) a Reserved Matter will be one or more persons present or represented at the meeting and holding not less than 66 2/3% of the aggregate principal amount of the Class Securities then Outstanding; and
  - (ii) a matter other than a Reserved Matter will be one or more persons present or represented at the meeting and holding not less than 50% of the aggregate principal amount of the Class Securities then Outstanding.
- (b) The quorum for any adjourned meeting will be one or more persons present or represented at the meeting and holding:
  - (i) not less than 66 2/3% of the aggregate principal amount of the Class Securities then Outstanding in the case of a proposed Reserved Matter modification or a proposal relating to a Reserved Matter; and
  - (ii) not less than 25% of the aggregate principal amount of the Class Securities then Outstanding in the case of a non-Reserved Matter modification or a proposal relating to a matter other than a Reserved Matter.

#### 10.4 **Non-Reserved Matters**

Save as otherwise provided in the Trust Deed, any modification in relation to, or proposal relating to, any matter other than a Reserved Matter affecting the terms and conditions of the Bonds and/or any agreement governing the issuance or administration of the Bonds may only be approved, with the consent of the Republic (provided that the consent of the Republic shall not be required in connection with any request by the Trustee for directions from the relevant holders) and:

- (a) the affirmative vote of a holder or holders of more than 50% of the aggregate principal amount of the Class Securities then Outstanding represented at a duly called and quorate meeting of holders; or
- (b) a written resolution signed by or on behalf of a holder or holders of more than 50% of the aggregate principal amount of the Class Securities then Outstanding.

#### 10.5 **Reserved Matters**

Except as provided by Condition 10.6 below, any modification in relation to, or proposal relating to, a Reserved Matter affecting the terms and conditions of the Bonds and/or any agreement governing the issuance or administration of the Bonds may only be approved, with the consent of the Republic (provided that the consent of the Republic shall not be required in connection with any request by the Trustee for directions from the relevant holders) and:

- (a) the affirmative vote of a holder or holders of not less than 75% of the aggregate principal amount of the Class Securities then Outstanding represented at a duly called and quorate meeting of holders; or
- (b) a written resolution signed by or on behalf of a holder or holders of not less than 66 2/3% of the aggregate principal amount of the Class Securities then Outstanding.

#### 10.6 **Cross-Series Modifications and Cross-Series Proposals**

In the case of a Cross-Series Modification and/or Cross-Series Proposal, any modification in relation to, or proposal relating to, a Reserved Matter, the terms and conditions of the Class Securities and any other series of Debt Securities (as defined in the Trust Deed but subject to the first paragraph of Condition 10.1), and any agreement governing the issuance or administration of the Class Securities or Debt Securities of such other series may only be approved, with the consent of

the Republic (provided that the consent of the Republic shall not be required in connection with any request by the Trustee for directions from the relevant holders) and:

(a)(i) the affirmative vote of not less than 75% of the aggregate principal amount of the Outstanding Debt Securities represented at separate duly called and quorate meetings of the holders of the Debt Securities of all the series (taken in the aggregate) that would be affected by the proposal and/or proposed modification; or

(a)(ii) written resolutions signed by or on behalf of the holders of not less than 66 2/3% of the aggregate principal amount of the Outstanding Debt Securities of all the series (taken in the aggregate) that would be affected by the proposal and/or proposed modification;

and

(b)(i) the affirmative vote of more than 66 2/3% of the aggregate principal amount of the Outstanding Debt Securities represented at separate duly called and quorate meetings of the holders of each series of Debt Securities (taken individually) that would be affected by the proposal and/or proposed modification; or

(b)(ii) written resolutions signed by or on behalf of the holders of more than 50% of the aggregate principal amount of the then Outstanding Debt Securities of each series (taken individually) that would be affected by the proposal and/or proposed modification.

For the purposes of this Condition 10.6:

- (a) **Debt Security** means any bill, bond, debenture, note or other debt security issued by the Republic in one or more series with an original stated maturity of more than one year, and includes any such obligation, irrespective of its original stated maturity, that formerly constituted a component part of a Debt Security;
- (b) **Cross-Series Modification** means a modification involving (i) the Class Securities or any agreement governing the issuance or administration of the Class Securities, and (ii) one or more other series of Debt Securities or any agreement governing the issuance or administration of such other series of Debt Securities;
- (c) **Cross-Series Proposal** means a proposal or matter for consideration affecting or concerning (i) the Class Securities or any agreement governing the issuance or administration of the Class Securities, and (ii) one or more other series of Debt Securities or any agreement governing the issuance or administration of such other series of Debt Securities; and
- (d) **series** means, unless otherwise specified in the terms and conditions of such Debt Securities, Debt Securities that are (i) identical in all respects except for their date of issuance or first payment date, and (ii) expressed to be consolidated and form a single series,

*provided that* the definitions set out immediately above shall be subject to and construed in accordance with Condition 10.1.

For the avoidance of doubt, the Class Securities shall be treated as one series of Debt Securities for the purposes of Conditions 10.6(b)(i) and 10.6(b)(ii).

#### 10.7 **Written Resolutions**

A written resolution signed by or on behalf of holders of the requisite majority of the Class Securities will be valid for all purposes as if it was a resolution passed at a quorate meeting of holders duly convened and held in accordance with these provisions. A written resolution may be set out in one or more documents in like form each signed by or on behalf of one or more holders.

#### 10.8 **Binding Effect**

A resolution duly passed at a quorate meeting of holders duly convened and held in accordance with the provisions of the Trust Deed, and a written resolution duly signed by the requisite majority of holders, will be binding on all holders, whether or not the holder was present or represented at the meeting, voted for or against the resolution or signed the written resolution.

#### 11. **NOTICES**

- (a) Notices to Holders will be valid if published in a leading Greek financial newspaper (which is expected to be *Naftemporiki*) and published in English in a leading English language newspaper having general circulation in

London (which is expected to be the *Financial Times*) or if such circulation shall not be practicable, in an English language daily newspaper of general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

Notices will also be given to the Participants through the BOGS System. Any such notice shall be deemed to have been given on the second day following submission to the BOGS System.

- (b) Notices to the Republic to be given by the Trustee or any Holders shall be in writing and in English and given by lodging the same at the Public Debt Management Agency, with a copy to the Ministry of Finance, Public Debt Division, at the addresses below:

Public Debt Management Agency  
8 Omirou Street  
10564 Athens, Greece  
Attention: Director General

with a copy to:

Ministry of Finance  
Public Debt Division  
37 Panepistimiou Street  
10165 Athens, Greece

## 12. FURTHER ISSUES

The Republic shall be at liberty from time to time without the consent of the Holders to create and issue further bonds having terms and conditions the same as the Bonds or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single series with and increase the outstanding aggregate principal amount of the Bonds.

## 13. INDEMNIFICATION OF TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from any obligation to take proceedings to enforce repayment unless indemnified and/or secured and/or prefunded to its satisfaction. The Trust Deed also contains provisions pursuant to which the Trustee is entitled *inter alia*, (i) to enter into business transactions with the Republic or any person or body corporate associated with the Republic and to act as trustee for the holders of any other securities issued by or relating to the Republic or any person or body corporate associated with the Republic, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Holders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

## 14. GOVERNING LAW

- 14.1 The Bonds, the Trust Deed and any non-contractual obligations arising out of or in connection with the Bonds and/or the Trust Deed shall be governed by and construed in accordance with the laws of England and Wales.
- 14.2 The Republic irrevocably and unconditionally agrees for the exclusive benefit of the Trustee and the Holders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of the Bonds and/or the Trust Deed, and that any suit, action or proceeding arising out of the Bonds and/or the Trust Deed (including any suit, action or proceeding arising out of any non-contractual obligations arising out of the Bonds and/or the Trust Deed) (together referred to as **Proceedings**) may be brought in the courts of England.
- 14.3 The Republic irrevocably appoints The Economic and Commercial Counsellor at the Greek Embassy, 1A Holland Park, London W11 3TR, United Kingdom to receive service of process in relation to any Proceeding in England.
- 14.4 The Republic hereby irrevocably waives, to the extent permitted by applicable law and international conventions, (a) any immunity from jurisdiction it may have in any Proceeding in the courts of England, and (b) except as provided below, any



immunity from attachment or execution to which its assets or property might otherwise be entitled in any Proceeding in the courts of England, and agrees that it will not claim any such immunity in any such Proceeding.

- 14.5 Notwithstanding the foregoing, the above waiver shall not constitute a waiver of immunity from attachment or execution with respect to:
- (a) assets and property of the Republic located in the Republic;
  - (b) the premises and property of the Republic's diplomatic and consular missions;
  - (c) assets and property of the Republic outside the Republic not used or intended to be used for a commercial purpose;
  - (d) assets and property of the Republic's central bank or monetary authority;
  - (e) assets and property of a military character or under the control of a military authority or defense agency of the Republic; or
  - (f) assets and property forming part of the cultural heritage of the Republic.
- 14.6 For the purposes of the foregoing, "property" includes, without limitation, accounts, bank deposits, cash, revenues, securities and rights, including rights against third parties.
- 14.7 The foregoing constitutes a limited and specific waiver by the Republic solely for the purposes of the Bonds, and under no circumstance shall it be construed as a general waiver by the Republic or a waiver with respect to proceedings unrelated to the Bonds.
- 14.8 Neither the above appointment of an agent for service of process nor the foregoing waiver of immunity shall constitute a waiver of immunity in relation to any suit, action or proceeding brought by any person under the securities laws of any jurisdiction.

#### *The Co-Financing Agreement*

*The information below summarises some of the material terms of the Co-Financing Agreement. Because this is a summary it does not contain all the information that may be important to holders of Designated Securities as potential investors in the New Bonds. The Republic, therefore urges holders of Designated Securities to read the Co-Financing Agreement in its entirety in making their investment decisions. The text of the terms of the Co-Financing Agreement is set forth at Annex II hereto.*

The New Bonds will have the benefit of, and be subject to, the terms of the Co-Financing Agreement. The GDP-linked Securities and other securities to be delivered to any holders of Designated Securities pursuant to the Invitation (subject to the Republic's acceptance of any tenders of such Designated Securities for exchange and/or putting into effect any of the Proposed Amendments to such Designated Securities) do not have the benefit of the Co-Financing Agreement.

The purpose of the Co-Financing Agreement is to link payments of principal and interest under the New Bonds to the PSI LM Facility Agreement. The PSI LM Facility Agreement constitutes only a part of the financing made available to the Republic by the EFSF and other official sector creditors. The terms of the Co-Financing Agreement relate only to the PSI LM Facility Agreement and not any other facility agreements between EFSF and the Republic, and creditors under the New Bonds shall not have any rights in relation to any such other facility agreements between the EFSF and the Republic.

The Co-Financing Agreement sets out the terms on which the Republic is required to pay principal and interest on the New Bonds and the PSI LM Facility Agreement on the same dates and on a pro rata basis, through a common paying agent (initially, the Bank of Greece). As a result, if the Republic does not on any payment date pay the common paying agent an amount sufficient to pay in full the amounts due on that date under the New Bonds and the PSI LM Facility Agreement, then the holders of the New Bonds and the EFSF as the provider of financial assistance under the PSI LM Facility Agreement will suffer a payment shortfall in the same proportion. Similarly, the Republic will be in breach of the Co-Financing Agreement if the Republic pays principal or interest in full to EFSF as the provider of financial assistance under the PSI LM Facility Agreement but does not pay principal or interest in full to the holders of the New Bonds or vice versa.

If any creditor under the New Bonds, including the Trustee and holders of the New Bonds, receives or recovers amounts due under the New Bonds other than in accordance with the Co-Financing Agreement, that creditor will be required to turn over those amounts for application in accordance with the terms of the Co-Financing Agreement.

The Co-Financing Agreement also sets out certain terms of the New Bonds which cannot be amended without the consent of EFSF as the provider of financial assistance under the PSI LM Facility Agreement and certain terms of the PSI LM Facility Agreement which cannot be amended without the consent of the Trustee (acting in accordance with the Trust Deed). The terms that require consent before amendment include the dates of payments of principal and interest and the scheduled repayment terms.

The Co-Financing Agreement will be governed by and be construed in accordance with English law.

Subject to the following sentences in this paragraph, the courts of the Grand Duchy of Luxembourg shall have exclusive jurisdiction to settle any dispute arising from or in connection with the Co-Financing Agreement, including any dispute about its legality, validity, interpretation or performance. Such submission to jurisdiction in the Co-Financing Agreement is for the benefit of EFSF and the Trustee only. Accordingly, nothing shall prevent EFSF or the Trustee from taking proceedings relating to a dispute in the courts of the Republic or England. To the extent allowed by law, EFSF or the Trustee may take concurrent proceedings in any number of such jurisdictions.

The Republic and the other parties to the Co-Financing Agreement (other than EFSF and the Trustee) will submit to the jurisdiction of the courts of the Republic and the courts of England in connection with the Co-Financing Agreement. For the avoidance of doubt, EFSF does not submit to the jurisdiction of any courts other than the courts of the Grand Duchy of Luxembourg in connection with the Co-Financing Agreement.

The Republic and the Bank of Greece will waive all immunity to which each of them is or may become entitled, in respect of itself or its assets, from legal proceedings in relation to the Co-Financing Agreement, including, without limitation, immunity from suit, judgment or other order, from attachment, arrest or injunction prior to judgment, and from execution and enforcement against its assets to the extent not prohibited by mandatory law.

The common paying agent under the Co-Financing Agreement will initially be the Bank of Greece, which is also the paying agent for the New Bonds and the entity that effects payments on behalf of the Republic under the PSI LM Facility Agreement.

In addition to limiting certain amendments to the terms of the New Bonds, the Republic is restricted by the terms of the PSI LM Facility Agreement and the Co-Financing Agreement from taking specified actions in respect of the New Bonds unless the EFSF has consented in advance. These restrictions include repurchases or exchanges of the New Bonds, subject to certain exceptions.

#### **GDP-linked Securities**

The GDP-linked Securities will be (a) authorised and issued by the Republic pursuant to: (i) Law 2187/1994 (Government Gazette A 16/1994) of the Republic, as amended and in force, (ii) Law 2362/1995 (Government Gazette A 247/1995) of the Republic as amended and in force, (iii) Law 4050/2012 (Government Gazette A 36/2012) of the Republic, and (iv) a ministerial decision which will approve the terms and conditions of the GDP-linked Securities and the Trust Deed, and (b) constituted by the Trust Deed.

There are material differences between the Designated Securities and the GDP-linked Securities. Bondholders should consider carefully all such differences before any decision is made with respect to the Invitation and are urged to read the terms and conditions of the GDP-linked Securities in their entirety. The GDP-linked Securities contain the following features, including, without limitation:

(a) the GDP-linked Securities will be issued in dematerialised and uncertificated form registered within the System for Monitoring Transactions in Book-Entry Securities of Law 2198/1994, a system which is subject to Greek law and managed by the Bank of Greece;

(b) certain actions in relation to the GDP-linked Securities such as enforcement and modification can only be taken with the consent or direction of the holders of the requisite majority of the GDP-linked Securities. Subject to the Trust Deed, the Trustee shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction by the relevant holders), if so requested in writing by the holders of the requisite majority of GDP-linked Securities, take such proceedings against the Republic to enforce the payment of any amounts due under the GDP-linked Securities if the Republic fails to make such payment before the day falling 30 days after the due date for such payment; and

(c) the GDP-linked Securities contain a purchase option which provides that the Republic may at its option on any one or more occasions elect to re-purchase any or all of the GDP-linked Securities on the terms set out therein as to price and where the Republic re-purchases some but not all of the GDP-linked Securities this will be effected on a pro-rata basis; and

(d) all payments on the GDP-linked Securities will be made by the Republic without withholding or deduction for, or on account of, any present or future taxes, levies or duties of whatever nature imposed, levied, collected or assessed by or on behalf of the Republic or any political subdivision or taxing authority thereof (**Greek Withholding Taxes**), unless such withholding or

deduction is required by law. In such event, the Republic will pay such additional amounts as may be necessary in order that the net payment made in respect of the GDP-linked Securities after such withholding or deduction for or on account of Greek Withholding Taxes is not less than the amount that would have been receivable in respect of the GDP-linked Securities in the absence of such withholding or deduction, subject to certain exceptions as set out in the terms and conditions of the GDP-linked Securities.

#### ***Terms and conditions of the GDP-linked Securities***

*The terms and conditions of the GDP-linked Securities set out below are subject to completion. The terms and conditions of the GDP-linked Securities set forth below should be read together with the Trust Deed, which will be entered into on or before the issue date of the GDP-linked Securities. When used in the terms and conditions of the GDP-linked Securities and this section “—GDP-linked Securities”, unless the context requires otherwise the term “GDP-linked Securities” means the GDP-linked Securities. Terms used in this section “—GDP-linked Securities” shall have the meanings given them herein.*

These securities (each Security of this Series, a **GDP-linked Security**, and collectively, the **GDP-linked Securities**, which expression shall, in these Conditions, unless the context otherwise requires, include any further GDP-linked securities issued and forming a single Series with the GDP-linked Securities) are:

- (a) authorised and issued by The Hellenic Republic (the **Republic**) pursuant to: (i) Law 2187/1994 (Government Gazette A 16/1994) of the Republic, as amended and in force, (ii) Law 2362/1995 (Government Gazette A 247/1995) of the Republic, as amended and in force, (iii) Law 4050/2012 (Government Gazette A 36/2012) of the Republic, and (iv) a ministerial decision which approves these Conditions and the trust deed dated [●] 2012 (the **Trust Deed**) made between the Republic and Wilmington Trust (London) Limited (the **Trustee**, which expression shall include its successor(s)) as trustee for the Holders of the GDP-linked Securities; and
- (b) constituted by the Trust Deed.

The GDP-linked Securities shall be Securities for the purposes of the Trust Deed. Terms used but not defined herein shall have the respective meanings given to them in the Trust Deed. The Holders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed applicable to them.

The only amounts payable in respect of this GDP-linked Security are the payments contingent upon and determined on the basis of the performance of the gross domestic product of the Republic referred to herein. The Notional Amount of this GDP-linked Security will be used only to calculate payments payable to Holders of this GDP-linked Security and for certain other purposes described herein and in the Trust Deed. Holders of this GDP-linked Security are not entitled to receive principal in the amount of, or interest based on, such Notional Amount.

The Trust Deed is available for inspection, during normal business hours at the office for the time being of the Trustee at 1 King’s Arms Yard, London EC2R 7AF, United Kingdom.

## **1. FORM AND TITLE**

### **1.1 Form**

Pursuant to Law 2198/1994 (Government Gazette 43/A/22 March 1994) of the Republic and the Operating Regulations of the System for Monitoring Transactions in Book-Entry Securities issued by an act of the Governor of the Bank of Greece, pursuant to the above (**Law 2198/1994**) (as amended and in force from time to time, the **Regulations**), the GDP-linked Securities are issued in dematerialised and uncertificated form registered within the System for Monitoring Transactions in Book-Entry Securities of Law 2198/1994 managed by the Bank of Greece (the **BOGS System**).

### **1.2 Title**

- (a) While the GDP-linked Securities are in dematerialised and uncertificated form in the BOGS System, each person approved as a participant in the BOGS System in accordance with the Regulations to whose account in the BOGS System any GDP-linked Securities are credited shall be a **Holder** for purposes of the GDP-linked Securities, these Conditions and the Trust Deed. A Holder will be treated by the Republic, the Trustee and the operator of the BOGS System as the absolute owner of the GDP-linked Securities credited to its account in the BOGS System for all purposes pursuant to these Conditions and the Trust Deed and no person will be liable for so treating the Holder.
- (b) No Holder nor any person recorded in the accounts created by any Holder in its capacity as a participant in the BOGS System as having an interest in any GDP-linked Security will have any right to enforce any term or

condition of any GDP-linked Security under the Contracts (Rights of Third Parties) Act 1999 but this shall not affect any right or remedy of any such person which exists or is available apart from that Act.

- (c) Transfers of GDP-linked Securities between participants in the BOGS System shall be effected in accordance with the Regulations.
- (d) The Trust Deed sets out the provisions relating to the form, ownership and transfer of the GDP-linked Securities in the event they are not in dematerialised form in the BOGS System.

### 1.3 **Original Notional Amount**

Each GDP-linked Security is issued in an initial notional amount of €100.00 (the **Original Notional Amount**) and a GDP-linked Security shall mean a GDP-linked Security with a notional amount equal to the Notional Amount. **Euro** and **€** shall mean the single currency unit of each participating member state of the European Union that adopts or has adopted the Euro as its lawful currency in accordance with the legislation of the European Union in relation to the Economic and Monetary Union.

### 1.4 **Trust Deed**

Notwithstanding that the GDP-linked Securities are issued in dematerialised and uncertificated form in the BOGS System, each Holder of these GDP-linked Securities is entitled as a beneficiary of the trusts established under the Trust Deed in respect of the Republic's covenants given to the Trustee pursuant to the Trust Deed including, without limitation, the covenant to pay set out in Clause 2.1 thereof. The Trustee holds the benefit of such covenants on trust for the Holders of these GDP-linked Securities and itself in accordance with the terms of the Trust Deed. Subject to the next sentence, only the Trustee may enforce the provisions of the Trust Deed and these Conditions. No Holder of these GDP-linked Securities shall be entitled to (i) take any steps or action against the Republic to enforce the performance of any of the provisions of the Trust Deed or these Conditions or (ii) take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Republic and arising out of or in connection with the Trust Deed or these Conditions, in each case unless the Trustee, having become bound pursuant to the Trust Deed to take any such action, steps or proceedings, fails to do so within a reasonable period and such failure is continuing.

## 2. **DEFINITIONS**

As used in these Conditions, the following terms have the meanings set forth below:

**Business Day** means a day (other than a Saturday or a Sunday) on which (i) commercial banks are generally open for business and carrying out transactions in Euro in Athens and (ii) the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) System, or any successor thereto, is operating credit or transfer instructions in respect of payments in Euro.

**Calculation Date** means, for any Reference Year, a day not later than the fifth Business Day following 30 September of the calendar year following such Reference Year.

**EUROSTAT** means the official statistical office of the European Union, provided that, for any Reference Year, if EUROSTAT fails to publish the GDP of the Republic required for the purposes of these Conditions by the Calculation Date preceding the Payment Date of such Reference Year, the Ministry of Finance shall obtain such data from any other internationally or nationally recognised statistical sources (whether published, electronic or otherwise, and provided that for these purposes the World Economic Outlook database operated by the International Monetary Fund shall be considered a recognised statistical source), as selected by the Ministry of Finance in its sole discretion (acting in a commercially reasonable manner), and all references to EUROSTAT contained in these Conditions shall be construed accordingly.

**Expiration Date** means 15 October 2042.

**GDP** means gross domestic product.

**GDP Index Percentage** means, for any Reference Year, the product (rounded to the nearest five decimal places with 0.000005 being rounded upwards) of (a) Real GDP Growth Rate for such Reference Year less the Reference Real GDP Growth Rate for such Reference Year and (b) 1.5, provided that:

- (i) the GDP Index Percentage for any Reference Year shall not exceed 1.00%;

- (ii) if the GDP Index Percentage for such Reference Year would have exceeded 1.00%, but for (i) immediately above, any difference between the GDP Index Percentage for such Reference Year and 1.00% shall not be taken into account for any purpose for any subsequent Reference Year;
- (iii) if Real GDP Growth Rate for such Reference Year is negative, the GDP Index Percentage shall be zero; and
- (iv) if Real GDP Growth Rate for the Reference Year is lower than the Reference Real GDP Growth Rate for such Reference Year, the GDP Index Percentage shall be zero.

**Ministry of Finance** means the Ministry of Finance of the Republic.

**Nominal GDP** means, for any Reference Year, the GDP of the Republic at current prices (expressed in euro) of the Reference Year as published by EUROSTAT in accordance with the Statistics Regulations for such Reference Year, provided that any subsequent revision after the Calculation Date preceding the Payment Date of such Reference Year of the data published by EUROSTAT shall not result in, or entitle a Holder to claim, any increase in the Payment Amount.

**Notional Amount** means, in respect of any Payment Date falling in or prior to 2022, 100% of the Original Notional Amount and for each year following 2022, the fraction of the Original Notional Amount set out in the table below opposite that year:

<b>Payment Date</b>	<b>Fraction of the Original Notional Amount</b>
15 October 2023	315/315
15 October 2024	300/315
15 October 2025	285/315
15 October 2026	270/315
15 October 2027	255/315
15 October 2028	240/315
15 October 2029	224/315
15 October 2030	208/315
15 October 2031	192/315
15 October 2032	176/315
15 October 2033	160/315
15 October 2034	144/315
15 October 2035	128/315
15 October 2036	112/315
15 October 2037	96/315
15 October 2038	80/315
15 October 2039	64/315
15 October 2040	48/315
15 October 2041	32/315
15 October 2042	16/315

Any reduction in the Notional Amount shall occur on the day immediately preceding each Payment Date.

**Payment Amount** means, for any Payment Date, an amount (rounded down to the nearest €0.01 for each GDP-linked Security) equal to the product of (i) the GDP Index Percentage for the Reference Year corresponding to such Payment Date, multiplied by (ii) the Notional Amount, provided that the Payment Amount for any Reference Year will be zero if the Nominal GDP did not exceed the Reference Nominal GDP for that Reference Year. Any subsequent revision after the Calculation Date preceding the relevant Payment Date of (i) the data used to calculate the Payment Amount and/or (ii) the data published by EUROSTAT, shall not result in, or entitle a Holder to claim, any change in the Payment Amount. The Payment Amount shall be determined by the Ministry of Finance on the Calculation Date preceding the relevant Payment

Date, who shall notify the Republic and the Trustee of such Payment Amount once determined, and the Republic shall notify the Holder thereof in accordance with Condition 10, in each case as soon as reasonably practicable and in any event before the relevant Payment Date. All calculations made by the Ministry of Finance hereunder shall be binding on all parties including the Trustee and all Holders absent bad faith, wilful misconduct or manifest error on the part of the Ministry of Finance.

**Payment Date** means, for any Reference Year, 15 October of the calendar year following such Reference Year. The first Payment Date is 15 October 2015 for the Reference Year 2014. The last Payment Date is the Expiration Date for the Reference Year 2041.

**Real GDP Growth Rate** means, for any Reference Year, the percentage change of (i) GDP of the Reference Year compared with (ii) the GDP of the year immediately preceding the Reference Year, with each expressed in prices of the year immediately preceding the Reference Year, as published by EUROSTAT in accordance with the Statistics Regulations, provided that, from and including Reference Year 2021, if the Real GDP Growth Rate for the calendar year preceding the Reference Year is negative, the Real GDP Growth Rate for the Reference Year shall be deemed to be the sum of the Real GDP Growth Rates for both such years, provided further that any subsequent revision after the Calculation Date preceding the Payment Date of such Reference Year of the data published by EUROSTAT shall not result in, or entitle a Holder to claim, any change in the Payment Amount.

**Reference Nominal GDP** means for each Reference Year in the table below, the amount (expressed in euro) set out in the table below opposite that year, provided that any subsequent revision after the issuance of this GDP-linked Security to any data used to derive the amounts set out in the table below, shall not result in, or entitle a Holder to claim, any change in the Payment Amount.

Reference Year	Reference Nominal GDP (EUR in billions)
2014	210.1014
2015	217.9036
2016	226.3532
2017	235.7155
2018	245.4696
2019	255.8822
2020 - 2041	266.4703

**Reference Real GDP Growth Rate** means, in respect of any Reference Year, the rate of growth set out in the table below opposite that year, provided that any subsequent revision after the issuance of this GDP-linked Security to any data used to derive the amounts set out in the table below shall not result in, or entitle a Holder to claim, any change in the Payment Amount.

Reference Year	Reference Real GDP Growth Rate
2014	2.345000%
2015	2.896049%
2016	2.845389%
2017	2.796674%
2018	2.596544%
2019	2.496864%
2020	2.247354%
2021 – 2041	2.000000%

**Reference Year** means any calendar year from and including 2014 to and including 2041.

**Statistics Regulations** means Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics as modified or re-enacted from time to time and any statutory instrument, order or regulation made thereunder or under any such modification or re-enactment.

### 3. **PAYMENTS**

#### 3.1 **Payment Amounts**

- (a) Subject to the conditions set forth in Condition 3.1(d) below, on each Payment Date the Republic shall pay in relation to each GDP-linked Security an amount equal to the Payment Amount, if any, for such Payment Date.
- (b) Payments of any amounts payable to the Holders under the GDP-linked Securities will be made to the Holders in the manner provided in, and in accordance with, the Regulations or otherwise as specified in the Trust Deed, provided always that in any event final discharge of the obligation to make payments due to the Holders will only occur on the receipt of such payments by the Holders or by the Trustee on behalf of the Holders.
- (c) Payments in respect of the GDP-linked Securities are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the denomination of the GDP-linked Securities or the provisions of Condition 3.1(b) or 4..
- (d) If any date for payment in respect of any GDP-linked Security is not a Business Day, the Holder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment.
- (e) No commissions or expenses shall be charged to the Holders in respect of any payments made in accordance with this Condition.

#### 3.2 **Agents**

The initial Paying Agent for the GDP-linked Securities shall be the Bank of Greece. The Republic reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

- (a) there will at all times be a Paying Agent having a specified office in a European city which, so long as the GDP-linked Securities are admitted to trading on a regulated market within the European Economic Area and the rules of such regulated market require, shall be such European city as the rules of such regulated market may require or permit; and
- (b) the Republic undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

Notice of any termination or appointment and of any changes in specified offices will be given to the Holders promptly by the Republic in accordance with Condition 10 and to the Trustee.

### 4. **TAXATION**

- 4.1 All payments on the GDP-linked Securities will be made by the Republic without withholding or deduction for, or on account of, any present or future taxes, levies or duties of whatever nature imposed, levied, collected or assessed by or on behalf of the Republic or any political subdivision or taxing authority thereof (**Greek Withholding Taxes**), unless such withholding or deduction is required by law. In such event, the Republic will pay such additional amounts (**Additional Amounts**) as may be necessary in order that the net payment made in respect of the GDP-linked Securities after such withholding or deduction for or on account of Greek Withholding Taxes is not less than the amount that would have been receivable in respect of the GDP-linked Securities in the absence of such withholding or deduction; *provided that* the foregoing obligation to pay Additional Amounts shall not apply to:

- (a) any Greek Withholding Taxes that would not have been imposed or levied on a Holder or beneficial owner of the GDP-linked Securities but for the existence of any present or former connection between such Holder or beneficial owner and the Republic or any political subdivision thereof, including, without limitation, such Holder or beneficial owner (i) being or having been a citizen or resident thereof, (ii) maintaining or having maintained an office, permanent establishment or branch therein, or (iii) being or having been present or engaged in trade or

business therein, except for a connection solely arising from the mere ownership of, or receipt of payment under such GDP-linked Securities;

- (b) any Greek Withholding Taxes imposed with respect to any GDP-linked Security held by or on behalf of a Holder or beneficial owner who would not be liable for or subject to such Greek Withholding Taxes by making a declaration of non-residence or other similar claim or exemption to the relevant tax authority if, after having been requested to make such a declaration or claim, such Holder or beneficial owner fails to do so;
- (c) in the event that the GDP-linked Securities are not in dematerialised form in the BOGS System, any Greek Withholding Taxes that would not have been so imposed but for the presentation by the Holder of such GDP-linked Security for payment more than 30 days after the Relevant Date, except to the extent that the Holder thereof would have been entitled to such Additional Amount on the last day of such 30 day period;
- (d) in the event that the GDP-linked Securities are not in dematerialised form in the BOGS System, any Greek Withholding Taxes imposed with respect to any GDP-linked Security presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant GDP-linked Security to another Paying Agent in a Member State of the European Union; or
- (e) any withholding or deduction required to be made pursuant to any European Union Directive on the taxation of savings income implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

4.2 The **Relevant Date** in relation to any GDP-linked Security means:

- (a) the due date for payment in respect thereof; or
- (b) (if the full amount of the monies payable on such date has not been received by the Trustee or the Paying Agent on or prior to such due date) the date on which, the full amount of such monies having been so received, notice to that effect is duly given to the Holders in accordance with Condition 10 or individually.

## 5. STATUS OF THE GDP-LINKED SECURITIES

The GDP-linked Securities constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Republic. The GDP-linked Securities rank, and will rank, *pari passu* among themselves and with all unsecured and unsubordinated obligations for borrowed money of the Republic. The due and punctual payment of the GDP-linked Securities and the performance of the obligations of the Republic with respect thereto are backed by the full faith and credit of the Republic.

## 6. PURCHASE OF SECURITIES

### 6.1 Purchase Option

At any time after 1 January 2020, upon not less than 30 nor more than 60 days' notice to the Holders in accordance with Condition 10 and to the Trustee (a **Purchase Option Notice**), the Republic may, at its option, on any one or more occasions elect to purchase any or all of the GDP-linked Securities from the Holders at the Call Price. In the event that the Republic delivers a Purchase Option Notice, each Holder shall be required to sell to the Republic on the date specified in such Purchase Option Notice such amount of the GDP-linked Securities as is specified in such Purchase Option Notice, in each case at the Call Price, *provided that* the number of GDP-linked Securities to be purchased by the Republic specified in such Purchase Option Notice shall be an integral multiple of 1,000 (other than the final purchase which shall be in respect of all GDP-linked Securities then Outstanding). In the event that any Purchase Option Notice specifies that the Republic shall purchase some only but not all of the GDP-linked Securities then Outstanding, each GDP-linked Security will be purchased by the Republic, and the Holders shall be required to sell, on a *pro rata* basis.

The Call Price shall be paid to the relevant Holders in accordance with Conditions 3.1(b) to (e) (inclusive).

For the purposes of these Terms and Conditions:

**Call Price** means, in respect of any date on which the Republic makes a purchase of GDP-linked Securities from the Holders pursuant to this Condition 6.1, and for each 1,000 GDP-linked Securities so purchased, the arithmetic mean of the Market Price for the 30 Trading Days preceding the date on which the relevant Purchase Option Notice is given.

**Market Price** means, for any day, the amount required to purchase 1,000 GDP-linked Securities at the price equal to the arithmetic mean of the last bid and asked prices:



- (i) quoted or otherwise provided by Bank of Greece's Electronic Secondary Securities Market (or any successor service) (**HDAT**); or
- (ii) to the extent that no price is quoted or otherwise provided as set out in (i) immediately above on any day, as determined by the Ministry of Finance (acting in good faith in a commercially reasonable manner), based on the arithmetic mean of the quotations for the GDP-linked Securities from at least three and not more than five primary reference banks in Europe of the arithmetic mean of the bid and asked prices for the GDP-linked Securities. If the Ministry of Finance obtains five quotations, the Ministry of Finance shall determine the arithmetic mean after eliminating the highest (or, in the event of equality, one of the highest) and lowest (or, in the event of equality, one of the lowest) quotations.

All calculations made by the Ministry of Finance hereunder shall be binding on all parties including the Trustee and all Holders of this GDP-linked Security absent bad faith, wilful misconduct or manifest error on the part of the Ministry of Finance.

The Ministry of Finance shall provide in the Purchase Option Notice, for each relevant day, the name of the pricing source and the relevant price quotation and/or, as the case may be, the reference banks which have provided such quotations and details of the relevant quotations and in all the cases the calculations made.

**Trading Day** means any day (other than a Saturday or a Sunday) on which (i) HDAT (or any successor service) is open for trading, to the extent there is no market, exchange and/or trading disruption, and/or early closure, in each case which the Ministry of Finance (acting in good faith in a commercially reasonable manner) determines is material for the purposes of determining the Market Price; or (ii) to the extent that HDAT is permanently closed and no successor service is available, commercial banks are generally open for business and carrying out transactions in the place of business of each of the reference banks selected for the purposes of calculating the Market Price.

## 6.2 **Other Purchases of Securities**

The Republic may at any time purchase or otherwise acquire GDP-linked Securities at any price in the open market or otherwise.

## 6.3 **Cancellation**

Any GDP-linked Security purchased or otherwise acquired by the Republic may be held, reissued, resold or, at the option of the Republic, cancelled, *provided that* any such GDP-linked Securities purchased or otherwise acquired by the Republic shall, unless previously reissued or resold, be cancelled on or before 31 December in the year of purchase and thereafter may not be reissued or resold.

## 7. **PRESCRIPTION**

Claims for payments under the GDP-linked Securities shall become void unless made within the period of five years from the Relevant Date.

## 8. **ENFORCEMENT**

Subject to the Trust Deed, the Trustee shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction by the relevant Holders), if so requested in writing by Holders for the time being of at least 25 per cent in aggregate Notional Amount of the Outstanding GDP-linked Securities, take such proceedings against the Republic as it may think fit to enforce the payment of any amounts due hereunder on any Payment Date (as this GDP-linked Security may be amended or modified pursuant to Condition 9) if the Republic fails to make such payment before the day falling 30 days after the due date for such payment.

No Holder shall be entitled to proceed directly against the Republic by instituting any proceeding, judicial or otherwise, with respect to the GDP-linked Securities or the Trust Deed, or for the appointment of a receiver or a trustee, or for any other remedy hereunder, unless the Trustee, having become bound so to proceed under the Trust Deed, fails to do so within a reasonable period and the failure shall be continuing.

## 9. **MEETINGS AND MODIFICATIONS**

### 9.1 **General**

The provisions relating to modifications as set out under Clause 17 of the Trust Deed and for convening meetings of Holders as set out in Schedule 4 of the Trust Deed shall apply to the GDP-linked Securities, provided that, for the purposes of any proposal relating to, or proposed modification of, these GDP-linked Securities:

- (a) all references in Schedule 4 of the Trust Deed to “principal amount” of the Securities shall be deemed to mean “Notional Amount” of the GDP-linked Securities; and
- (b) the provisions relating to Cross-Series Modification and Cross-Series Proposals in Schedule 4 of the Trust Deed shall not be applicable to these GDP-linked Securities.

For the purposes of Conditions 8 and 9, a GDP-linked Security will be deemed to be not **Outstanding** as set out in Clause 1.1 of the Trust Deed and where the GDP-linked Security is held by the Republic, by a department, ministry or agency of the Republic, or by a corporation, trust or other legal entity that is controlled by the Republic or a department, ministry or agency of the Republic and, in the case of a GDP-linked Security held by any such above-mentioned corporation, trust or other legal entity, the Holder of the GDP-linked Security does not have autonomy of decision, where:

- (x) the Holder of a GDP-linked Security for these purposes is the entity legally entitled to vote the GDP-linked Security for or against a proposal and/or proposed modification or, if different, the entity whose consent or instruction is by contract required, directly or indirectly, for the legally entitled Holder to vote the GDP-linked Security for or against a proposal and/or proposed modification;
- (y) a corporation, trust or other legal entity is controlled by the Republic or by a department, ministry or agency of the Republic if the Republic or any department, ministry or agency of the Republic has the power, directly or indirectly, through the ownership of voting securities or other ownership interests, by contract or otherwise, to direct the management of or elect or appoint a majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of that legal entity; and
- (z) the Holder of a GDP-linked Security has autonomy of decision if, under applicable law, rules or regulations and independent of any direct or indirect obligation the Holder may have in relation to the Republic: (i) the Holder may not, directly or indirectly, take instruction from the Republic on how to vote on a proposal and/or proposed modification; or (ii) the Holder, in determining how to vote on a proposal and/or proposed modification, is required to act in accordance with an objective prudential standard, in the interest of all of its stakeholders or in the Holder’s own interest; or (iii) the Holder owes a fiduciary or similar duty to vote on a proposal and/or proposed modification in the interest of one or more persons other than a person whose holdings of GDP-linked Securities (if that person then held any GDP-linked Securities) would be deemed to be not Outstanding under this definition.

The following paragraphs constitute a summary of the relevant clauses in the Trust Deed and shall be subject to the provisions set out therein as amended by the foregoing paragraphs in this Condition 9.1.

## 9.2 **Convening a meeting of Holders**

A meeting of Holders:

- (a) may be convened by the Republic or the Trustee at any time; and
- (b) will be convened by the Republic if a meeting is requested in writing by the Holders of not less than 10% of the aggregate Notional Amount of the GDP-linked Securities then Outstanding and if the Republic fails to convene a meeting within 14 days of the request, the same may be convened by the Trustee at the request of any of such Holders (subject to it being indemnified, secured and/or pre-funded to its satisfaction by the relevant Holders).

## 9.3 **Quorum**

- (a) The quorum at any meeting at which Holders will vote on a proposal in relation to, or a proposed modification of:
  - (i) a Reserved Matter will be one or more persons present or represented at the meeting and holding not less than 66 2/3% of the aggregate Notional Amount of the GDP-linked Securities then Outstanding; and
  - (ii) a matter other than a Reserved Matter will be one or more persons present or represented at the meeting and holding not less than 50% of the aggregate Notional Amount of the GDP-linked Securities then Outstanding.
- (b) The quorum for any adjourned meeting will be one or more persons present or represented at the meeting and holding:

- (i) not less than 66 2/3% of the aggregate Notional Amount of the GDP-linked Securities then Outstanding in the case of a proposed Reserved Matter modification or a proposal relating to a Reserved Matter; and
- (ii) not less than 25% of the aggregate Notional Amount of the GDP-linked Securities then Outstanding in the case of a non-Reserved Matter modification or a proposal relating to a matter other than a Reserved Matter.

#### 9.4 **Non-Reserved Matters**

Save as otherwise provided in the Trust Deed, any modification in relation to, or proposal relating to, any matter other than a Reserved Matter affecting the terms and conditions of the GDP-linked Securities and/or any agreement governing the issuance or administration of the GDP-linked Securities may only be approved, with the consent of the Republic (provided that the consent of the Republic shall not be required in connection with any request by the Trustee for directions from the relevant Holders) and:

- (a) the affirmative vote of a Holder or Holders of more than 50% of the aggregate Notional Amount of the GDP-linked Securities then Outstanding represented at a duly called and quorate meeting of Holders; or
- (b) a written resolution signed by or on behalf of a Holder or Holders of more than 50% of the aggregate Notional Amount of the GDP-linked Securities then Outstanding.

#### 9.5 **Reserved Matters**

Any modification in relation to, or proposal relating to, a Reserved Matter affecting the terms and conditions of the GDP-linked Securities and/or any agreement governing the issuance or administration of the GDP-linked Securities may only be approved, with the consent of the Republic (provided that the consent of the Republic shall not be required in connection with any request by the Trustee for directions from the relevant Holders) and:

- (a) the affirmative vote of a Holder or Holders of not less than 75% of the aggregate Notional Amount of the GDP-linked Securities then Outstanding represented at a duly called and quorate meeting of Holders; or
- (b) a written resolution signed by or on behalf of a Holder or Holders of not less than 66 2/3% of the aggregate Notional Amount of the GDP-linked Securities then Outstanding.

#### 9.6 **Cross-Series Modifications and Cross-Series Proposals**

The provisions relating to Cross-Series Modification and Cross-Series Proposals in Schedule 4 of the Trust Deed shall not apply to the GDP-linked Securities.

#### 9.7 **Written Resolutions**

A written resolution signed by or on behalf of Holders of the requisite majority of the GDP-linked Securities will be valid for all purposes as if it was a resolution passed at a quorate meeting of Holders duly convened and held in accordance with these provisions. A written resolution may be set out in one or more documents in like form each signed by or on behalf of one or more Holders.

#### 9.8 **Binding Effect**

A resolution duly passed at a quorate meeting of Holders duly convened and held in accordance with the provisions of the Trust Deed, and a written resolution duly signed by the requisite majority of Holders, will be binding on all Holders, whether or not the Holder was present or represented at the meeting, voted for or against the resolution or signed the written resolution.

### 10. **NOTICES**

- (a) Notices to Holders will be valid if published in a leading Greek financial newspaper (which is expected to be *Naftemporiki*) and published in English in a leading English language newspaper having general circulation in London (which is expected to be the *Financial Times*) or if such circulation shall not be practicable, in an English language daily newspaper of general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

Notices will also be given to the Participants through the BOGS System. Any such notice shall be deemed to have been given on the second day following submission to the BOGS System.

- (b) Notices to the Republic to be given by the Trustee or any Holders shall be in writing and in English and given by lodging the same at the Public Debt Management Agency, with a copy to the Ministry of Finance, Public Debt Division, at the addresses below:

Public Debt Management Agency  
8 Omirou Street  
10564 Athens, Greece  
Attention: Director General

with a copy to:

Ministry of Finance  
Public Debt Division  
37 Panepistimiou Street  
10165 Athens, Greece

## 11. FURTHER ISSUES

The Republic shall be at liberty from time to time without the consent of the Holders to create and issue further Securities having terms and conditions the same as the GDP-linked Securities or the same in all respects save for the amount and date of the first payment thereon and so that the same shall be consolidated and form a single series with and increase the outstanding aggregate Notional Amount of the GDP-linked Securities.

## 12. INDEMNIFICATION OF TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from any obligation to take proceedings to enforce repayment unless indemnified and/or secured and/or prefunded to its satisfaction. The Trust Deed also contains provisions pursuant to which the Trustee is entitled *inter alia*, (i) to enter into business transactions with the Republic or any person or body corporate associated with the Republic and to act as trustee for the holders of any other securities issued by or relating to the Republic or any person or body corporate associated with the Republic, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Holders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

## 13. GOVERNING LAW

- 13.1 The GDP-linked Securities, the Trust Deed and any non-contractual obligations arising out of or in connection with the GDP-linked Securities and/or the Trust Deed shall be governed by and construed in accordance with the laws of England and Wales.
- 13.2 The Republic irrevocably and unconditionally agrees for the exclusive benefit of the Trustee and the Holders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of the GDP-linked Securities and/or the Trust Deed, and that any suit, action or proceeding arising out of the GDP-linked Securities and/or the Trust Deed (including any suit, action or proceeding arising out of any non-contractual obligations arising out of the GDP-linked Securities and/or the Trust Deed) (together referred to as **Proceedings**) may be brought in the courts of England.
- 13.3 The Republic irrevocably appoints The Economic and Commercial Counsellor at the Greek Embassy, 1A Holland Park, London W11 3TR, United Kingdom to receive service of process in relation to any Proceeding in England.
- 13.4 The Republic hereby irrevocably waives, to the extent permitted by applicable law and international conventions, (a) any immunity from jurisdiction it may have in any Proceeding in the courts of England, and (b) except as provided below, any immunity from attachment or execution to which its assets or property might otherwise be entitled in any Proceeding in the courts of England, and agrees that it will not claim any such immunity in any such Proceeding.
- 13.5 Notwithstanding the foregoing, the above waiver shall not constitute a waiver of immunity from attachment or execution with respect to:
- (a) assets and property of the Republic located in the Republic;
  - (b) the premises and property of the Republic's diplomatic and consular missions;

- (c) assets and property of the Republic outside the Republic not used or intended to be used for a commercial purpose;
  - (d) assets and property of the Republic's central bank or monetary authority;
  - (e) assets and property of a military character or under the control of a military authority or defence agency of the Republic; or
  - (f) assets and property forming part of the cultural heritage of the Republic.
- 13.6 For the purposes of the foregoing, "property" includes, without limitation, accounts, bank deposits, cash, revenues, securities and rights, including rights against third parties.
- 13.7 The foregoing constitutes a limited and specific waiver by the Republic solely for the purposes of the GDP-linked Securities, and under no circumstance shall it be construed as a general waiver by the Republic or a waiver with respect to proceedings unrelated to the GDP-linked Securities.
- 13.8 Neither the above appointment of an agent for service of process nor the foregoing waiver of immunity shall constitute a waiver of immunity in relation to any suit, action or proceeding brought by any person under the securities laws of any jurisdiction.

## **The Trust Deed**

*The information contained below is an indicative summary of certain of the terms of the Trust Deed, which will be entered into between the Trustee and the Republic on or before the issue date of the New Bonds and the GDP-linked Securities. Because this is a summary, it does not contain all of the information that may be important to holders of Designated Securities as potential investors in the New Bonds and GDP-linked Securities. The Republic urges holders of Designated Securities to read the form of the Trust Deed which is available on the Offer Website in its entirety before making any investment decision in relation to the Invitation.*

*The New Bonds and GDP-linked Securities will be constituted by, and subject to, the Trust Deed, and, in the case of the New Bonds, are also subject to the terms of the Co-Financing Agreement. The Republic may from time to time issue other bonds, debentures, notes or other securities subject to the Trust Deed. When used in the Trust Deed and this section "—The Trust Deed", unless the context requires otherwise the term "Securities" shall include the New Bonds and GDP-linked Securities and the term "Exchange Bonds" means the New Bonds.*

The Trust Deed will set out the terms under which the Trustee is appointed and the payment it will receive for acting as Trustee. The Trust Deed will also provide that the Trustee is entitled to be indemnified and/or secured and/or prefunded and relieved from responsibility in certain circumstances and to be paid its costs and expenses in priority to the claims of the holders of the New Bonds and the GDP-linked Securities, as well as containing provisions relieving it from any obligation to take proceedings to enforce the provisions of the Trust Deed, New Bonds, GDP-linked Securities or the Co-Financing Agreement unless it has been indemnified and/or secured and/or prefunded to its satisfaction by the relevant holders, and will set out the extent of the Trustee's authority to act beyond its statutory powers under English law.

The Trust Deed will also contain provisions pursuant to which the Trustee is entitled inter alia, (i) to enter into business transactions with the Republic or any person or body corporate associated with the Republic and to act as trustee for the holders of any other securities issued by or relating to the Republic or any person or body corporate associated with the Republic, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the holders of the New Bonds or GDP-linked Securities, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

In the exercise of its powers and discretions under the Conditions (as defined in the Trust Deed) of the relevant Securities (as defined in the Trust Deed) and the Trust Deed, the Trustee will have regard to the interests of the relevant Holders as a class and shall not have regard to any interests arising from circumstances particular to individual Holders, and in particular without limitation shall not have regard to the consequences of any such exercise for any person being a party to the Co-Financing Agreement nor for individual Holders as a result of such Holders being connected in any way with a particular territory or taxing jurisdiction. In addition, whenever in the Trust Deed, the terms and conditions of any Securities, the Co-Financing Agreement or by law, the Trustee has a discretion or permissive power it may decline to exercise the same in the absence of approval by the Holders of each Series of Securities to which such discretion or permissive power relates or which may be materially affected by the exercise of such discretion

or permissive power, with any such approval being considered for such purposes as being a proposal relating to: (i) a Reserved Matter (as defined below), provided that the matter to which such discretion or permissive power relates is also a Reserved Matter, and (ii) not a Reserved Matter, in all other cases where (i) immediately above does not apply, in all cases subject to the provisions of the Trust Deed relating to Reserved Matters as defined therein. The Trustee will incur no liability to any person for refraining to act in any such circumstances.

The Trustee shall hold the benefit of each and every covenant given by each party to the Co-Financing Agreement (other than the Trustee) which is expressed to be to or for the benefit of the Trustee and/or the Holders of the Exchange Bonds (as defined in the Trust Deed, which include, for the avoidance of doubt, the New Bonds) for itself and for and on behalf of such Holders subject to, and in accordance with, the terms of the Trust Deed. No Holder of the Exchange Bonds shall have any right to enforce or take proceedings under or in relation to the Co-Financing Agreement. The Trustee shall have the sole and exclusive right to enforce the Co-Financing Agreement with respect to the interests of itself and the Holders of Exchange Bonds and/or to take proceedings in relation to the Co-Financing Agreement for itself and on behalf of the Holders of the Exchange Bonds.

#### ***Covenant to Pay***

In the Trust Deed, the Republic will covenant with the Trustee that it will, as and when the Securities of any Series (as defined in the Trust Deed) or any of them or any instalment of principal in respect thereof becomes due to be redeemed, or on such earlier date as the same or any part thereof may become due and repayable thereunder, in accordance with the Trust Deed and the Conditions of the relevant Series of Securities, unconditionally pay or procure to be paid to or to the order of the Trustee in the relevant currency in immediately available funds the principal amount (if any) in respect of the Securities of such Series or the amount of such instalment becoming due for redemption on that date and shall in the meantime and until redemption in full of the Securities of such Series (both before and after any judgment or other order of a court of competent jurisdiction) or maturity date in the case of interest-bearing Securities or expiration date in the case of non-interest-bearing Securities unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid interest (which shall accrue from day to day) on the nominal amount of the Securities outstanding of such Series at rates and/or in amounts calculated from time to time in accordance with, or specified in, and on the dates provided for in, the Conditions of the relevant Series of Securities, and/or any other amounts payable by the Republic calculated from time to time in accordance with, and on the dates provided for in, the Conditions provided that:

- (a) every payment of principal, premium (if any), interest or other sum due in respect of the Securities of any Series made to or to the order of the Paying Agent (as defined in the Trust Deed) in accordance with the relevant Conditions shall operate in satisfaction *pro tanto* of the relative covenant by the Republic set out in the paragraph in the Trust Deed corresponding to the paragraph above in relation to the Securities of such Series, except to the extent that there is a default in the subsequent payment thereof to the relevant Holders, receiptholders or couponholders (as the case may be);
- (b) in the case of any payment of principal in the case of interest-bearing Securities or any payment amounts due in the case of non-interest bearing Securities, in each case which is not made to (i) the Paying Agent and either received by or made available to and not withheld upon demand or presentation for payment by the relevant Holder other than in accordance with the relevant Conditions; or (ii) the Trustee, on or before the due date or on or after accelerated maturity following an Event of Default, interest shall continue to accrue on the nominal amount of the relevant Securities (both before and after any judgment or other order of a court of competent jurisdiction) at the rates aforesaid in the case of interest-bearing Securities or such default rate as may be specified in the relevant Conditions in the case of non-interest bearing Securities, in each case up to and including the date which the Trustee determines to be the date on and after which payment is to be made in respect thereof as stated in a notice given to the Holders of such Securities in accordance with the Conditions (such date to be not later than 30 days after the day on which the whole of such principal or payment amount, together with an amount equal to the interest which has accrued and is to accrue pursuant to this proviso up to and including that date, has been received by (x) the Trustee or (y) the Paying Agent and is made available to and not withheld upon demand or presentation for payment by the relevant Holder other than in accordance with the relevant Conditions); and
- (c) in any case where payment of the whole or any part of, in the case of interest-bearing Securities, the principal amount of any Security or, in the case of non-interest bearing Securities, any payment amount due in respect of such Security, in each case is improperly withheld or refused (other than in circumstances contemplated by (b) above) interest shall accrue on the nominal amount of such Security payment of which has been so withheld or refused (both before and after any judgment or other order of a court of competent jurisdiction) at the rates aforesaid in the case of interest-bearing Securities or such default rate as may be specified in the relevant

Conditions in the case of non-interest bearing Securities, in each case from the date of such withholding or refusal until the date on which payment of the full amount (including interest as aforesaid) in the relevant currency payable in respect of such Security is made or (if earlier) the seventh day after notice is given to the relevant Holder(s) (whether individually or in accordance with the relevant Conditions) that the full amount (including interest as aforesaid) in the relevant currency in respect of such Security is available for payment, provided that such payment is subsequently made to the relevant Holders.

The Trustee will hold the benefit of such covenant on trust for the Holders and itself in accordance with the Trust Deed.

#### ***Form and Issue of the Securities***

The New Bonds and the GDP-linked Securities will be issued in BOGS and shall be in uncertificated and dematerialised book-entry form. The New Bonds and the GDP-linked Securities will only be issued in registered form and represented by Individual Security Certificates (as defined in the Trust Deed) if (a) BOGS is closed for business for a continuous period of 14 days (other than by reason of holiday) or (b) BOGS announces an intention permanently to cease business or does in fact do so, and in each case no alternative clearing system customarily used for the clearing and settlement of debt securities in the international capital markets is available (provided that for these purposes any successor to BOGS or Euroclear or Clearstream, Luxembourg or any of their successors or affiliates shall be an acceptable alternative clearing system) (an **Exchange Event**).

The Trustee is authorised, without the consent of the Holders of any Series of Securities (including the New Bonds and the GDP-linked Securities), to agree to, and concur in the making of, such changes to the relevant Conditions as are necessary to reflect the change in the form of the Securities (including any Greek law requirements in respect of certificated securities) and the addition of any restrictions and legends as may be required by applicable laws.

#### ***Waiver, Authorisation and Determination***

The Trustee may without the consent or sanction of the Holders and without prejudice to its rights in respect of any subsequent breach or Event of Default under the relevant Conditions of such Series of Securities from time to time and at any time but only if and in so far as in its opinion the interests of the Holders of such Series shall not be materially prejudiced thereby waive or authorise any breach or proposed breach by the Republic of any of the covenants or provisions contained in the Trust Deed or the relevant Conditions or determine that any Event of Default shall not be treated as such for the purposes of the Trust Deed and the relevant Conditions, provided always that the Trustee shall not exercise any such powers conferred on it as set out in the paragraph in the Trust Deed corresponding to this paragraph in contravention of any express direction given by a resolution (in writing or otherwise) of Holders of the requisite majority in accordance with the Conditions of the relevant Securities or by a request properly given under the Conditions but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made.

Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Trustee may determine, shall be binding on the Holders and, if, but only if, the Trustee shall so require, shall be notified by the Republic to the Holders in accordance with the Conditions as soon as practicable thereafter.

#### ***Provisions of Meeting***

The Trust Deed contains provisions for convening meetings of holders of the Securities to consider matters relating to the Securities, including the modification of any provision of the relevant Conditions, which apply to each Series of Securities issued under the Trust Deed subject to any modifications that may be applicable to such Series of Securities as set out in the relevant Conditions. Unless otherwise specified in the relevant Conditions for such Series of Securities, references to “Securities” in this section “—*The Trust Deed—Provisions of Meeting*” shall mean the Securities of that applicable Series only and “Holders” shall be construed accordingly.

In the case of Exchange Bonds, the Exchange Bonds and any other Securities issued by the Republic the terms and conditions of which specify that such Securities are entitled to the benefit of, and are bound by, the terms of the Co-Financing Agreement shall constitute a single Class (the **Class Securities**). For the purposes of any proposal relating to, or proposed modification of, the Exchange Bonds or any other Class Securities or any Cross-Series Modification or any Cross-Series Proposals, the Class Securities shall be treated as a single series and all reference to “series” or “Debt Securities” in this section “—*Trust Deed—Provisions of Meeting*” shall be construed accordingly and the definition of “Reserved Matters” shall include a reference to any directions requested by the Trustee from the Holders of the Exchange Bonds in connection with any modification to the terms of the Co-Financing Agreement or any action that the Trustee is entitled to take under the Co-Financing Agreement.

In the case of GDP-linked Securities, for the purposes of any proposal relating to, or proposed modification of, the GDP-linked Securities, all references in this section “—*Trust Deed—Provisions of Meeting*” to “principal amount” of the Securities shall be deemed to mean “Notional Amount” of the GDP-linked Securities, and the provisions relating to Cross-Series Modification and Cross-Series Proposals in this section “—*Trust Deed—Provisions of Meeting*” shall not be applicable to the GDP-linked Securities.

#### *General Definitions*

For the purposes of this section “—*The Trust Deed—Provisions of Meeting*”, the following terms shall have the following meanings unless the context otherwise requires:

- (a) **Cross-Series Modification** means a modification involving (i) any Series of Securities or any agreement governing the issuance or administration of such Series, and (ii) one or more other series of Debt Securities or any agreement governing the issuance or administration of such other series of Debt Securities.
- (b) **Cross-Series Proposal** means a proposal or matter for consideration affecting or concerning (i) any Series of Securities or any agreement governing the issuance or administration of such Series, and (ii) one or more other series of Debt Securities or any agreement governing the issuance or administration of such other series of Debt Securities.
- (c) **Debt Security** means any bill, bond, debenture, note or other debt security issued by the Republic in one or more series with an original stated maturity of more than one year, and includes any such obligation, irrespective of its original stated maturity, that formerly constituted a component part of a Debt Security.
- (d) **holder** in relation to any Debt Security means the person the Republic is entitled to treat as the holder of such Debt Security in accordance with the terms and conditions of such Debt Security or any agreement governing the issuance or administration of such Debt Security.
- (e) **Index-Linked Obligation** means a Debt Security that provides for the payment of additional amounts linked to changes in a published index, but does not include a component part of an Index-Linked Obligation that is no longer attached to that Index-Linked Obligation.
- (f) **modification** in relation to any Debt Security means any modification, amendment, supplement or waiver of the terms and conditions of such Debt Security or any agreement governing the issuance or administration of such Debt Security.
- (g) **Outstanding** in relation to any Security means a Security that is Outstanding for purposes of the paragraph “—*Outstanding Securities*” below (which corresponds to paragraph 2.7 of Schedule 4 to the Trust Deed), and in relation to any other series of Debt Securities means a Debt Security that is Outstanding for purposes of the paragraph “—*Outstanding Debt Securities*” below (which corresponds to paragraph 2.8 of Schedule 4 to the Trust Deed).
- (h) **proposal** in relation to any Debt Security means any proposal, plan, scheme, request and/or any matter whatsoever put forward for consideration, acceptance, adoption and/or performance in connection with such Debt Security, including, without limitation, a request by the Trustee for directions from the relevant holders.
- (i) **Record Date** in relation to any proposal or proposed modification relating to any Series of Securities means the date fixed by the Republic (or in the case of a meeting convened by the Trustee for the purposes of seeking directions from the Holder of any Series of Securities, the Trustee (after prior consultation to the extent practicable with the Republic)) for determining the Holders of such Securities and, in the case of a Cross-Series Modification and/or Cross-Series Proposal, the holders of Debt Securities of each other series, in each case that are entitled to vote on a resolution or sign a written resolution in relation to the relevant proposal or proposed modification.
- (j) **Reserved Matter** in relation to the Securities of any Series means any proposal relating to and/or a modification that relates to or would, if approved, give rise to:
  - (i) a change to any date on which any amount is payable on such Securities;
  - (ii) a reduction in any amount, including any overdue amount, payable on such Securities;
  - (iii) a change to any method used to calculate any amount payable on such Securities;
  - (iv) a reduction in the redemption price for such Securities or a change to any date on which such Securities may be redeemed;



- (v) a change to the currency or place of payment of any amount payable on such Securities;
- (vi) the imposition of any condition on or other modification of the Republic's obligation to make payments on such Securities;
- (vii) a change to any payment-related circumstance under which such Securities may be declared due and payable prior to their stated maturity;
- (viii) a change to the pari passu ranking provisions (if any) of such Securities;
- (ix) a change to the law governing such Securities;
- (x) a change to any court to whose jurisdiction the Republic has so submitted or any immunity waived by the Republic in relation to legal proceedings arising out of or in connection with such Securities;
- (xi) other than in accordance with the express terms of such Securities and any relevant Debt Securities, a reduction in the principal amount of Outstanding Securities or, in the case of a Cross-Series Modification and/or Cross-Series Proposal, the principal amount of Debt Securities of any other series required to approve a proposed modification in relation to such Securities, the principal amount of Outstanding Securities required for a quorum to be present, or the rules for determining whether a Security is Outstanding for those purposes;
- (xii) a change to any matter specified in the Conditions of such Securities as a "Reserved Matter"; or
- (xiii) a change to this definition,

and shall have the same meaning in relation to the Debt Securities of each other series save that any of the foregoing references to the Securities shall be read as references to such other Debt Securities.

- (k) **series** means, unless otherwise specified in the terms and conditions of such Debt Securities, Debt Securities that are (i) identical in all respects except for their date of issuance or first payment date, and (ii) expressed to be consolidated and form a single series.
- (l) **Zero-Coupon Obligation** means a Debt Security that does not expressly provide for the accrual of interest, and includes the former component parts of a Debt Security that did expressly provide for the accrual of interest if that component part does not itself expressly provide for the accrual of interest.
- (m) **48 Hours** means a period of 48 hours including all or part of two days upon which commercial banks are generally open for business (x) in the place where the relevant meeting is to be held, (y) in the Republic and (z) in the place where the relevant agent of the Republic for the purposes of receiving notices of proxies has its specified office (disregarding for this purpose the day upon which such meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of two days upon which commercial banks are generally open for business in all of the places as aforesaid.

*Proposals relating to, and Modification of, Securities*

Reserved Matter Proposals and/or Modifications. Except as provided in the following paragraph "*Cross-Series Proposals and/or Modifications*" below, any modification in relation to, or proposal relating to, a Reserved Matter affecting the Conditions of the Securities and/or any agreement governing the issuance or administration of such Securities may only be approved with the consent of the Republic (provided that the consent of the Republic shall not be required in connection with any request by the Trustee for directions from the relevant Holders) and:

- (a) the affirmative vote of a Holder or Holders of not less than 75% of the aggregate principal amount of the Outstanding Securities represented at a duly called and quorate meeting of Holders; or
- (b) a written resolution signed by or on behalf of a Holder or Holders of not less than 66 2/3% of the aggregate principal amount of the Securities then Outstanding.

Cross-Series Proposals and/or Modifications. In the case of a Cross-Series Modification and/or Cross-Series Proposal, any modification in relation to, or proposal relating to, a Reserved Matter, affecting the terms and conditions of the Securities and any other series of Debt Securities, and/or any agreement governing the issuance or administration of the Securities or Debt Securities of such other series may only be approved with the consent of the Republic (provided that the consent of the Republic shall not be required in connection with any request by the Trustee for directions from the relevant holders) and:

- (a)(i) the affirmative vote of not less than 75% of the aggregate principal amount of the Outstanding Debt Securities represented at separate duly called and quorate meetings of the holders of the Debt Securities of all the series (taken in the aggregate) that would be affected by the proposal and/or proposed modification; or
- (a)(ii) written resolutions signed by or on behalf of the holder or holders of not less than 66 2/3% of the aggregate principal amount of the Outstanding Debt Securities of all the series (taken in the aggregate) that would be affected by the proposal and/or proposed modification;

and

- (b)(i) the affirmative vote of more than 66 2/3% of the aggregate principal amount of the Outstanding Debt Securities represented at separate duly called and quorate meetings of the holders of each series of Debt Securities (taken individually) that would be affected by the proposal and/or proposed modification; or
- (b)(ii) written resolutions signed by or on behalf of the holder or holders of more than 50% of the aggregate principal amount of the then Outstanding Debt Securities of each series (taken individually) that would be affected by the proposal and/or proposed modification.

A separate meeting for each affected series of Debt Securities will be called and held, or a separate written resolution signed for each affected series of Debt Securities, in relation to any modification or proposal except as permitted otherwise in accordance with the terms and conditions of such Debt Security or any agreement governing the issuance or administration of such Debt Security.

Proposed Cross-Series Modifications and/or Cross-Series Proposals. A proposed Cross-Series Modification and/or Cross-Series Proposal may include one or more proposed alternative proposals and/or modifications of the terms and conditions of each affected series of Debt Securities or of any agreement governing the issuance or administration of any affected series of Debt Securities, provided that all such proposed alternative proposals and/or modifications are addressed to and may be accepted by any holder of any Debt Security of any affected series.

Partial Cross-Series Modifications and/or Cross-Series Proposals. If a proposed Cross-Series Modification and/or Cross-Series Proposal is not approved or otherwise sanctioned (as the case may be) in relation to a Reserved Matter in accordance with “—*Cross-Series Proposals and/or Modifications*” above, but would have been so approved or sanctioned if the proposal and/or proposed modification had involved only the Securities and one or more, but less than all, of the other series of Debt Securities affected by the proposal and/or proposed modification, that Cross-Series Modification and/or Cross-Series Proposal will be deemed to have been approved or otherwise sanctioned (as the case may be), notwithstanding “—*Cross-Series Proposals and/or Modifications*” above, in relation to the Securities and Debt Securities of each other series whose proposal and/or modification would have been approved or otherwise sanctioned (as the case may be) in accordance with “—*Cross-Series Proposals and/or Modifications*” if the proposal and/or proposed modification had involved only the Securities and Debt Securities of such other series, provided that:

- (a) prior to the Record Date for the proposed Cross-Series Modification and/or Cross-Series Proposal, the Republic has notified Holders of the Securities (in accordance with the relevant Conditions) and holders of the other affected Debt Securities of the conditions under which the proposed Cross-Series Modification and/or Cross-Series Proposal will be deemed to have been approved or sanctioned (as the case may be) if it is approved or sanctioned in the manner described above in relation to some but not all of the affected series of Debt Securities; and
- (b) those conditions are satisfied in connection with the proposed Cross-Series Modification and/or Cross-Series Proposal.

Non-Reserved Matter Proposal and Modification. Subject as otherwise provided in the Trust Deed, any modification in relation to, or proposal relating to, the terms and conditions of the Securities and/or any agreement governing the issuance or administration of the Securities and which is not, or does not relate to a Reserved Matter may only be approved with the consent of the Republic (provided that the consent of the Republic shall not be required in connection with any request by the Trustee for directions from the relevant Holders) and:

- (a) the affirmative vote of a Holder or Holders of more than 50% of the aggregate principal amount of the Outstanding Securities represented at a duly called and quorate meeting of Holders; or
- (b) a written resolution signed by or on behalf of a Holder or Holders of more than 50% of the aggregate principal amount of the Outstanding Securities.

Multiple Currencies, Index-Linked Obligations and Zero-Coupon Obligations. In determining whether a proposal and/or proposed modification has been approved or otherwise sanctioned (as the case may be) by the requisite principal amount of Securities and other Debt Securities of one or more other series:

- (a) if the proposal and/or modification involves Debt Securities denominated in more than one currency, the principal amount of each affected Debt Security will be equal to an amount in such currency as the Republic may in its discretion elect that could have been obtained on the relevant Record Date for the proposal and/or proposed modification with the principal amount of the relevant Debt Security, using the applicable foreign exchange reference rate for the Record Date published by the central bank or monetary authority for such currency, provided that in the case of euro, the applicable rate shall be the euro foreign exchange reference rate for the Record Date published by the European Central Bank;
- (b) if the proposal and/or modification involves an Index-Linked Obligation, the principal amount of each such Index-Linked Obligation will be equal to its adjusted nominal amount;
- (c) if the proposal and/or modification involves a Zero-Coupon Obligation that did not formerly constitute a component part of an Index-Linked Obligation, the principal amount of each such Zero-Coupon Obligation will be equal to its nominal amount or, if its stated maturity date has not yet occurred, to the present value of its nominal amount;
- (d) if the proposal and/or modification involves a Zero-Coupon Obligation that formerly constituted a component part of an Index-Linked Obligation, the principal amount of each such Zero-Coupon Obligation that formerly constituted the right to receive:
  - (i) a non-index-linked payment of principal or interest will be equal to its nominal amount or, if the stated maturity date of the non-index-linked payment has not yet occurred, to the present value of its nominal amount; and
  - (ii) an index-linked payment of principal or interest will be equal to its adjusted nominal amount or, if the stated maturity date of the index-linked payment has not yet occurred, to the present value of its adjusted nominal amount; and
- (e) for the purposes of this paragraph “—*Multiple Currencies, Index-Linked Obligations and Zero-Coupon Obligations*”:
  - (i) the adjusted nominal amount of any Index-Linked Obligation and any component part of an Index-Linked Obligation is the amount of the payment that would be due on the stated maturity date of that Index-Linked Obligation or component part if its stated maturity date was the Record Date for the proposal and/or proposed modification, based on the value of the related index on the Record Date published by or on behalf of the Republic or, if there is no such published value, on the interpolated value of the related index on the Record Date determined in accordance with the terms and conditions of the Index-Linked Obligation, but in no event will the adjusted nominal amount of such Index-Linked Obligation or component part be less than its nominal amount unless the terms and conditions of the Index-Linked Obligation provide that the amount of the payment made on such Index-Linked Obligation or component part may be less than its nominal amount; and
  - (ii) the present value of a Zero-Coupon Obligation is determined by discounting the nominal amount (or, if applicable, the adjusted nominal amount) of that Zero-Coupon Obligation from its stated maturity date to the Record Date at the specified discount rate using the applicable market day-count convention, where the specified discount rate is:
    - (x) if the Zero-Coupon Obligation was not formerly a component part of a Debt Security that expressly provided for the accrual of interest, the yield to maturity of that Zero-Coupon Obligation at issuance or, if more than one tranche of that Zero-Coupon Obligation has been issued, the yield to maturity of that Zero-Coupon Obligation at the arithmetic average of all the issue prices of all the Zero-Coupon Obligations of that series of Zero-Coupon Obligations weighted by their nominal amounts; and
    - (y) if the Zero-Coupon Obligation was formerly a component part of a Debt Security that expressly provided for the accrual of interest:

1. the coupon on that Debt Security if that Debt Security can be identified; or
2. if such Debt Security cannot be identified, the arithmetic average of all the coupons on all of the Republic's Debt Securities (weighted by their principal amounts) referred to below that have the same stated maturity date as the Zero-Coupon Obligation to be discounted, or, if there is no such Debt Security, the coupon interpolated for these purposes on a linear basis using all of the Republic's Debt Securities (weighted by their principal amounts) referred to below that have the two closest maturity dates to the maturity date of the Zero-Coupon Obligation to be discounted, where the Debt Securities to be used for this purpose are all of the Republic's Index-Linked Obligations if the Zero-Coupon Obligation to be discounted was formerly a component part of an Index-Linked Obligation and all of the Republic's Debt Securities (Index-Linked Obligations and Zero-Coupon Obligations excepted) if the Zero-Coupon Obligation to be discounted was not formerly a component part of an Index-Linked Obligation, and in either case are denominated in the same currency as the Zero-Coupon Obligation to be discounted.

Outstanding Securities. In determining whether Holders of the requisite principal amount of Outstanding Securities have voted in favour of a proposal and/or proposed modification or whether a quorum is present at any meeting of Holders called to vote on a proposal and/or proposed modification, a Security will be deemed to be not Outstanding, and may not be voted for or against a proposal and/or proposed modification or counted in determining whether a quorum is present, under certain circumstances as are more particularly set forth in the Trust Deed including, without limitation, if on the relevant Record Date for such proposal and/or proposed modification, the Security has been redeemed, purchased and cancelled, substituted, become void or is held by the Republic or by such entity controlled by the Republic and such entity does not have autonomy of decision.

Outstanding Debt Securities. In determining whether holders of the requisite principal amount of any series of Outstanding Debt Securities have voted in favour of a proposed Cross-Series Modification and/or Cross-Series Proposal or whether a quorum is present at any meeting of the holders of such Debt Securities called to vote on a proposed Cross-Series Modification and/or Cross-Series Proposal, a Debt Security of any series to which such Cross-Series Modification and/or Cross-Series Proposal relates will be deemed to be not Outstanding, and may not be voted for or against a proposed Cross-Series Modification and/or Cross-Series Proposal or counted in determining whether a quorum is present, in accordance with the applicable terms and conditions of that Debt Security.

#### *Meetings; Written Resolutions*

Convening Meetings. A meeting of Holders:

- (a) may be convened by the Republic or the Trustee at any time; and
- (b) will be convened by the Republic if a meeting is requested in writing by the Holders of not less than 10% of the aggregate principal amount of the Securities then Outstanding and if the Republic fails to convene a meeting within 14 days of the request, the same may be convened by the Trustee at the request of any of such Holders (subject to it being indemnified, secured and/or pre-funded to its satisfaction by the relevant Holders).

Notice of Meetings. The notice convening a meeting of Holders will be published by the Republic (or, in the case of a meeting called by the Trustee, the Trustee (at the cost and expense of the Republic)) at least 21 days prior to the date of the meeting or, in the case of an adjourned meeting, at least 10 days prior to the date of the adjourned meeting. Detailed provisions regarding such notice are set forth in the Trust Deed.

Quorum. No business will be transacted at any meeting in the absence of a quorum other than the choosing of a chair if one has not been appointed by the Republic. The quorum at any meeting at which Holders will vote on a proposal in relation to, or a proposed modification of:

- (a) a Reserved Matter will be one or more persons present or represented at the meeting and holding not less than 66 2/3% of the aggregate principal amount of the Securities then Outstanding; and
- (b) a matter other than a Reserved Matter will be one or more persons present or represented at the meeting and holding not less than 50% of the aggregate principal amount of the Securities then Outstanding.

Adjourned Meetings. If a quorum is not present within thirty minutes of the time appointed for a meeting, the meeting may be adjourned for a period of not more than 42 days and not less than 14 days as determined by the chair of the meeting. The quorum for any adjourned meeting will be one or more persons present or represented at the meeting and holding:

- (a) not less than 66 2/3% of the aggregate principal amount of the Securities then Outstanding in the case of a proposed Reserved Matter modification or a proposal relating to a Reserved Matter; and
- (b) not less than 25% of the aggregate principal amount of the Securities then Outstanding in the case of a non-Reserved Matter modification or a proposal relating to a matter other than a Reserved Matter.

Written Resolutions. A written resolution signed by or on behalf of Holders of the requisite majority of the Securities then Outstanding will be valid for all purposes as if it was a resolution passed at a quorate meeting of Holders duly convened and held in accordance with these provisions. A written resolution may be set out in one or more documents in like form each signed by or on behalf of one or more Holders.

Binding Effect. A resolution duly passed at a quorate meeting of Holders duly convened and held in accordance with the provisions of the Trust Deed, and a written resolution duly signed by the requisite majority of Holders, will be binding on all Holders, whether or not the Holder was present or represented at the meeting, voted for or against the resolution or signed the written resolution, including, without limitation, resolutions passed:

- (a) to sanction any compromise or arrangement proposed to be made between the Republic, the Trustee, any Appointee and the Holders or any of them;
- (b) to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Trustee, any Appointee, the Holders, the Republic or against any other or others of them or against any of their property whether such rights shall arise under the relevant Conditions, the Trust Deed or otherwise;
- (c) to assent to any modification of the provisions of the terms and conditions of the relevant Securities and/or Debt Securities and any agreement governing the issuance or administration of such Securities and/or Debt Securities which shall be proposed by the Republic, the Trustee or any Holder;
- (d) to give any authority or sanction which under the provisions of the terms and conditions of the relevant Securities and/or Debt Securities and any agreement governing the issuance or administration of such Securities and/or Debt Securities is required to be given by resolution of Holders of the requisite majority of Securities;
- (e) to appoint any persons (whether Holders or not) as a committee or committees to represent the interests of the Holders and to confer upon such committee or committees any powers or discretions which the Holders could themselves exercise by resolution of the requisite majority of Securities;
- (f) to approve of a person to be appointed a trustee and power to remove any trustee or trustees for the time being of the relevant Series of Securities;
- (g) to discharge or exonerate the Trustee and/or any Appointee from all liability in respect of any act or omission for which the Trustee and/or such Appointee may have become responsible under the Conditions of the relevant Securities and/or any agreement governing the issuance or administration of such Securities;
- (h) to authorise the Trustee and/or any Appointee to concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any resolution duly passed at a quorate meeting of Holders duly convened and held in accordance with these provisions or a written resolution duly signed by the requisite majority of Holders; and/or
- (i) to sanction any scheme or proposal for the exchange or sale of the relevant Securities for or the conversion of the Securities into or the cancellation of the Securities in consideration of any asset or property.

Entitlement to Vote. Any person who is a Holder of an Outstanding Security on the Record Date for a proposal and/or proposed modification, and any person duly appointed as a proxy by a Holder of an Outstanding Security on the Record Date for a proposal and/or proposed modification, will be entitled to vote on the proposal and/or proposed modification at a meeting of Holders and/or to sign a written resolution with respect to the proposal and/or proposed modification. Detailed provisions regarding voting are set forth in the Trust Deed.

**Publication.** The Republic will, without undue delay, publish all duly adopted resolutions and written resolutions provided that the non-publication of such notice shall not invalidate such result. The Republic will publish all notices and other matters required to be published pursuant to such provisions set forth in the Trust Deed in accordance with the Conditions of the Securities.

#### ***Modification and waiver***

Subject to the second paragraph of this section “—*Modification and waiver*” below, the Trustee may without the consent or sanction of the Holders of the relevant Series of Securities (including the New Bonds) or any other Series of Securities at any time and from time to time concur or direct any other person (as the case may be) in making any modification to the Trust Deed (insofar as it relates to such Series), the relevant Conditions and/or any Agency Agreement (as defined in the Trust Deed):

(a) for the purpose of adding to the Republic’s covenants for the benefit of the Holders;

(b) for the purpose of surrendering any right or power conferred upon the Republic;

(c) to comply with mandatory provisions of law;

(d) in the manner contemplated by the Trust Deed, the relevant Conditions and/or any Agency Agreement (including any modification which has been approved by a resolution of the relevant Holders of the requisite majority in accordance with the terms of the relevant Conditions);

(e) to any other modification which in the opinion of the Trustee it may be proper to make, provided that the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Holders of the relevant Series of Securities or any other Series of Securities; or

(f) if, in the opinion of the Trustee, such modification is of a formal, minor or technical nature or is necessary to correct a manifest error.

Any modification to the Trust Deed, the relevant Conditions and/or any Agency Agreement insofar as (but only insofar as) the same relate to any Exchange Bonds (which include, for the avoidance of doubt, the New Bonds) shall, for so long as any amount remains outstanding under the PSI LM Facility Agreement (as defined in the Trust Deed), be subject to the prior written consent of the EFSF.

Any such modification may be made on such terms and subject to such conditions (if any) as the Trustee may determine, shall be binding upon the Holders of the relevant Series and, unless the Trustee agrees otherwise, shall be notified by the Republic to the Holders of the relevant Series in accordance with the Conditions as soon as practicable thereafter.

If so requested by the Republic, the Trustee is authorised, without the consent or sanction of the Holders of any Series of Securities, to enter into any Agency Agreement or agree to any modification to the Trust Deed or the relevant Conditions, in each case as the Trustee may consider, in its complete discretion, necessary or desirable to facilitate the exchange of, or the substitution of, the Securities of any Series for securities issued, held and cleared through Euroclear or Clearstream, Luxembourg.

#### ***Enforcement***

The Trustee may (in respect of any right, power or discretion which is personal to the Trustee or to preserve or protect the Trustee’s position only), and shall (if and only if it becomes so bound as described in the third paragraph of this section “—*Enforcement*” below), at any time after any amount of principal or interest or any other amounts payable by the Republic (if any) under any Series of Securities has become due and is unpaid take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) as it may think fit against or in relation to the Republic to enforce the Republic’s obligations under the Trust Deed or the relevant Conditions of such Series of Securities (an **Enforcement Action**).

Proof that as regards any specified Security the Republic has made default in paying any amount due in respect of such Series of Securities shall (unless the contrary be proved) be sufficient evidence that the same default has been made as regards all other Securities of that Series (but not other Series) in respect of which the relevant amount is due and payable.

The Trustee shall not be bound to take an Enforcement Action with respect to any Class (as defined in the Trust Deed) of Securities unless directed or requested to do so in writing by the Holders for the time being of at least 25 per cent. of the Outstanding Securities of the relevant Class (and such Enforcement Action shall relate only to that relevant Class of Securities), subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction by the relevant Holders against all Liabilities (as defined in the Trust Deed) to which it may render itself liable or which it may incur by so doing. For the purposes of this paragraph, **Outstanding** in relation to Securities of any Class shall have the meaning ascribed to it in the section “—*Provisions of Meeting*” above.

The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to take the relevant action in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

Notwithstanding anything to the contrary in the Trust Deed or the Conditions of any Series of Securities and subject to the next sentence, only the Trustee may enforce the provisions of the Trust Deed and the Conditions of any Series of Securities. No Holder will be entitled to (a) take any steps or action against the Republic to enforce the performance of any of the provisions of the Trust Deed or the relevant Conditions of any Series or (b) take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Republic, in each case unless the Trustee, having become bound pursuant to the third paragraph of this section “—*Enforcement*” above to take any such action, steps or proceedings pursuant to the above, fails to do so within a reasonable period and such failure is continuing, provided that any sums recovered by such Holder shall be applied in accordance with the following section “—*Application of Moneys*” below.

#### ***Application of Moneys***

All moneys received by the Trustee in respect of the Securities of any Series or amounts payable under the Trust Deed shall be held by the Trustee upon trust to apply them (subject to the terms of the Trust Deed):

- (a) *first*, in payment or satisfaction of all amounts then due and unpaid in accordance with the Trust Deed to the Trustee and/or any Appointee (as defined in the Trust Deed);
- (b) *secondly*, in or towards payment *pari passu* and rateably of all interest remaining unpaid in respect of the Securities of the relevant Series and all principal moneys due and unpaid on or in respect of the Securities of that Series and all other amounts (if any) due and unpaid on or in respect of the Securities of that Series, provided that where the Securities of more than one Series have become so due and payable, such monies shall be applied as between the amounts outstanding in respect of the different Series *pari passu* and rateably (except where, in the opinion of the Trustee, such monies are paid or recovered in respect of a specific Series or several specific Series, in which event such monies shall be applied solely to the amounts outstanding in respect of that Series or those Series respectively); and
- (c) *thirdly*, in payment of the balance (if any) to the Republic (without prejudice to, or liability in respect of, any question as to how such payment to the Republic shall be dealt with as between the Republic and any other person).

Without prejudice to the paragraph above, if the Trustee holds any moneys which represent principal, premium (if any), interest or any other amounts payable by the Republic (if any) in respect of Securities which have become void or in respect of which claims have been prescribed under the relevant Conditions, the Trustee will hold such moneys on the above trusts.

#### ***Governing Law and Submission to Jurisdiction***

The Trust Deed and all of the respective rights, obligations, responsibilities and liabilities (howsoever described and whether expressly set out herein or implied by law) of the Republic or the Trustee under, pursuant to, in connection with or arising out of the Trust Deed, and any non-contractual obligations arising out of or in connection therewith will be governed by, and shall be construed in accordance with, English law.

The Republic will in the Trust Deed agree for the exclusive benefit of the Trustee that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of the Trust Deed, and that any suit, action or proceeding arising out of the Trust Deed or any of the respective rights, obligations, responsibilities and liabilities (howsoever described and whether expressly set out in the Trust Deed or implied by law) of the Republic or the Trustee under, pursuant to, in connection with or arising out of the Trust Deed, (including any suit, action or proceeding arising out of any non-contractual obligations arising out of the Trust Deed) may be brought in the courts of England.

#### **The PSI Payment Notes Cash Proceeds and Accrued Interest Notes Cash Proceeds**

The Republic has entered into certain borrowing arrangements with the EFSF under the PSI LM Facility Agreement and the Bond Interest Facility, pursuant to which the EFSF is to meet its lending commitments thereunder through the delivery of PSI Payment Notes and Accrued Interest Notes, respectively, to the Republic, subject to the Republic satisfying the conditions under the PSI LM Facility Agreement and the Bond Interest Facility, respectively, in each case including the approval by the EWG, at its absolute discretion, of the requisite disbursements. The Republic, in turn, will deliver the PSI Payment Notes and Accrued Interest Notes to the relevant Direct Participants in BOGS and such Direct Participant will immediately transfer such PSI Payment Notes and

Accrued Interest Notes to an account of the Bank of Greece in BOGS where they will be held until they are sold in accordance with the Cash Proceeds Arrangement on the relevant Settlement Date upon acceptance by the Republic of any tenders of such Designated Securities for exchange or upon effectiveness of the Proposed Amendments to such Designated Securities pursuant to this Invitation. as described under “*The Invitation—The Exchange Offer*” and “*The Invitation—Delivery of New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes*”.

The Net Cash Proceeds from sales of PSI Payment Notes and Accrued Interest Notes to be delivered to the relevant holders of Designated Securities as promptly as practicable after the acceptance by the Republic of any tenders of such Designated Securities for exchange or upon effectiveness of the Proposed Amendments to such Designated Securities pursuant to this Invitation will be dependent on the terms of such PSI Payment Notes and Accrued Interest Notes, respectively. The Republic urges holders of Designated Securities to read the final terms of each series of PSI Payment Notes and of the Accrued Interest Notes, as well as the EFSF Programme Prospectus, each available on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu), in their entirety in making their investment decisions. Such website, final terms and EFSF Programme Prospectus are not incorporated by reference into this Invitation Memorandum.



## **RISK FACTORS AND OTHER CONSIDERATIONS**

*Before making a decision whether to tender Designated Securities for exchange pursuant to the Invitation, consent to and vote in favor of, or reject and vote against, the Proposed Amendments, holders of Designated Securities should carefully consider all of the information included and incorporated by reference in this Invitation Memorandum and, in particular, the following factors. The following is not intended to be exhaustive. Additional risks and uncertainties that the Republic does not know about as at the date of this Invitation Memorandum or that the Republic currently thinks are immaterial may also impair the holding of the New Bonds and GDP-linked Securities. Holders of Designated Securities should make their own independent evaluations of all the risk factors relating to the Invitation.*

### **Risks of Not Participating in the Invitation**

#### ***The Republic Faces High Refinancing Risk***

The private international capital markets are likely to be closed to the Republic for some time to come and official sector financing will only be available for specific purposes and subject to satisfaction of conditions, including the timely implementation of the economic reform programme agreed with the Republic's official sector creditors. If the conditions for the transactions contemplated in the Invitation are not satisfied or waived and the Republic does not complete those transactions or other transactions resulting in debt relief, or if the Republic cannot secure access to private sector funding or additional official sector funding in amounts equivalent to the benefit to the Republic of completing the Invitation, the Republic may not be able to continue regular payments on all of its indebtedness. This would impair the value of the Designated Securities.

#### ***Uncertainty as to the trading market for Designated Securities not exchanged***

To the extent tenders for exchange of Designated Securities of any series pursuant to the Invitation are accepted by the Republic (and the Proposed Amendments to such series of Designated Securities are not put into effect) and the exchange or substitution of such series of Designated Securities is completed, the trading market for the Designated Securities of such series that remain outstanding following such completion may be significantly more limited. There is no assurance that such Designated Securities will remain listed on the stock exchange(s) or market(s) on which such Designated Securities are currently listed or admitted to trading. Such remaining Designated Securities may command a lower price than a comparable issue of securities with greater market liquidity. A reduced market value and liquidity may also make the trading price of such remaining Designated Securities more volatile. As a result, the market price for such Designated Securities that remain outstanding after the completion of the Invitation may be adversely affected as a result of such exchange or substitution. None of the Republic, the Issuers of Foreign Law Guaranteed Titles and the Information, Exchange and Tabulation Agent (or any other person) has any duty to make a market in any such remaining Designated Securities.

#### ***No assurance as to financial condition of the Issuers of Foreign Law Guaranteed Titles***

The relevant Issuer of Foreign Law Guaranteed Titles may not have adequate funds and assets, or the ability to generate sufficient revenues and income, to be able to continue regular payments or to make any payments on the Foreign Law Guaranteed Titles when due at maturity. Any number of factors could adversely affect the liquidity and financial condition of the relevant Issuer of Foreign Law Guaranteed Titles and its ability to generate revenue and income to operate its business and service its debt. The continued ability of the Republic to service the Foreign Law Guaranteed Titles cannot be assured. See “—*The Republic Faces High Refinancing Risk*”. Consequently, the value of any Foreign Law Guaranteed Titles of such Issuer of Foreign Law Guaranteed Titles that remain outstanding could be impaired.

#### ***Effectiveness of Proposed Amendments on non-participating holders of Designated Securities***

Holders of Designated Securities that do not participate in the Invitation and those that reject and vote against the Proposed Amendments to such Designated Securities will, if such Proposed Amendments are declared effective, be bound by the relevant Proposed Amendments, and will receive, for each €1,000 face amount (converted, where applicable, into euro at the Applicable Exchange Rate) of such Designated Securities, the Consideration and any Accrued Interest Payment (by delivery of Accrued Interest Notes) on the relevant Settlement Date or, in the case of the PSI Payment Notes Cash Proceeds and Accrued Interest Note Cash Proceeds, on, or as promptly as practicable after, the applicable Settlement Date. The Republic will not be obligated to pay any amount other than, or additional to, the Net Cash Proceeds.

In the event that holders of Designated Securities receive a cash interest payment under the relevant Designated Security after the date of this Invitation Memorandum, (a) they will receive no Accrued Interest Payment and (b) the face amount of the PSI Payment Notes to be delivered by the Republic will be reduced by an amount (subject to rounding) equal to the portion of such cash

interest payment accrued on and after the date of this Invitation Memorandum to the date of such cash interest payment, and in the case of U.S. Bondholders will be subject to the Cash Proceeds Arrangement (as defined herein).

Pursuant to the Greek Bondholder Act, the Proposed Amendments to the Eligible Titles will become effective, and all U.S. holders of Eligible Titles will receive the Consideration, if (i) (a) holders of at least 50% in aggregate principal amount of the Eligible Titles outstanding on the Expiration Deadline submit Participation Instructions (even if no Eligible Titles are tendered for exchange pursuant to those Participation Instructions) pursuant to this Invitation and the Offshore Invitation and (b) holders of at least two-thirds in aggregate principal amount of the Eligible Titles in respect of which a Participation Instruction was submitted pursuant to this Invitation and such Parallel Invitation, as applicable, consent to the Proposed Amendments to the Eligible Titles, and (ii) the Republic decides to put into effect the Proposed Amendments to the Eligible Titles (subject to satisfaction or waiver of the Minimum Participation Condition, the Financing Condition and the Other Conditions). Accordingly, a holder of any series of Eligible Titles may become subject to the Proposed Amendments to the Eligible Titles as a result of the approval of the Proposed Amendments to the Eligible Titles by the requisite majority.

### **Risks of Participating in the Invitation**

#### ***Differences between the Designated Securities and the New Bonds and GDP-linked Securities***

The financial terms and certain other conditions of the New Bonds and GDP-linked Securities will be substantially different from those of the Designated Securities. Holders of Designated Securities should consider carefully the differences (which include, inter alia, the payment dates, the interest rate and the maturity date and, in the case of any Foreign Law Guaranteed Titles, the obligor). The terms and conditions of, and other information relating to, the New Bonds and GDP-linked Securities are set out herein. Holders of Designated Securities should carefully consider the differences between the New Bonds and GDP-linked Securities and the Designated Securities they currently hold in deciding whether to participate in the Invitation in respect of their Designated Securities.

Holders of Designated Securities who receive a cash interest payment on such Designated Securities after the date of this Invitation Memorandum are informed that they will not receive any Accrued Interest Notes and the face amount of the PSI Payment Notes they receive will be reduced by an amount (subject to rounding) equal to the portion of such cash interest payment accrued on and after the date of this Invitation Memorandum to the date of such cash interest payment, and in the case of U.S. Bondholders will be subject to the Cash Proceeds Arrangement.

#### ***Change of obligor for holders of Foreign Law Guaranteed Titles***

The Foreign Law Guaranteed Titles were originally issued as obligations of one of the Issuers of Foreign Law Guaranteed Titles, benefiting from a guarantee of the Republic. The New Bonds and GDP-linked Securities will be issued by the Republic, and the relevant Issuer of Foreign Law Guaranteed Titles will not be a co-obligor or guarantor under the New Bonds or GDP-linked Securities and neither the Republic nor the relevant Issuer of Foreign Law Guaranteed Titles will be an obligor under the PSI Payment Notes or Accrued Interest Notes. Consequently, to the extent tenders for exchange of any Foreign Law Guaranteed Titles of any series pursuant to the Invitation are accepted by the Republic and the exchange of such series of Foreign Law Guaranteed Titles is completed, or to the extent the Proposed Amendment to any series of Foreign Law Guaranteed Titles becomes effective, holders of Foreign Law Guaranteed Titles will no longer hold an obligation of the relevant Issuer of Foreign Law Guaranteed Titles.

#### ***Bondholders responsible for complying with the procedures of the Invitation***

Bondholders are responsible for complying with all of the procedures for tendering Designated Securities for exchange and consenting to or rejecting the Proposed Amendments, as applicable. All questions as to the validity, form and eligibility (including time of receipt) of any Participation Instruction or Revocation Instruction will be determined by the Republic in its sole discretion, which determination shall be final and binding.

The Republic reserves the absolute right to: (i) reject any and all Participation Instructions or Revocation Instructions not in proper form or for which any corresponding agreement by the Republic to accept would, in the opinion of the Republic and its legal advisers, be unlawful; (ii) waive any defects, irregularities or delay in the submission of any and all Participation Instructions or Revocation Instructions; and (iii) waive any such defect, irregularity or delay in respect of particular tenders of Designated Securities for exchange or consents, whether or not the Republic elects to waive similar defects, irregularities or any delay in respect of any other such tenders or consents.

Neither the Republic nor the Information, Exchange and Tabulation Agent shall be under any duty to give notice to a Bondholder of any defects, irregularities or delays in any Participation Instruction or Revocation Instruction, nor shall any of them incur any liability for failure to give such notice.

***No responsibility for procedural errors or delays of a clearing system or other third parties***

Any errors by or delays of the Issuer Clearing Systems, Direct Participants in the relevant Issuer Clearing System or custodians or other securities intermediaries or (in respect of the delivery of the New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes, BOGS or custodians or other securities intermediaries) may prejudice a Bondholder's ability to participate in the Invitation and/or receive the New Bonds, the GDP-linked Securities, the PSI Payment Notes and the Accrued Interest Notes.

Where applicable, after contacting and providing information to a custodian or other securities intermediary, Bondholders will have to rely on this institution, any other relevant custodians and securities intermediaries, and on the relevant Direct Participant and Issuer Clearing System to take the steps necessary for the Participation Instruction or any Revocation Instruction and all other required documentation to be submitted properly and by the applicable deadline. This process may include several intermediaries. It is possible that any person or entity in this chain may commit an error in submitting the Participation Instructions.

Moreover, there are very large amounts of Designated Securities outstanding and a very large number of holders of these Designated Securities. If a large proportion of the holders of Designated Securities tender their Designated Securities for exchange in the Invitation and/or submit Participation Instructions in respect of the Proposed Amendments to their Designated Securities, and if such tenders are accepted by the Republic or if any of the Proposed Amendments are put into effect, very large amounts of New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes will be delivered to relevant holders of Designated Securities. The Clearing Systems and any custodians and other securities intermediaries may experience significant delays, and possibly systemic breakdowns, in the processing of Participation Instructions by, or the delivery of New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes to holders who tender Designated Securities for exchange and/or holders of Designated Securities with respect to which Proposed Amendments have been made effective. Any such error, delay in processing or systemic breakdown could result in the Participation Instruction or any Revocation Instruction being improperly submitted, arriving past the relevant deadline, or not at all, or the delivery of the New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes being significantly delayed.

Any error committed in identifying an account to which the New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes will be credited or in an Issuer Clearing System, Direct Participant or custodian or other securities intermediary in crediting the Bonds to the relevant account may result in delayed receipt of the New Bonds, the GDP-linked Securities, the PSI Payment Notes and the Accrued Interest Notes.

Revocation Instructions must be effected through the same custodians, securities intermediaries, Direct Participants and Issuer Clearing Systems through which the Participation Instructions were delivered. It is possible that any person or entity in this chain may commit an error in submitting the Revocation Instruction, and thus prejudice a Bondholder's ability to validly revoke its Participation Instruction.

For Designated Securities held through a financial institution or other intermediary, a Bondholder must contact that financial institution or intermediary and instruct it to submit a Participation Instruction or Revocation Instruction on behalf of the Bondholder. The financial institution or intermediary should be contacted well in advance of the Expiration Deadline, since that financial institution or intermediary may have earlier deadlines by which it must receive instructions in order to have adequate time to meet the deadlines of the Issuer Clearing System through which tenders for exchange and consents or rejections in respect of the Designated Securities are submitted.

Neither the Republic nor the Information, Exchange and Tabulation Agent will be responsible for any errors, delays in processing or systemic breakdowns or other failure by (i) the Issuer Clearing Systems, Direct Participants or custodians or other securities intermediaries to comply with any of the submission or revocation procedures or (ii) the relevant Direct Participant in BOGS and/or any other securities intermediary in the delivery of the relevant New Bonds, GDP-linked Securities, PSI Payment Notes and/or Accrued Interest Notes to the Bondholder, and no additional amounts will be payable to the Bondholder in the event of any delay in such delivery.

***No assurance the Invitation will be completed***

Until the Republic announces that (a) the Minimum Participation Condition, the Financing Condition and the Other Conditions have been satisfied or waived, and it has decided to accept valid tenders for exchange of Designated Securities of any series pursuant to the Invitation or (b) the Proposed Amendments will become effective, no assurance can be given that the transactions contemplated in the Invitation will be completed. The Republic may not be able to meet the conditions for disbursement contemplated in the PSI LM Facility Agreement and the Bond Interest Facility which include the approval by the EWG, at its

absolute discretion, of the requisite disbursements, in which case the Republic would not gain access to the PSI Payment Notes and the Accrued Interest Notes and the Financing Condition will not be satisfied.

In addition, subject to applicable law and as provided in this Invitation Memorandum, the Republic may, in its sole discretion, extend, re-open, amend or terminate any aspect of the Invitation, including any offer to exchange any particular series of Designated Securities, at any time before such announcement and may, in its sole discretion, waive any of the conditions to any tender of Designated Securities for exchange or consent to the Proposed Amendments, as applicable, or modify any Settlement Date, either before or after such announcement. Even if the Invitation is completed, there can be no assurance that it will be completed on the schedule described herein. Accordingly, holders participating in the Invitation may have to wait longer than expected to receive New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes during which time those holders will not be able to effect transfers of their Designated Securities in respect of which Participation Instructions have been submitted.

***Holders of Designated Securities who do not participate in the Invitation may attempt to challenge the progress or consummation of the Invitation by seeking an injunction or pursuing other legal remedies***

The Republic may be subject to efforts by hold-out creditors to enjoin or otherwise prevent the consummation of the Invitation. While the Republic intends to oppose vigorously any efforts to challenge the Invitation, it can offer no assurances of success or that a court would not take actions that may enjoin, impede or delay the implementation of the Invitation.

***Compliance with jurisdictional restrictions***

Holders of Designated Securities are referred to the jurisdictional restrictions in “*Offer and Distribution Restrictions*” and the agreements, acknowledgements, representations, warranties and undertakings in “*The Invitation—Procedures for Participating in the Invitation*”, which Bondholders will be deemed to make on submission of a Participation Instruction. Non-compliance with these jurisdictional restrictions could result in, among other things, the unwinding of trades or penalties and/or significant costs for investors.

***Restrictions on transfer of Designated Securities for which Participation Instructions are submitted***

When considering whether to participate in the Invitation, Bondholders should take into account that restrictions on the transfer of Designated Securities by Bondholders will apply from the time of submission of Participation Instructions. A Bondholder will, on submitting a valid Participation Instruction, agree that its Designated Securities will be blocked in the relevant account in the relevant Issuer Clearing System from the date the relevant Participation Instruction is submitted until the earlier of (i) the time of settlement on the applicable Settlement Date, (ii) the date of any termination of the Invitation or any relevant part of the Invitation (including where such Designated Securities are not accepted by the Republic for exchange) or (iii) the time at which the relevant Participation Instruction is revoked and the blocking of the Designated Securities is released by the relevant Issuer Clearing System. While the market price of the Designated Securities may fluctuate while the restrictions on transfer apply, Bondholders will be unable to benefit from favorable fluctuations because they will be unable to trade the Designated Securities.

***Repurchases of Designated Securities that remain outstanding and subsequent exchange offers***

The Republic reserves the right, in its sole discretion, to purchase, exchange, offer to purchase or exchange, or to issue an invitation to submit offers to exchange or sell any Designated Securities that are not exchanged or substituted pursuant to the Invitation or a Parallel Invitation (in accordance with their respective terms) and, to the extent permitted by applicable law, purchase or offer to purchase Designated Securities in the open market, in privately negotiated transactions or otherwise. Any such purchase, exchange, offer to purchase or exchange or settlement will be made in accordance with applicable law. The terms of any such purchases, exchanges, offers or settlements may be different from the terms of the Invitation.

***Legal investment considerations may restrict certain investments***

Certain investors may be subject to laws and regulations, or review or regulation by certain authorities, that restrict their ability to hold certain investments. Each holder of Designated Securities should determine for itself, on the basis of professional and/or legal advice where appropriate, whether and to what extent the New Bonds and the GDP-linked Securities (i) are qualified as permitted investments, (ii) can be used as collateral for various types of borrowing and (iii) meet other applicable restrictions. Holders of Designated Securities should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the New Bonds and the GDP-linked Securities under any applicable risk-based capital or similar rules.

### ***Independent Review and Advice***

Each holder of Designated Securities must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its participation in the Invitation is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the risks inherent in participating in the Invitation. If any holder of Designated Securities is in any doubt as to the action it should take, it should seek its own financial and legal advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. None of the Republic, the Issuers of Foreign Law Guaranteed Titles, the EFSF and the Information, Exchange and Tabulation Agent (nor their respective directors, officers, employees and affiliates) has or assumes responsibility for the lawfulness or suitability of participating in the Invitation by a holder of Designated Securities or the effects of the implementation of the Proposed Amendments for the holder.

***If Greek withholding taxes are imposed in respect of the exchange of Designated Securities for the Consideration and Net Cash Proceeds, this may result in adverse U.S. federal income tax consequences***

As described in *Tax Consequences—Certain Greek Tax Consequences* Greek withholding tax may be imposed on gain from the exchange of Designated Securities for the Consideration and Net Cash Proceeds. As discussed in “*Tax Consequences—Certain U.S. Federal Income Tax Consequences—Greek Withholding Taxes*”, any such gain will generally be treated as U.S. source income of a U.S. Holder for purposes of calculating the foreign tax credit in respect of such Greek withholding taxes. As a result, a U.S. Holder may be unable to utilize such foreign tax credits, resulting in both U.S. and Greek taxes being imposed on such income.

### **Risk factors relating to the New Bonds**

#### ***Ability to amend terms without the consent of all holders***

The New Bonds will contain provisions regarding acceleration and voting on amendments, modifications, and waivers, which are commonly referred to as “collective action clauses”. These collective action clauses will permit modifications to be made to one or more series of debt securities issued by the Republic, including the New Bonds. Under these provisions, certain terms of the New Bonds may be amended, including the maturity date, interest rate, and other payment terms, without the consent of each holder. The New Bonds and any other securities issued by the Republic the terms and conditions of which specify that such securities are entitled to the benefit of, and are bound by, the terms of the Co-Financing Agreement shall constitute a single Class (as defined in the relevant Conditions) for certain purposes including actions relating to acceleration and voting on amendments, modifications, and waivers.

### **Risk factors relating to the GDP-linked Securities**

#### ***Terms and conditions of the GDP-linked Securities***

There will be no principal payments on the GDP-linked Securities, and all payments on the GDP-linked Securities will be linked to the performance of the Republic’s gross domestic product (as described under “*The New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes —GDP-linked Securities*”). In order for any payments to be made on the GDP-linked Securities, certain benchmarks must be reached. In particular, for payments to be made in any given year, the Republic’s actual real gross domestic product for that year must exceed a specified amount and annual growth rate. Holders of GDP-linked Securities cannot be certain that these conditions for payment will be met every year, or at all. In addition, any differences in the calculation or compilation of the data published by EUROSTAT may affect the value of, or return on, the GDP-linked Securities. If there is any subsequent revision of the data used to calculate the Payment Amount or of the data published by EUROSTAT, the Republic will not be required to make an adjustment to the amounts previously paid to holders of the GDP-linked Securities for subsequent changes in the calculation of the Republic’s gross domestic product.

#### ***Purchase of the GDP-linked Securities***

The Republic has the option to purchase the GDP-linked Securities from a holder, and such holder shall be required to sell such GDP-linked Securities in accordance with the relevant terms and conditions of the GDP-linked Securities. In such circumstances, a holder may not be able to reinvest the proceeds in a comparable security at an effective interest rate as high as that of the annual payments on the GDP-linked Securities.

#### ***Certain circumstances may harm the market value of GDP-linked Securities***

While the amounts payable under the GDP-linked Securities are based in part on the performance of the Republic’s gross domestic product, the amounts, if any, payable in any year will also depend on a number of other factors. Therefore, it will be

difficult or impossible for the market to predict accurately the future stream of payments on these securities and as a result, the GDP-linked Securities may trade at prices considerably less than the value of this future stream of payments, and changes in the level of the Republic's GDP may not result in a comparable change in the market value of the GDP-linked Securities. Because of these factors, it may be difficult to trade GDP-linked Securities and their market value may be adversely affected.

***The U.S. federal income tax consequences of holding the GDP-linked Securities are uncertain***

No U.S. federal income tax rules specifically address the taxation of instruments with no principal amount, the payments of which are solely based on a formula linked to the growth of the gross domestic product (or of the earnings) of the issuer and that do not contemplate nor guarantee repayment of principal. As a result, the U.S. Internal Revenue Service ("IRS") might disagree with the treatment of the GDP-linked Securities described in "*Tax Consequences—Certain U.S. Federal Income Tax Consequences—GDP-linked Securities*". If the IRS asserted a different treatment of the GDP-linked Securities, the timing and character of income, gain, loss and deduction from the GDP-linked Securities might be different from that described. Such treatment could result in a U.S. Holder being required to take taxable income into account in an amount or at a time that exceeds the Holder's economic income, the deferral of basis recovery or treatment of loss as capital and not available to offset income from the GDP-linked Securities.

**Risk factors relating to the New Bonds and GDP-linked Securities**

***Ratings downgrades and selective default rating***

The Republic has undergone a series of ratings downgrades since the end of 2009. As of 23 February 2012 the Republic was rated CC (Negative Outlook) by Standard and Poor's Ratings Services, C by Fitch Ratings Ltd., and Ca by Moody's Investor Services Inc. These debt ratings are sub-investment grade and indicate that the long-term debt of the Republic is regarded as having significant speculative characteristics, and that there are major ongoing uncertainties or exposure to financial or economic conditions which could compromise the Republic's capacity to meet its financial commitment on its outstanding debt. A credit 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.

In connection with the Invitation, it is expected that one or more rating agencies may issue an SD rating for selective default. It is not clear when such a rating might be lifted, nor what future rating will be assigned to the Republic after the settlement of the transactions contemplated in the Invitation. Any adverse change in an applicable credit rating could adversely affect the trading price for the Designated Securities, the New Bonds and/or the GDP-linked Securities and have the potential to affect the Republic's cost of funds in the international capital markets and the liquidity of, and demand for, the Republic's debt securities generally.

***Difficulty of obtaining or enforcing judgments against the Republic***

The Republic is a foreign sovereign state. Consequently, it may be difficult for investors to obtain or realize upon judgments against the Hellenic Republic.

The Republic will, in the Trust Deed, the terms and conditions of the New Bonds and the terms and conditions of the GDP-linked Securities, irrevocably submit to the jurisdiction of England and Wales in any action arising out of the New Bonds or GDP-linked Securities in any action arising out of the Trust Deed brought by any holder of New Bonds, GDP-linked Securities or the Trustee, as applicable. In addition, the Republic will irrevocably waive, to the extent permitted by applicable law and international conventions, (a) any immunity from jurisdiction it may have in any suit, action or proceeding arising out of the Trust Deed, the New Bonds or GDP-linked Securities, as applicable (including any suit, action or proceeding arising out of any non-contractual obligations arising out of the Trust Deed, the New Bonds or GDP-linked Securities, as applicable)(together referred to as **Proceedings**) in the courts of England, and (b) except as provided below, any immunity from attachment or execution to which its assets or property might otherwise be entitled in any such Proceeding in the courts of England.

Notwithstanding the foregoing, such waiver will not constitute a waiver of immunity from attachment or execution with respect to:

- (i) assets and property of the Republic located in the Republic;
  - (ii) the premises and property of the Republic's diplomatic and consular missions;
  - (iii) assets and property of the Republic outside the Republic not used or intended to be used for a commercial purpose;
  - (iv) assets and property of the Republic's central bank or monetary authority;
  - (v) assets and property of a military character or under the control of a military authority or defense agency of the Republic;
- or

(vi) assets and property forming part of the cultural heritage of the Republic.

For the purposes of the foregoing, “property” includes, without limitation, accounts, bank deposits, cash, revenues, securities and rights, including rights against third parties.

The foregoing will constitute a limited and specific waiver by the Republic solely for the purposes of the Trust Deed, the New Bonds and the GDP-linked Securities (as applicable), and under no circumstances will it be construed as a general waiver by the Republic or a waiver with respect to proceedings unrelated to the Trust Deed, the New Bonds and the GDP-linked Securities (as applicable). The appointment of an agent for service of process under the Trust Deed, the terms and conditions of the New Bonds and the terms and conditions of the GDP-linked Securities (as applicable) and the waiver of immunity described above will also not constitute a waiver of immunity in relation to any suit, action or proceeding brought by any person under the securities laws of any jurisdiction

***The New Bonds and GDP-linked Securities will be cleared through BOGS***

The New Bonds and the GDP-linked Securities will be issued in dematerialized and uncertificated form registered within the System for Monitoring Transactions in Book-Entry Securities (managed by the Bank of Greece) which is governed by, and may be subject to change in, Greek law.

***No registration and restrictions on transfer***

The New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes have not been nor will be registered under the Securities Act or the securities laws of any other jurisdiction. For example, the New Bonds and the GDP-linked Securities, are being offered and sold in reliance upon certain exemptions from registration under the Securities Act. The New Bonds and GDP-linked Securities are subject to restrictions on transfer imposed by law or regulation as described under “*Offer and Distribution Restrictions*”.

***Holders of Designated Securities are urged to consult their own tax advisers as to the specific tax consequences of the exchange of the Designated Securities and participating in the Invitation, and of the acquisition, holding, redemption or disposal of the New Bonds and GDP-linked Securities.***

In certain cases, the exchange or substitution of Designated Securities for New Bonds and GDP-linked Securities may be treated as a taxable transaction for Greek tax purposes, in which case a Bondholder may realize a gain or suffer a loss. See “*Tax Consequences—Certain Greek Tax Consequences—Gains or Losses Realized upon the exchange of the Designated Securities.*”

Holders of Designated Securities are urged to consult their own tax advisers as to the specific tax consequences of the exchange of the Designated Securities and participating in the Invitation, and of the acquisition, holding, redemption or disposal of the New Bonds and GDP-linked Securities.

***Uncertainty as to the trading market for the New Bonds and GDP-linked Securities***

The Republic does not intend to make any application for the admission to trading of the New Bonds and GDP-linked Securities on any market other than the regulated market of the HDAT and of the Athens Stock Exchange. The New Bonds and GDP-linked Securities may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their New Bonds and GDP-linked Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

To the extent that the New Bonds and GDP-linked Securities are traded, prices of the New Bonds and GDP-linked Securities will fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Bondholders are urged to contact their brokers to obtain the best available information as to the potential market price of the New Bonds and GDP-linked Securities and for advice concerning the effect of the write off resulting from participating in the Invitation.

***Exchange rate fluctuations may adversely affect value***

The Republic will pay interest and principal on the New Bonds and any Payment Amount (as defined in the terms and conditions of the GDP-linked Securities). 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 euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor’s Currency). An appreciation in the value of the Investor’s Currency relative to the euro would decrease (1) the Investor’s Currency-equivalent yield on the New Bonds and GDP-linked Securities, (2) the Investor’s Currency-equivalent value of the principal payable on the New Bonds, (3) the Investor’s Currency-equivalent market value of the New Bonds and GDP-linked Securities and (4) the Investor’s Currency-equivalent value of the PSI Payment Notes Cash Proceeds and Accrued Interest Notes Cash Proceeds.

***Changes in market interest rates may adversely affect value***

For holders that intend to sell the New Bonds and the GDP-linked Securities prior to maturity, subsequent changes in market interest rates may adversely affect the value of the New Bonds and the GDP-linked Securities.

***Greek withholding taxes imposed in respect of the New Bonds and GDP-linked Securities may result in adverse U.S. federal income tax consequences***

As described in “*Tax Consequences—Certain Greek Tax Consequences*”, Greek withholding tax may be imposed on gain from the disposition of New Bonds or GDP-linked Securities, as well as income received in respect of the GDP-linked Securities. As discussed in “*Tax Consequences—Certain U.S. Federal Income Tax Consequences—Greek Withholding Taxes*”, gain from the disposition of New Bonds or GDP-linked Securities and, based on the treatment of the GDP-linked Securities that the Republic intends to take, income received in respect of the GDP-linked Securities will generally be treated as U.S. source income for purposes of calculating the foreign tax credit in respect of such Greek withholding taxes. Additionally, amounts paid under the GDP-linked Securities that are subject to Greek withholding tax may in some cases not be included in taxable income for U.S. federal income tax purposes. As a result, a U.S. Holder may be unable to utilize such foreign tax credits, resulting in both U.S. and Greek taxes being imposed on such income.

***Risk factors relating to the PSI Payment Notes Cash Proceeds and Accrued Interest Notes Cash Proceeds***

***The PSI Payment Notes Cash Proceeds and/or Accrued Interest Notes Cash Proceeds from Sales of PSI Payment Notes and/or Accrued Interest Notes, as the case may be, may be less than the face value of the respective PSI Payment Notes and/or Accrued Interest Notes***

The PSI Payment Notes and Accrued Interest Notes will be transferred to an account of the Bank of Greece in BOGS, where they will be held for the benefit of the relevant Bondholders until, as promptly as practicable after and in any event not later than 90 days after the applicable Settlement Date, the Republic, using its reasonable efforts, sells or arranges the sale of such PSI Payment Notes and Accrued Interest Notes in the market on arm’s-length terms in one or more transactions at the best price reasonably obtainable pursuant to the Cash Proceeds Arrangement. The Net Cash Proceeds of such Sales will be held for the benefit of those holders until such time as Sales of all such PSI Payment Notes and Accrued Interest Notes have been effected, and the pro rata shares of such Net Cash Proceeds will be delivered to the relevant direct participants in BOGS. However, depending on market conditions, the volume of PSI Payment Notes and Accrued Interest Notes sold or other developments, the PSI Payment Notes Cash Proceeds and/or the Accrued Interest Notes Cash Proceeds may be less than the face value of the PSI Payment Notes or the Accrued Interest Notes, as the case may be, and may not be available until after the relevant Settlement Date. Neither the Republic nor the Information Agent will be obligated to pay any amount other than, or additional to, the PSI Payment Notes Cash Proceeds or the Accrued Interest Notes Cash Proceeds, as the case may be. Until the PSI Payment Notes Cash Proceeds and the Accrued Interest Note Cash Proceeds are paid to the relevant Settlement Account, Bondholders will have exposure to the Bank of Greece.



## TAX CONSEQUENCES

Save for the description of certain Greek and U.S. federal income tax consequences applicable to Bondholders set out below, in view of the number of different jurisdictions where tax laws may apply to a Bondholder, this Invitation Memorandum does not discuss the tax consequences for Bondholders arising from the exchange or substitution of Designated Securities pursuant to the Invitation for New Bonds, GDP-linked Securities and PSI Payment Notes or receipt of any Accrued Interest Payment (by receipt of the Accrued Interest Notes) or in relation to the New Bonds, the GDP-linked Securities, the PSI Payment Notes and the Accrued Interest Notes. Bondholders are urged to consult their own professional advisers regarding the possible tax consequences, under the laws of the jurisdictions that apply to them, of the exchange or substitution of their Designated Securities and the receipt pursuant to the Invitation of New Bonds, GDP-linked Securities and PSI Payment Notes and the applicable Accrued Interest Payment (by receipt of the Accrued Interest Notes). Bondholders are liable for their own taxes and have no recourse to the Republic or the Information, Exchange and Tabulation Agent with respect to taxes arising in connection with the Invitation.

### **Certain Greek Tax Consequences**

The following is a summary of certain material Greek tax consequences of the exchange or substitution of the Designated Securities and of investing in the New Bonds, GDP-linked Securities and PSI Payment Notes and receiving the Accrued Interest Notes. This discussion does not purport to deal with all the tax consequences applicable to all possible categories of investors, some of which may be subject to special rules. Further, it is not intended as tax advice to any particular investor and it does not purport to be a comprehensive description or analysis of all of the potential tax considerations relating to the exchange or substitution of the Designated Securities and the investment in the New Bonds, GDP-linked Securities and PSI Payment Notes and receipt of the Accrued Interest Notes that may be relevant to an investor in view of such investor's particular circumstances.

This summary is based upon Greek tax law in force, as well as practice and interpretation available, at the date of this Invitation, which is subject to change at any time, possibly with retroactive effect. Should such a change occur, the Republic will not update this section even if, as a result thereof, the information contained herein should be no longer complete and/or accurate.

***Prospective investors are urged to consult their own tax advisers as to the specific Greek tax consequences of the exchange or substitution of the Designated Securities and of the acquisition, holding, redemption or disposal of the New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes.***

***Tax Regime applicable to the exchange or substitution of the Republic Titles and Foreign Law Guaranteed Titles in the Invitation***

#### *The Accrued Interest Payment on Republic Titles*

Accrued Interest Notes corresponding to Accrued Interest on the Republic Titles will be delivered to Bondholders in the context of any exchange or substitution of the Republic Titles for the New Bonds, GDP-linked Securities and PSI Payment Notes and will be subject to the Cash Proceeds Arrangement.

Insofar as a Bondholder is eligible for one of the exemptions described below under “—Tax Regime Applicable to Interest on the New Bonds”, the Accrued Interest Payment should be exempt from taxation in Greece since according to paragraph 11 of article 12 of Law 2238/1994 (the “Greek Code of Income Taxation” or “Greek CIT”), as amended by paragraph 1 of article 3 of Law 4046/2012, for the purposes of applying the exemptions, the exchange of the Republic Titles by their initial holder is treated as continuous holding of such titles until their scheduled maturity. Moreover, pursuant to paragraph 1 of article 31 of Law 2682/1999 the Accrued Interest Payment is exempted from taxation in Greece whenever Accrued Interest is paid to non-Greek tax resident investors who do not hold their bonds through a permanent establishment in Greece.

In all other cases, according to paragraph 15 of article 12 of the Greek CIT, as this new paragraph has been introduced with paragraph 2 of article 2 of Law 4050/2012, a 10% withholding shall apply at the final maturity date of the Accrued Interest Notes. In the event that Accrued Interest is paid in cash to the Bondholders a 10% withholding tax shall apply to payment of such Accrued Interest.

Any tax credit arising as a result of withholding tax levied on interest payments under the Accrued Interest Notes and applied in relation to banks, irrespective of the form they operate in Greece, can be set off against their income tax liability over a five year period.

#### *The Accrued Interest Payment on Foreign Law Guaranteed Titles*

Accrued Interest Notes corresponding to Accrued Interest on the Foreign Law Guaranteed Titles will be delivered to Bondholders in the context of any exchange or substitution of the Guaranteed Titles for the New Bonds, GDP-linked Securities and PSI Payment Notes and will be subject to the Cash Proceeds Arrangement.

Payment of interest on corporate bonds issued by a Greek entity, such as the Foreign Law Guaranteed Titles, to non-residents that do not hold such bonds through a permanent establishment in Greece is exempt from withholding tax, irrespective of whether such bonds were issued in Greece or through a foreign clearing system.

In case of interest payments made to tax residents of Greece or non-residents holding bonds through a permanent establishment in Greece, according to paragraph 15 of article 12 of the Greek CIT, as such new paragraph has been introduced with paragraph 2 of article 2 of Law 4050/2012, a 10% withholding shall apply at the final maturity date of the Accrued Interest Notes. In the event that Accrued Interest is paid in cash to the Bondholders a 10% withholding tax shall apply payment of such Accrued Interest.

Any tax credit due to withholding tax applied on banks, irrespective of the form they operate in Greece, levied on interest payments under the Accrued Interest Notes can be set off against their income tax liability over a five year period.

#### *Gains or Losses Realized upon the exchange or substitution of the Designated Securities*

A Bondholder may, for tax purposes, realize a gain or suffer a loss by reason of the exchange or substitution of the Designated Securities.

#### Republic Titles

The Greek Ministry of Finance, in Circular 1240/22.8.1996, has accepted that capital gains realized upon the disposal of bonds issued by the Republic are characterized for Greek domestic tax purposes as taxable transferable securities income. In the event that the above transferable securities income is received by a Greek tax-resident individual or legal entity or a non-resident with a permanent establishment in Greece, pursuant to paragraph 1(a) of article 24 and paragraph 5 of article 54 of the Greek CIT, as in force at the date hereof, the relevant transferable securities income is subject to a 20% withholding tax which can be set off against the taxpayer's income tax liability. If the above transferable securities income is received by an individual or legal entity which is not tax-resident in Greece and it does not maintain a permanent establishment in Greece, and subject to the application of treaties on the avoidance of double taxation, the relevant income may be subject to a 40% withholding tax pursuant to paragraph 1 of article 114 of the Greek CIT without the above persons being obliged to submit an annual tax return in relation to such income.

In relation to capital gains, the Greek Ministry of Finance has tabled an amendment of article 6 paragraph 3 of the Greek CIT, pursuant to which capital gains arising upon the exchange or substitution of the Republic Titles in the context of the Invitation will be exempt from income tax in Greece. It is expected that the amendment will be adopted prior to the Settlement Date.

Pursuant to paragraph 13 of article 105 of the Greek CIT, as amended by Law 4046/2012, losses realized by a Bondholder other than an individual (including a Greek corporation and limited liability company or a Greek branch of a foreign company) due to the exchange or substitution of Republic Titles on accepting the Invitation are deductible from gross annual income in equal installments during the tax periods starting from the fiscal year in which the relevant Settlement Date takes place and ending on the fiscal year of the maturity date of the New Bonds, even if the Bondholders have disposed of the New Bonds before their maturity date.

#### Foreign Law Guaranteed Titles

Pursuant to article 14(1) of Law 3156/2003, any gains realized upon the transfer of corporate bonds issued by a Greek corporation, such as the disposal of Foreign Law Guaranteed Titles in the context of the Invitation, are exempt from any Greek taxes.

Any gains realized upon the transfer of corporate bonds issued outside of Law 3156/2003 and received by Greek or non-tax resident individuals or legal entities are treated as income from transferable securities. However, in relation to the above-mentioned capital gains, the Greek Ministry of Finance has tabled an amendment of article 6 paragraph 3 of the Greek CIT, pursuant to which

capital gains arising upon the exchange or substitution in the context of the Invitation of corporate bonds that are guaranteed by the Republic will be exempt from income tax in Greece. It is expected that the amendment will be adopted prior to the Settlement Date.

Pursuant to article 105 paragraph 13 of the Greek CIT, as amended by Law 4046/2012, losses realized by a Bondholder other than an individual (including a Greek corporation and limited liability company or a Greek branch of a foreign company) due to the exchange of Foreign Law Guaranteed Titles on accepting the Invitation are deductible from gross annual income in equal installments during the tax periods starting from the fiscal year in which the relevant Settlement Date takes place and ending on the fiscal year of the maturity date of the New Bonds, even if the Bondholders have disposed of the Foreign Law Guaranteed Titles before their maturity date.

***Bondholders are urged to consult their tax advisors as to the Greek tax treatment of the gain or loss realized upon the exchange or substitution of Republic Titles and Foreign Law Guaranteed Titles.***

***Tax Regime Applicable to Interest on the New Bonds***

***Greek Resident Bondholders***

Pursuant to paragraph 11 of article 12 of the Greek CIT, interest paid on bonds having a term of not less than 2 years, such as the New Bonds, is exempt from withholding tax if the initial bondholder holds the securities and the coupons (i.e., coupons are not transferred by means of coupon stripping transactions or otherwise) until their maturity. For the purposes of this rule, the holder of the security and the coupons on the 10th business day after the date of issuance is deemed to be the initial bondholder. Moreover, pursuant to paragraph 12 of article 12 of the Greek CIT, interest paid on bonds issued by the Republic as of January 1, 2003, such as the New Bonds, is exempt from the withholding tax if the initial bondholder, in addition to holding the security as well as the coupons (i.e., coupons are not transferred by means of coupon stripping transactions or otherwise) until their maturity, is an individual resident in the Republic (or in another EU Member State). For the purposes of this rule, an initial bondholder is the individual that acquired the bonds and the coupons within 5 business days from the day following their issuance or re-issuance (re-opening).

As clarified by the Ministry of Finance with its order Δ12B 1065655/20.5.2010, payments of accrued interest prior to the final interest and principal payment date will be subject to a 10% withholding tax. If it is subsequently determined that, as of the final interest and principal payment date, the above conditions of the law are met, the total amount of the tax that has been withheld, shall be refunded based on the provisions of the Ministry of Finance Decision 1104/15.10.2004.

***Non-Resident Bondholders***

Pursuant to paragraph 1 of article 31 of Law 2682/1999 and paragraph 13 of article 9 of Law 3091/2002, bondholders who are not resident in Greece for tax purposes and do not have a permanent establishment in Greece are exempt from the withholding tax, as well as from any other Greek tax on interest paid under the New Bonds.

***Bondholders are urged to consult their tax advisors as to the Greek tax treatment of the interest on the New Bonds.***

***Tax Regime Applicable to Interest on the PSI Payment Notes***

Under paragraph 14 of article 12 of the Greek CIT, as introduced by paragraph 1 of article 3 of Law 4046/2012, interest paid on the PSI Payment Notes enjoys the same tax treatment as the New Bonds.

***Bondholders are urged to consult their tax advisors as to the Greek tax treatment of the interest on the PSI Payment Notes.***

***Implementation of the EU Savings Directive in Greece***

The EU Savings Directive was implemented in Greece by Law 3312/2005 (the **Implementing Law**). The Directive's ultimate aim is to enable savings income in the form of interest payments made in one Member State to beneficial owners who are individuals resident for tax purposes in another Member State to be subject to the taxation of the Member State of residence. For this purpose, the EU Savings Directive establishes an automatic system of exchange of information concerning interest payments between Member States. For further information, see “—EU Savings Directive on the Taxation of Savings Income in the Form of Interest Payments”. This section provides a summary of the information exchange system introduced by the Implementing Law.

A paying agent (as defined in paragraph 2 of article 4 of the Implementing Law) established or registered in Greece which makes a payment of interest to, or secures the payment of interest for the benefit of, an individual who is not a tax resident of Greece, is required to report to the Greek competent tax authority, i.e. the Directorate of International Financial Affairs of the Ministry of Finance, certain information regarding the identity and residence of such beneficiary, the name and address of the paying agent, the account number of such beneficiary and information concerning the interest payment. The Directorate of International Financial Affairs must in turn communicate the above information to the competent tax authority of the Member State where the beneficiary is tax resident.

In the cases where the above information reporting process applies, no Greek withholding tax is imposed pursuant to the Implementing Law, in respect of the amount of any payment which is classified as interest under the Implementing Law.

#### ***Greek Stamp duty treatment***

Bonds issued by the Republic, such as the Republic Titles, the New Bonds and the GDP-linked Securities, enjoy an exemption from Greek stamp duty pursuant to article 31 of law 1914/1990, paragraph 13 of article 11 of law 2198/1994 and paragraph 6 of article 15 of law 2227/1994. This exemption in relation to the above instruments covers the issuance, the accrual and payment of interest thereunder, the transfer, the repayment of principal, as well as any other agreement, document or deed which is ancillary thereto.

Corporate bonds issued pursuant to the provisions of Law 3156/2003, such as the Foreign Law Guaranteed Titles, enjoy an exemption from Greek stamp duty. This exemption covers, among others, the transfer of bonds, the accrual and payment of interest thereunder, the repayment of principal, as well as any other agreement, document or deed which is ancillary thereto. Corporate bonds issued pursuant to the provisions of Law 2190/1920 but outside of Law 3156/2003, are equally exempted from Greek stamp duty pursuant to paragraph 4 of article 11 of Law 148/1967.

Pursuant to paragraph 4 of article 11 of Law 148/1967 and Ministry of Finance Circular 14/13.1.1968, the deed for the issuance of bonds, the bond certificates, the interest thereunder, the transfer of the bonds, as well as any other agreement, document or deed which is ancillary thereto, is exempt from Greek stamp duty in respect of bonds issued by foreign corporate issuers, such as the EFSF.

#### ***Tax Regime Applicable to the GDP-linked Securities***

In accordance with section (h) of paragraph 1 of article 24 of the Greek CIT, any income arising from the GDP-linked Securities is to be treated as income arising from transferable securities, and more specifically, as derivatives income.

Under the Greek tax rules, as in force on the date hereof, in the case of Greek tax-resident individuals and businesses (including Greek branches of foreign businesses) that do not maintain double entry accounting records, any income received under the GDP-linked Securities will be treated as derivatives income and be subject to 15% withholding tax; such withholding tax shall extinguish the tax liability of the above persons in relation to such income. In the case of Greek tax-resident businesses or Greek branches of foreign businesses maintaining double entry accounting records, any income received under the GDP-linked Securities will be treated as business income and shall be included in the overall taxable business income of the above persons.

Capital gains realized from the disposal of the GDP-linked Securities would be tax-free for Greek tax-resident individuals or businesses (including Greek branches of foreign businesses) that do not maintain double entry accounting records, whereas, in case of Greek businesses (or Greek branches of foreign businesses) maintaining double entry accounting books, such capital gains shall be exempted from tax provided that these are recorded in a special tax reserve in accordance with the provisions of paragraph 7 of article 38 of the Greek CIT.

Based on the Greek CIT, as in force on the date hereof, any income or capital gains received and/or realized in relation to the GDP-linked Securities by individuals or businesses that are not resident in Greece for tax purposes and do not maintain a branch in Greece may be treated in the same manner as income deriving from independent professions and, therefore, be subject to a withholding of 20%. However, in relation to the above-mentioned income and capital gains, it is noted that the Greek Ministry of Finance has already initiated an amendment of article 24 paragraph 1 of the Greek CIT, pursuant to which income (but not capital gains) arising from derivative products which is received by individuals or businesses that are not resident in Greece for tax purposes and do not maintain a branch in Greece, shall also be treated as transferable securities income and be subject to a final 15% withholding pursuant to article 54 paragraph 4 of the Greek CIT. It is expected that the amendment will be adopted prior to the Settlement Date.

In the event of the imposition by the Republic of any withholding taxes or duties on payments on the GDP-linked Securities, the Republic has undertaken to pay additional amounts such that the net payment after such withholding taxes or duties is not less than the amount that would have been receivable in the absence of such withholding or deduction. The obligation to pay additional amounts is, however, subject to certain limitations as set forth in Condition 6.1 of the New Bonds and Condition 4.1 of the GDP-linked Securities (see “The New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes.”) and there is no equivalent obligation in relation to any withholding taxes or duties imposed in respect of capital gains.

#### **EU Savings Directive on the Taxation of Savings Income in the Form of Interest Payments**

Under the EU Savings Directive, each Member State of the European Union is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or secured by such a person for, an individual beneficial owner resident in, or certain limited types of entity established in, that other Member State. However, for a transitional period, Austria and Luxembourg will (unless during such period they elect otherwise) instead operate a withholding system in relation to such payments. Under such a withholding system, the beneficial owner of the interest payment must be allowed to elect that certain provision of information procedures should be applied instead of withholding. The rate of withholding is 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to exchange of information procedures relating to interest and other similar income.

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

A proposal for amendments to the EU Savings Directive has been published, including a number of suggested changes which, if implemented, would broaden the scope of the rules described above. Investors who are in any doubt as to their position should consult their professional advisers.

#### **Certain U.S. Federal Income Tax Consequences**

The following summary is a general discussion of certain U.S. federal income tax consequences of the Invitation applicable to a beneficial owner of Designated Securities that is (a) an individual citizen or resident of the United States, (b) a corporation organized in or under the laws of the United States or any political subdivision thereof or (c) otherwise subject to United States federal income tax on a net income basis in respect of the Designated Securities (a “U.S. Holder”) that exchanges Designated Securities for Consideration and Net Cash Proceeds pursuant to the Exchange Offer or pursuant to a redemption following the adoption of the Proposed Amendments. The discussion does not deal with special classes of Holders, such as dealers in securities or currencies, banks, financial institutions, insurance companies, tax-exempt organizations, traders that have elected to mark securities to market, entities taxed as partnerships or partners therein, persons holding the Designated Securities as a position in a “straddle” or conversion transaction, or as part of a “synthetic security” or other integrated financial transaction, persons that have a functional currency other than the U.S. dollar, or persons who hold the Designated Securities or New Bonds through a “qualified business unit” outside of the United States. In addition, the discussion does not describe any tax consequences arising out of the laws of any state or local or foreign jurisdiction. This discussion assumes that the Designated Securities are held as “capital assets” for U.S. federal income tax purposes. The Republic has not sought any ruling from the Internal Revenue Service (the “IRS”) with respect to the statements made and the conclusions reached in this discussion, and there can be no assurance that the IRS will agree with such statements and conclusions.

##### *The Exchange Offer*

The exchange of Designated Securities for Consideration and Net Cash Proceeds will be treated as a taxable exchange for U.S. federal income tax purposes. A U.S. Holder will recognize gain or loss equal to the difference between the amount realized on the disposition of the Designated Securities and the U.S. Holder’s tax basis in the Designated Securities. Under the terms of the exchange, as set forth in “*The Invitation—The Exchange Offer*”, a U.S. Holder will receive a pro rata share of the Net Cash Proceeds from Sales of PSI Payment Notes and Accrued Interest Notes held in an account of the Bank of Greece. Accordingly, the Republic will treat the PSI Payment Notes Cash Proceeds as an amount realized on the disposition of the Designated Securities and the Accrued Interest Notes Cash Proceeds received in respect of accrued interest on a Designated Security as a payment of such interest.

Based on the assumption described below relating to the trading of the New Bonds, the amount a U.S. Holder realizes on the exchange generally will be the fair market value of the Consideration and PSI Payment Notes Cash Proceeds (including any amounts withheld in respect of Greek tax).

Any gain or loss recognized by a U.S. Holder on the exchange of Designated Securities for Consideration and Net Cash Proceeds generally will be capital gain or loss, except to the extent of accrued market discount, if any, which generally will be treated as ordinary income, and will be long-term capital gain or loss if the Designated Securities were held for more than one year. A U.S. Holder should consult its tax advisor to determine whether and to what extent it may be required to treat gain, if any, under the rules for accrued market discount. Notwithstanding the foregoing, gain or loss recognized by a U.S. Holder on the disposition of a Designated Security denominated in a foreign currency generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in exchange rates during the period in which the U.S. Holder held the Security. This foreign currency gain or loss will not be treated as an adjustment to interest income that received on the Designated Security.

A U.S. Holder will generally have an aggregate basis in the Consideration and PSI Payment Notes Cash Proceeds equal to the amount realized in the exchange. A U.S. Holder will allocate its aggregate basis between the New Bonds, GDP-linked Securities and PSI Payment Notes Cash Proceeds in accordance with their relative fair market values.

#### *New Bonds*

The issue price of a New Bond generally will be its fair market value on the date of the exchange if a substantial amount of the New Bonds are “traded on an established market.” New Bonds will be considered to be traded on an established market if, at any time during the 60-day period ending 30 days after the date of the exchange (i) the New Bonds appear on a system of general circulation (including computer listings disseminated to subscribing brokers, dealers or traders) that provides a reasonable basis to determine fair market value by disseminating either recent price quotations or actual prices of recent sales transactions or (ii) price quotations for the New Bonds are readily available from dealers, brokers or traders. The Republic expects that the New Bonds will be so traded, and the remainder of the disclosure under this heading “—*Certain Federal Income Tax Consequences*” assumes that treatment.

The New Bonds will be issued with original issue discount (“OID”), which is expected to be substantial. The OID generally will be equal to the excess of the stated redemption price at maturity of the New Bonds over the issue price of the New Bonds. The “stated redemption price at maturity” will include all payments under the notes other than payments of qualified stated interest. The term “qualified stated interest” generally means stated interest that is unconditionally payable in cash or property at least annually during the entire term of a note at a single fixed interest rate or, subject to certain conditions, based on one or more interest indices. U.S. Holders generally will be required to include in gross income the portion of the OID that accrues on each day the Holder holds the New Bonds, translating the euro amount accrued to a U.S. dollar amount at the average exchange rate in effect during that accrual period (or, with respect to an interest accrual period that spans two taxable years, at the average exchange rate for each partial period). Upon the receipt of an amount attributable to OID (whether in connection with a payment of an amount that is not qualified stated interest or the sale or retirement of the New Bonds), a U.S. Holder will recognize ordinary income or loss measured by the difference between the amount received (translated into U.S. dollars at the exchange rate in effect on the date of receipt or on the date of disposition of the New Bond, as the case may be) and the amount accrued (using the exchange rate applicable to such previous accrual).

By its acceptance of the New Bonds, a U.S. Holder will be required, to the extent relevant for U.S. federal income tax purposes, to report OID on the New Bonds in accordance with the OID information provided by the Republic to the Trustee, including the amount of OID, the issue date, the issue price and the yield to maturity of the New Bonds for U.S. federal income tax purposes, which will be calculated based on the lowest applicable issue price for New Bonds issued in connection with the Exchange Offer. If a U.S. Holder’s basis in the New Bonds exceeds their issue price determined in this manner, the Holder may reduce its periodic inclusions of OID income to reflect the premium paid over the issue price.

#### *GDP-linked Security*

No rules specifically address the taxation of instruments with no principal amount, the payments of which are solely based on a formula linked to the growth of the gross domestic product (or of the earnings) of the issuer and that do not contemplate nor guarantee repayment of principal. Notwithstanding this, because the GDP-linked Securities provide for payments at annual intervals that, subject to the discussion below, can be described as calculated by reference to a specified index (the gross domestic product of the Republic, or “GDP”) on a notional amount in exchange for specified consideration (a portion of the Designated Securities exchanged), it would be reasonable to treat the GDP-linked Securities as financial instruments subject to the rules governing notional principal contracts (the “NPC rules”). In order to qualify as a notional principal contract, the determination of the amount of the payments under the GDP-linked Securities must be based on current, objectively determinable economic information that is not

within the control of the issuer (a “specified index”). It is not clear whether the GDP can be treated as a specified index. The Republic, however, will treat the GDP-linked formula as a specified index for purposes of this disclosure. In accordance with this characterization, while the matter is not free from doubt, the GDP-linked Securities should be subject to the rules applicable to “caps” under the NPC rules.

Under the NPC rules, a U.S. Holder generally would be required to allocate its basis in the GDP-linked Securities over the term of the Securities, and to determine its income or loss from the Securities for each taxable year by taking into account the ratable daily portion of any periodic payment under the GDP-linked Securities and the relevant portion of the Holder’s basis, as described above, allocable to that taxable year, as ordinary income or loss. The application of the NPC rules to the GDP-linked Securities is complex and U.S. Holders should consult their U.S. tax advisors to determine the timing and character to them of income, gain, loss and expense attributable to the GDP-linked Securities.

The IRS could take the view that the GDP-linked Securities would not qualify as notional principal contracts under the NPC rules, which could affect the timing, source, and character of income recognized with respect to the GDP-linked Securities and could result in a U.S. Holder being required to take taxable income into account in an amount or at a time that exceeds the Holder’s economic income, the deferral of basis recovery or treatment of loss as capital and not available to offset income from the GDP-linked Securities. A U.S. Holder is urged to consult its tax advisor as to the federal income tax treatment of the acquisition, ownership and disposition of the GDP-linked Securities.

#### *Greek Withholding Taxes*

Subject to certain conditions and limitations, Greek withholding taxes on gain from the disposition of Designated Securities, New Bonds or GDP-linked Securities, as well as income received in respect of the GDP-linked Securities, may be treated as foreign taxes eligible for credit against a U.S. Holder’s United States federal income tax liability. For purposes of calculating the foreign tax credit, gain from a disposition of Designated Securities, New Bonds or GDP-linked Securities and, based on the treatment described under “—*GDP-linked Securities*”, income from the GDP-linked Securities will generally be treated as U.S. source income and will generally constitute passive category income. Additionally, amounts paid under the GDP-linked Securities that are subject to Greek withholding tax may in some cases not be included in taxable income for U.S. federal income tax purposes. As a result, a U.S. Holder may be unable to utilize such foreign tax credits, resulting in both U.S. and Greek taxes being imposed on such income. If a U.S. Holder does not elect to claim a United States foreign tax credit, it may instead claim a deduction for Greek tax withheld, but only for a taxable year in which it elect to do so with respect to all foreign income taxes paid or accrued in such taxable year. The rules governing the foreign tax credit are complex. U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

## BOOK-ENTRY SETTLEMENT AND CLEARANCE

*The information in this section concerning the Bank of Greece and the System of Monitoring Transactions in Book-Entry Securities (BOGS), which is managed by the Bank of Greece, has been obtained from sources the Republic believes to be reliable, but the Republic makes no representation or warranty with respect to the accuracy of this information. The Republic is providing this information solely for the convenience of investors who will hold the New Bonds and GDP-linked Securities. The Bank of Greece, as manager of BOGS, is under no obligation to perform or continue to perform the procedures described below, and may modify or discontinue them at any time. None of the Republic, the Issuers of Foreign Law Guaranteed Titles, the Information, Exchange and Tabulation Agent or the Trustee will be responsible for the Bank of Greece's performance of its obligations under the rules and procedures of BOGS or for the performance by any direct or indirect participant of its obligations under their own rules and procedures, or under those of BOGS.*

### Book-Entry Procedures for the New Bonds and GDP-linked Securities

Pursuant to Law 2198/1994 and the regulation for the operation of BOGS issued by the Bank of Greece (as modified, from time to time, the **Operating Regulations**), the New Bonds and GDP-linked Securities will be issued in dematerialized form and registered within BOGS. Arrangements have been made with the Bank of Greece to facilitate (i) the creation of electronic book-entries representing the New Bonds and GDP-linked Securities and (ii) their delivery to the relevant Settlement Account in each case on the relevant Settlement Date. Financial institutions, acting as direct and indirect participants in BOGS, will represent a holder's beneficial interests in the dematerialized New Bonds and GDP-linked Securities. These financial institutions will record the ownership and transfer of a holder's beneficial interests through book-entry accounts. Transfers within BOGS will be made in accordance with the Operating Regulations.

A holder may hold a beneficial interest in the New Bonds and GDP-linked Securities directly if it is a direct participant in BOGS or indirectly through an institution that is a direct participant in BOGS. Direct participants include credit institutions, securities brokers and dealers, trust companies, clearing corporations and certain other organizations that are approved by the Governor of the Bank of Greece and that have accounts with BOGS. Each of Euroclear and Clearstream, Luxembourg have accounts with BOGS and are therefore direct participants in BOGS. Indirect participants include securities brokers and dealers, banks, trust companies and trustees, clearing corporations and certain other organizations that do not have an account with BOGS, but which clear through or maintain a custodial relationship with a direct participant in BOGS, and accordingly indirect participants have access to BOGS through such direct participants. Each of Euroclear France and Monte Titoli S.p.A., has an account with one or both of Euroclear and Clearstream, Luxembourg, which are direct participants in BOGS.

The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Such laws may impair a holder's ability to transfer its beneficial interest in the New Bonds and/or GDP-linked Securities to such persons.

The New Bonds and GDP-linked Securities will only be issued in definitive form in the limited circumstances described in "*The New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes—The Trust Deed—Form and Issue of the Securities*".

The ISINs for the New Bonds and GDP-linked Securities are expected to be:

The New Bonds		
Series	ISIN Code	Year of Maturity
1	GR0128010676	2023
2	GR0128011682	2024
3	GR0128012698	2025
4	GR0128013704	2026
5	GR0128014710	2027
6	GR0133006198	2028
7	GR0133007204	2029
8	GR0133008210	2030
9	GR0133009226	2031



10	GR0133010232	2032
11	GR0138005716	2033
12	GR0138006722	2034
13	GR0138007738	2035
14	GR0138008744	2036
15	GR0138009759	2037
16	GR0138010765	2038
17	GR0138011771	2039
18	GR0138012787	2040
19	GR0138013793	2041
20	GR0138014809	2042
<b>GDP-linked Securities</b>		
1	GRR0000000010	2042

## BOGS

BOGS, which pursuant to the laws of the Republic is managed by the Bank of Greece, clears and settles transactions for securities in book-entry form held in its direct participants' accounts, including debt securities of the Republic. BOGS is governed by, and may be subject to changes in, Greek law. For the clearing of transactions, BOGS operates on the delivery-versus-payment principle, whereby sales of securities and respective payments are effected simultaneously. BOGS follows the dual notice principle, with notice being provided by each party to the transaction. Throughout the intra-day operation of BOGS, transactions are settled separately from one another (on a gross basis) and in real time using Real Time Gross Settlement, Delivery versus Payment Model 1, in accordance with the Bank for International Settlements' regulations.

Each investor who owns a beneficial interest in New Bonds and GDP-linked Securities must rely on the procedures of BOGS to exercise any rights of a holder of New Bonds and GDP-linked Securities, as applicable, under their respective terms and conditions (and, if the investor is not a direct participant in BOGS, on the procedures of the direct participant in BOGS through which the investor owns its interest in the New Bonds and GDP-linked Securities, as applicable).

All payments of principal and interest or other amounts payable on the New Bonds and GDP-linked Securities, as applicable will be made to the relevant direct participants in BOGS in accordance with the Operating Regulations of BOGS. Payments by direct participants and indirect participants in BOGS to the owners of beneficial interests in New Bonds and GDP-linked Securities will be governed by standing instructions and customary industry practice and will be the responsibility of those direct participants or indirect participants.

Investors will only be able to make and receive deliveries, payments and other communications relating to the New Bonds and GDP-linked Securities through BOGS on days when the BOGS system is open for business. That system may not be open for business on certain days when banks, brokers and other institutions are open for business in certain jurisdictions. In addition, because of time-zone differences, there may be complications in connection with completing transactions through BOGS on the same business day as in certain jurisdictions. Investors in certain jurisdictions who wish to transfer an interest in the New Bonds or GDP-linked Securities or to receive or make a payment or delivery of such an interest on a particular day may find that the transaction will not be performed until the next business day in Athens.

## OFFER AND DISTRIBUTION RESTRICTIONS

*Neither this Invitation Memorandum nor the Offer Website constitutes an invitation to participate in the Invitation in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this Invitation Memorandum in, or the access of the Offer Website from, certain jurisdictions may be restricted by law. Persons into whose possession this Invitation Memorandum comes, or who access the Offer Website, are required by each of the Republic and the Information, Exchange and Tabulation Agent to inform themselves about, and to observe, any such restrictions. Bondholders should carefully review the restrictions and limitations applicable in certain jurisdictions and the manner in which this Invitation Memorandum and any other offering material or advertisement in connection with the Invitation will be made available in such jurisdictions, as set forth below.*

*No action has been or will be taken in any jurisdiction by the Republic or the Information, Exchange and Tabulation Agent in relation to the Invitation that would permit a public offering of securities or a consent solicitation, or the possession, circulation or distribution of this document or any other offering material or advertisement in connection with the Invitation, in any country or jurisdiction where regulatory filings, authorizations or any other action for that purpose would be required. Accordingly, the New Bonds, the GDP-linked Securities, the PSI Payment Notes and the Accrued Interest Notes may not be offered, sold, exchanged or substituted, directly or indirectly, and neither this Invitation Memorandum nor any other offering material or advertisement in connection with the Invitation may be distributed or published, in or from any such jurisdiction, except in compliance with any applicable rules or regulations of any such country or jurisdiction.*

### **United States**

The Invitation is only being made to U.S. Persons or persons in the United States. Accordingly, copies of this Invitation Memorandum and any other documents or materials relating to the Invitation are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) outside of the United States to persons that are not U.S. Persons. A holder of Designated Securities cannot participate in the Invitation in respect of such Designated Securities, by any such use, means, instrumentality or facilities or from outside of the United States unless it is a U.S. Person.

The purpose of this Invitation Memorandum and the Offer Website is limited to the Invitation and this Invitation Memorandum may not be sent or given to, nor may the Offer Website be accessed by, a person outside of the United States unless it is a U.S. Person.

Each holder of Designated Securities participating in the Invitation will represent that either (a) (i) it is the beneficial owner of the Designated Securities being tendered for exchange, and (ii) it is a U.S. Person or is located within the United States or (b) (i) it is acting on behalf of the beneficial owner of the Designated Securities being tendered for exchange on a non-discretionary basis and has been duly authorized to so act, and (ii) such beneficial owner has confirmed to it that it is a U.S. Person or would participate in this Invitation other than in an offshore transaction.

Any purported offer of Designated Securities for exchange, or any purported offer to participate in the Invitation in respect of any Designated Securities, resulting directly or indirectly from a violation of these restrictions will be invalid.

### **Canada**

The Invitation described in this Invitation Memorandum is not being made to residents of Canada or persons located in Canada. Each holder of Designated Securities that offers to participate in the Invitation will be deemed to have represented that it did not receive the Invitation Memorandum or any invitation to participate in the Invitation in Canada, and that it and any person on whose behalf it is acting, is not located in and/or a resident of Canada or, while resident or located in Canada, it is acting on behalf of a beneficial owner of Designated Securities that is not resident or located in Canada.

### **Japan**

The New Bonds, the GDP-linked Securities, the PSI Payment Notes and the Accrued Interest 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) (the **FIEA**) and accordingly, the New Bonds, GDP-linked Securities, PSI Payment Notes and Accrued Interest Notes may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any Resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for the re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a Resident of Japan, except pursuant to an exemption from the registration

requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Each holder of Designated Securities participating in the Invitation will be deemed to have represented that it, and any person on whose behalf it is acting, is not located in Japan or a 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)).

***General***

Neither this Invitation Memorandum nor the Offer Website constitutes an offer to sell or buy or the solicitation of an offer to sell or buy the Designated Securities, New Bonds, GDP-linked Securities, PSI Payment Notes and/or Accrued Interest Notes or a consent solicitation and offers to participate in the Invitation will not be accepted from Bondholders in any circumstances in which such offer or solicitation is unlawful.

In addition to the representations referred to above in respect of the United States, each holder of Designated Securities participating in the Invitation will also be deemed to give certain representations generally as set out in *“The Invitation—Procedures for Participating in the Invitation”*. Any offer to participate in the Invitation from a Bondholder that is unable to make these representations will not be accepted. Each of the Republic and the Information, Exchange and Tabulation Agent reserves the right, in its absolute discretion, to investigate, in relation to any offer to participate in the Invitation, whether any such representation given by a Bondholder is correct and, if such investigation is undertaken and as a result the Republic determines (for any reason) that such representation is not correct, such offer shall not be accepted.

## **INFORMATION, EXCHANGE AND TABULATION AGENT**

The Republic has retained Bondholder Communications Group LLC and Hellenic Exchanges, S.A. to act jointly as Information, Exchange and Tabulation Agent.

For the purposes of the settlement of the Invitation on the Eligible Titles Settlement Date, the Foreign Law Republic Titles Settlement Date and the Foreign Law Guaranteed Titles Settlement Date, as applicable, the Republic, acting through its General Accounting Office, will determine the Accrued Interest Payment for each Bondholder in respect of the Designated Securities exchanged or substituted pursuant to the Invitation on behalf of the Republic. All such determinations will, absent manifest error, be conclusive and binding on the Republic and the Bondholders.

The Information, Exchange and Tabulation Agent and its affiliates may contact Bondholders regarding the Invitation and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Invitation Memorandum and related materials to Bondholders.

None of the Issuers of Foreign Law Guaranteed Titles, the Republic, the EFSF and the Information, Exchange and Tabulation Agent (nor any of their respective representatives, directors, employees, officers and affiliates) is acting for any Bondholder, or will be responsible to any Bondholder for providing any protections which would be afforded to its clients or for providing advice in relation to any Invitation, and accordingly none of the Republic, the Issuers of Foreign Law Guaranteed Titles, the EFSF and the Information, Exchange and Tabulation Agent (and any of their respective representatives, directors, employees, officers or affiliates) makes any representation or recommendation whatsoever regarding the Invitation, or any recommendation as to whether Bondholders should tender Designated Securities for exchange pursuant to the Invitation.

None of the Issuers of Foreign Law Guaranteed Titles, the EFSF nor the Information, Exchange and Tabulation Agent (nor any of their respective representatives, directors, employees, officers and affiliates) assumes any responsibility for the accuracy or completeness of the information concerning the Invitation, the Republic, the Designated Securities, the New Bonds, the GDP-linked Securities, the PSI Payment Notes or the Accrued Interest Notes in this Invitation Memorandum or on the Offer Website or for any failure by the Republic to disclose events that may have occurred and may affect the significance or accuracy of such information.

The Information, Exchange and Tabulation Agent shall act solely as agent of the Republic and will not assume any obligation towards or relationship of agency or trust for or with any of the Bondholders of the Designated Securities; provided that cash or securities held by the Information, Exchange and Tabulation Agent for payment or delivery under the Invitation shall be held in trust for the benefit of the Bondholders entitled thereto.

None of the Republic, the Issuers of Foreign Law Guaranteed Titles, the EFSF and the Information, Exchange and Tabulation Agent, nor any of their respective directors, employees or affiliates (as applicable), make any representation or recommendation whatsoever regarding the Invitation, or any recommendation as to whether or not Bondholders should participate in the Invitation or refrain from taking any action in the Invitation with respect to any of such Bondholder's Designated Securities, and none of them has authorized any person to make any such recommendation

Questions and requests for assistance in connection with the delivery of Participation Instructions, Revocation Instructions and the procedures for participating in the Invitation (including questions in relation to settlement) must be directed to the Information, Exchange and Tabulation Agent, the contact details for each of which are on the back cover of this Invitation Memorandum.

## THE TRUSTEE

Wilmington Trust (London) Limited will act as Trustee in respect of (a) the New Bonds pursuant to and in accordance with the Trust Deed and the terms of the Co-Financing Agreement; and (b) the GDP-linked Securities pursuant to and in accordance with the Trust Deed.

Where under the Trust Deed (insofar as it relates to the New Bonds) or the Conditions of the New Bonds the Trustee is entitled or required to exercise any of its powers, trusts, authorities, duties and discretions, such exercise will be subject to the provisions of the Co-Financing Agreement.

The Trust Deed and the Co-Financing Agreement will upon execution be available for inspection, during normal business hours at the office for the time being of the Trustee at 1 King's Arms Yard, London EC2R 7AF, United Kingdom. See also "*The Trust Deed*" and "*The Co-Financing Agreement*" above.

In acting as Trustee pursuant to the Trust Deed, the Trustee is not and will not be acting for, and does not and will not owe any duty or responsibility whatsoever to, any holder of the Designated Securities in its capacity as such. The Trustee makes no representation or recommendation whatsoever regarding the Invitation or any recommendation as to whether or not holders of the Designated Securities should participate in the Invitation or refrain from taking any action in the Invitation with respect to any of such holder's Designated Securities, and the Trustee has not authorised any person to make any such recommendation.

The Trustee shall not be responsible to any holder of the Designated Securities or any other person for the suitability, effectiveness, adequacy, validity and/or enforceability of the Trust Deed or the Co-Financing Agreement or of any of the commercial terms of any of the New Bonds or the GDP-linked Securities, including, without limitation, any terms of the Conditions of the New Bonds or the GDP-linked Securities relating to: (i) amounts (whether of principal, premium (if any), interest or otherwise) payable from time to time in respect of such New Bonds and GDP-linked Securities; (ii) the ranking or timing of payments in respect of such New Bonds and GDP-linked Securities relative to payments in respect of any other securities issued or to be issued by the Republic; (iii) the circumstances or manner in which any amounts payable in respect of such New Bonds and GDP-linked Securities are calculated or determined, and by whom; (iv) the circumstances, manner, currency, timing or place in which such payments are to be made in respect of such New Bonds and GDP-linked Securities; (v) the events of default (if any) expressed to be applicable to such New Bonds and GDP-linked Securities; (vi) any thresholds for or provisions relating to acceleration, enforcement, modification or waiver of the terms of such New Bonds and GDP-linked Securities; (vii) any mandatory or optional redemption provisions, amortisation provisions or sinking fund provisions, if any, applicable to such New Bonds and GDP-linked Securities; (viii) the form of the New Bonds and GDP-linked Securities; (ix) any provisions relating to the trading, clearing and/or settlement of the New Bonds and GDP-linked Securities in, by or through any clearing system (including, without limiting the generality of the foregoing, BOGS); or (x) any provisions relating to the governing law of the New Bonds and GDP-linked Securities and/or any submission to jurisdiction and/or waiver or purported waiver of immunity by the Republic in respect of its obligations relating to the New Bonds and GDP-linked Securities.

**ANNEX I**

**DESIGNATED SECURITIES**

<b>ISIN</b>	<b>Maturity date</b>	<b>Coupon</b>	<b>Principal amount outstanding<sup>3</sup></b>	<b>Minimum denomination</b>	<b>Issuer Clearing System</b>	<b>Category: Eligible Title, Foreign Law Republic Title, Foreign Law Guaranteed Title</b>
GR0110021236 GR0A10021571	20-Mar-12	4.30 per cent.	€9,765,613,000	€1,000	BOGS	Eligible Title
GR0114022479 GR0A14022815	20-Aug-14	5.50 per cent.	€8,541,180,000	€1,000	BOGS	Eligible Title
GR0114023485 GR0A14023821	20-Aug-15	6.10 per cent.	€4,811,700,000	€1,000	BOGS	Eligible Title
GR0118012609 GR0A18012945	20-Apr-17	5.90 per cent.	€3,646,200,000	€1,000	BOGS	Eligible Title
GR0124018525	18-May-12	5.25 per cent.	€4,665,701,000	€1,000	BOGS	Eligible Title
GR0124021552 GR0A24021898	20-May-13	4.60 per cent.	€4,490,566,000	€1,000	BOGS	Eligible Title
GR0124024580 GR0A24024926	20-May-14	4.50 per cent.	€4,368,653,000	€1,000	BOGS	Eligible Title

<sup>3</sup> Excluding any Designated Securities owned by the Republic, which will be cancelled prior to the Expiration Deadline which, for the avoidance of doubt, are not outstanding for the purposes of the consent solicitation.

<b>ISIN</b>	<b>Maturity date</b>	<b>Coupon</b>	<b>Principal amount outstanding<sup>3</sup></b>	<b>Minimum denomination</b>	<b>Issuer Clearing System</b>	<b>Category: Eligible Title, Foreign Law Republic Title, Foreign Law Guaranteed Title</b>
GR0124026601 GR0A24026947	20-Jul-15	3.70 per cent	€6,093,500,000	€1,000	BOGS	Eligible Title
GR0124028623 GR0A24028968	20-Jul-16	3.60 per cent.	€5,442,407,000	€1,000	BOGS	Eligible Title
GR0124029639 GR0A24029974	20-Jul-17	4.30 per cent.	€7,562,450,000	€1,000	BOGS	Eligible Title
GR0124030645 GR0A24030014	20-Jul-18	4.60 per cent.	€5,875,761,000	€1,000	BOGS	Eligible Title
GR0124031650 GR0A24031020	19-Jul-19	6.00 per cent.	€11,747,550,000	€1,000	BOGS	Eligible Title
GR0124032666 GR0A24032036	19-Jun-20	6.25 per cent.	€3,633,650,000	€1,000	BOGS	Eligible Title
GR0133003161 GR0A33003507	20-Mar-24	4.70 per cent.	€9,156,944,000	€1,000	BOGS	Eligible Title
GR0133004177 GR0A33004513	20-Mar-26	5.30 per cent.	€6,063,294,000	€1,000	BOGS	Eligible Title
GR0138001673	20-Sep-37	4.50 per cent.	€8,867,200,000	€1,000	BOGS	Eligible Title
GR0138002689	20-Sep-40	4.60 per cent.	€7,920,000,000	€1,000	BOGS	Eligible Title
GR0338001531	25-Jul-25	2.90 per cent.	€8,584,903,200	€1,000	BOGS	Eligible Title
GR0338002547	25-Jul-30	2.30 per cent.	€8,244,812,650	€1,000	BOGS	Eligible Title

<b>ISIN</b>	<b>Maturity date</b>	<b>Coupon</b>	<b>Principal amount outstanding<sup>3</sup></b>	<b>Minimum denomination</b>	<b>Issuer Clearing System</b>	<b>Category: Eligible Title, Foreign Law Republic Title, Foreign Law Guaranteed Title</b>
GR0133002155 GR0B33002425 GR0C33002358	22-Oct-22	5.90 per cent.	€7,623,302,000	€1,000	BOGS	Eligible Title
GR0106003792	30-Jun-12	1.00 per cent.	€140,300,477.52	€0.01	BOGS	Eligible Title
GR0110022242	31-Mar-13	4.5066 per cent.	€36,428,572.20	€0.01	BOGS	Eligible Title
GR0110023257	31-Jul-13	4.4268 per cent.	€64,285,716	€0.01	BOGS	Eligible Title
GR0112003653	25-Jul-14	3.985 per cent.	€155,357,145.75	€0.01	BOGS	Eligible Title
GR0112004669	30-Sep-14	4.1125 per cent.	€85,714,287	€0.01	BOGS	Eligible Title
GR0114024491	30-Sep-15	3.7017 per cent.	€171,428,572.80	€0.01	BOGS	Eligible Title
GR0516003606	21-May-16	Floating rate	€170,293,160	€0.01	BOGS	Eligible Title
GR0116002875	13-Sep-16	4.0195 per cent.	€142,857,142.85	€0.01	BOGS	Eligible Title
GR0118014621	01-Mar-17	4.225 per cent.	€342,857,142.84	€0.01	BOGS	Eligible Title
GR0518072922	01-Jul-17	Floating rate	€415,504,968.36	€0.01	BOGS	Eligible Title
GR0518071916	01-Jul-17	Floating rate	€71,586,335.16	€0.01	BOGS	Eligible Title
GR0118013615	09-Oct-17	4.675 per cent.	€214,285,714.26	€0.01	BOGS	Eligible Title
GR0120003141	03-Apr-18	4.59 per cent.	€444,000,000.01	€0.01	BOGS	Eligible Title
GR0122002737	27-Feb-19	5.014 per cent.	€112,000,000	€0.01	BOGS	Eligible Title
GR0122003743	04-Mar-19	5.959 per cent.	€424,999,999.97	€0.01	BOGS	Eligible Title
GR0120002135	17-Sep-19	5.161 per cent.	€350,000,000	€0.01	BOGS	Eligible Title
GR0326042257	22-Dec-12	0 per cent.	€2,026,323,382.93	€0.01	BOGS	Eligible Title



<b>ISIN</b>	<b>Maturity date</b>	<b>Coupon</b>	<b>Principal amount outstanding<sup>3</sup></b>	<b>Minimum denomination</b>	<b>Issuer Clearing System</b>	<b>Category: Eligible Title, Foreign Law Republic Title, Foreign Law Guaranteed Title</b>
GR0508001121	31-Dec-12	Floating rate	€22,857,143	€0.01	BOGS	Eligible Title
GR0326043263	22-Dec-13	0 per cent.	€1,853,751,348.67	€0.01	BOGS	Eligible Title
GR0133001140	22-Oct-19	6.50 per cent.	€6,175,017,003.03	€0.01	BOGS	Eligible Title
GR0114020457						
GR0A14020793	20-Aug-12	4.10 per cent.	€4,586,032,000	€1,000	BOGS	Eligible Title
GR0114021463						
GR0A14021809	20-Aug-13	4.00 per cent.	€3,680,249,000	€1,000	BOGS	Eligible Title
GR0124020547	20-Jun-12	5.25 per cent.	€413,711,000	€1,000	BOGS	Eligible Title
GR0124022568	03-Jul-13	3.90 per cent.	€326,029,000	€1,000	BOGS	Eligible Title
GR0124023574	30-Sep-13	4.52 per cent.	€149,360,000	€1,000	BOGS	Eligible Title
GR0124025595	01-Jul-14	4.50 per cent.	€393,967,000	€1,000	BOGS	Eligible Title
GR0124027617	10-Nov-15	3.70 per cent.	€374,967,000	€1,000	BOGS	Eligible Title
GR0128001584	20-May-13	7.50 per cent.	€1,492,693,579.46	€0.01	BOGS	Eligible Title
GR0128002590	11-Jan-14	6.50 per cent.	€2,698,969,588.41	€0.01	BOGS	Eligible Title
GR0326038214	27-Dec-16	zero coupon	€ 334,339,269.47	€1,000	BOGS	Eligible Title
GR0512001356	20-Feb-13	Floating rate	€5,376,722,000	€1,000	BOGS	Eligible Title
GR0514020172	04-Feb-15	Floating rate	€2,020,000,000	€1,000	BOGS	Eligible Title
GR0528002315	04-Apr-17	Floating rate	€4,937,000,000	€1,000	BOGS	Eligible Title
XS0147393861	15-May-12	Floating rate	€450,000,000	€1,000	Euroclear System /	Foreign Law Republic

<b>ISIN</b>	<b>Maturity date</b>	<b>Coupon</b>	<b>Principal amount outstanding<sup>3</sup></b>	<b>Minimum denomination</b>	<b>Issuer Clearing System</b>	<b>Category: Eligible Title, Foreign Law Republic Title, Foreign Law Guaranteed Title</b>
					Clearstream, Luxembourg	Title
XS0372384064	25-Jun-13	4.625 per cent.	U.S.\$1,434,023,000	U.S.\$1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0097596463	21-May-14	Floating rate	€69,000,000	€100,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0165956672	08-Apr-16	4.59 per cent.	€400,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0357333029	11-Apr-16	Floating rate	€5,547,200,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0071095045	08-Nov-16	4.50 per cent.	¥40,000,000,000	¥1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0078057725	03-Jul-17	4.50 per cent.	¥30,000,000,000	¥10,000,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0079012166	08-Aug-17	3.80 per cent.	¥50,000,000,000	¥1,000,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0260024277	05-Jul-18	Floating rate	€2,086,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0286916027	22-Feb-19	Floating rate	€280,000,000	€100,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0097010440	30-Apr-19	3.00 per cent.	¥25,000,000,000	¥10,000,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0097598329	03-Jun-19	Floating rate	€110,000,000	€100,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0224227313	13-Jul-20	Floating rate	€250,000,000	€1,000	Euroclear System /	Foreign Law Republic

ISIN	Maturity date	Coupon	Principal amount outstanding <sup>3</sup>	Minimum denomination	Issuer Clearing System	Category: Eligible Title, Foreign Law Republic Title, Foreign Law Guaranteed Title
					Clearstream, Luxembourg	Title
XS0251384904	19-Apr-21	Floating rate	€250,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0255739350	31-May-21	Floating rate	€100,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0256563429	09-Jun-21	Floating rate	€150,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0223870907	07-Jul-24	Floating rate	€250,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0223064139	06-Jul-25	Floating rate	€400,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0260349492	10-Jul-26	Floating rate	€130,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0110307930	14-Apr-28	6.14 per cent.	€200,000,000	€100,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0192416617	10-May-34	Floating rate	€1,000,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0191352847	17-Jul-34	5.20 per cent.	€1,000,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0292467775	25-Jul-57	2.085 per cent.	€1,778,352,000	€1,000,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
FR0000489676 (OSE)	13-Sep-12	4.915 per cent.	€190,000,000	€1,000	Euroclear France / Euroclear System / Clearstream,	Foreign Law Guaranteed Title

ISIN	Maturity date	Coupon	Principal amount outstanding <sup>3</sup>	Minimum denomination	Issuer Clearing System	Category: Eligible Title, Foreign Law Republic Title, Foreign Law Guaranteed Title
					Luxembourg	
XS0208636091 (OSE)	21-Dec-12	3.5625 per cent.	€250,000,000	€100,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Guaranteed Title
XS0165688648 (OSE)	02-Apr-13	4.495 per cent.	€412,500,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Guaranteed Title
XS0142390904 (OSE)	30-Jan-14	5.46 per cent.	€197,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Guaranteed Title
FR0010027557 (OSE)	29-Oct-15	4.68 per cent.	€200,000,000	€1,000	Euroclear France / Euroclear System / Clearstream, Luxembourg	Foreign Law Guaranteed Title
XS0193324380 (OSE)	24-May-16	Floating rate	€250,000,000	€100,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Guaranteed Title
XS0215169706 (OSE)	17-Mar-17	4.0280 per cent.	€450,000,000	€100,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Guaranteed Title
XS0160208772 (OSE)	27-Dec-17	5.014 per cent.	€165,000,000	€1,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Guaranteed Title
XS0280601658 (OSE)	20-Dec-19	4.218 per cent.	€255,000,000	€50,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Guaranteed Title
XS0354223827 (OASA)	26-Mar-13	4.057 per cent.	€240,000,000	€50,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0198741687 (OASA)	12-Aug-14	4.301 per cent.	€160,000,000	€100,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title
XS0308854149 (OASA)	18-Jul-17	5.008 per cent.	€200,940,000	€60,000	Euroclear System / Clearstream, Luxembourg	Foreign Law Republic Title

**ANNEX II**  
**TERMS OF THE CO-FINANCING AGREEMENT**

**THIS FORM OF CO-FINANCING AGREEMENT IS FOR INFORMATIONAL PURPOSES ONLY AND HAS NOT BEEN EXECUTED BY THE PARTIES THERETO.**

DATED [•] 2012

THE HELLENIC REPUBLIC  
as Beneficiary Member State

BANK OF GREECE

EUROPEAN FINANCIAL STABILITY FACILITY

WILMINGTON TRUST (LONDON) LIMITED  
as Bond Trustee

BANK OF GREECE  
acting as Bond Paying Agent

AND

BANK OF GREECE  
acting as Common Paying Agent

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CO-FINANCING AGREEMENT

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**THIS DEED** is dated [•] 2012 and made

**BETWEEN:**

- (1) **THE HELLENIC REPUBLIC**, as the beneficiary member state (the "**Beneficiary Member State**");
- (2) **BANK OF GREECE**, represented by the Governor of the Bank of Greece, [•], (the "**Bank of Greece**") as agent for payments made by the Beneficiary Member State;
- (3) **EUROPEAN FINANCIAL STABILITY FACILITY**, a *société anonyme* incorporated in Luxembourg with its registered office at 43, avenue John F. Kennedy, L-1855 Luxembourg (R.C.S. Luxembourg B153,414), represented by Mr. Klaus Regling, Chief Executive Officer and Mr. Christophe Frankel, Deputy Chief Executive Officer as lender under the PSI LM Facility Agreement referred to below ("**EFSF**");
- (4) **WILMINGTON TRUST (LONDON) LIMITED**, of Third Floor, 1 King's Arms Yard, London EC2R 7AF (the "**Bond Trustee**", which expression includes, where the context admits, all persons for the time being the trustee or trustees of the Bonds) in its capacity as Bond Trustee under the Trust Deed;
- (5) **BANK OF GREECE**, represented by the Governor of the Bank of Greece [•], as paying agent for the bonds ("**Bond Paying Agent**", which expression includes, where the context admits, all persons for the time being the paying agent of the Bonds); and
- (6) **BANK OF GREECE**, represented by the Governor of the Bank of Greece [•], as common paying agent (the "**Common Paying Agent**"),

herein jointly referred to as the "**Parties**" and each of them a "**Party**".

**PREAMBLE**

- (A) On or after the date of this Deed and in any event prior to 16 April 2012, the Beneficiary Member State has issued, or will issue, the Bonds subject to the terms of the Trust Deed as part of the consideration for the Voluntary Liability Management Transaction;
- (B) On or about the date of this Deed, EFSF has entered into, or will enter into, a financial assistance facility agreement with the Beneficiary Member State and the Bank of Greece in order to provide financing of up to EUR30,000,000,000 to finance in part the Voluntary Liability Management Transaction (the "**PSI LM Facility Agreement**"); and
- (C) This Deed is entered into solely in respect of the Bonds and the PSI LM Facility Agreement. This Deed shall not apply to the rights or obligations of EFSF and the Beneficiary Member State in respect of any other financial assistance facility agreement, facility or other agreement that may be entered into between them. In particular, this Deed and the Debt Documents shall not confer any rights on Bond Creditors or any obligations or liability on EFSF in respect of any other financial



assistance facility, facility or other agreement or any monies or amounts received by EFSF in connection therewith.

**NOW THIS DEED WITNESSES AND IT IS HEREBY DECLARED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Deed:

**"Bondholders"** means the holders of the Bonds from time to time.

**"Bonds"** means new bonds issued by the Beneficiary Member State on or after the date of this Deed in an aggregate principal amount (in respect of all series of such bonds) of up to EUR [70,000,000,000] (as such amount may be increased with the prior written consent of EFSF in accordance with Clause 2.4(c)(iii)) (the **"Permitted Aggregate Principal Amount"**) and issued either:

- (a) as part of the Voluntary Liability Management Transaction on or prior to 16 April 2012; or
- (b) in accordance with Clause 2.4(c)(ii),

and which are constituted by, and subject to, the Trust Deed and which by their terms are expressed to be subject to the terms of (and have the benefit of) this Deed. Details of such Bonds shall be provided by the Beneficiary Member State to EFSF under Clause 14.5.

**"Bond Creditors"** means the Bond Trustee and the Bondholders.

**"Bond Documents"** means the terms of the Bonds (including the Conditions) and the Trust Deed.

**"Bond Trustee Expenses"** means any fees, costs, expenses and other amounts payable to the Bond Trustee for its own account under the Bond Documents (including any amounts payable pursuant to contractual indemnification provisions).

**"Business Day"** has the meaning given to the term "Business Day" in the PSI LM Facility Agreement.

**"Clause 6(6) Repayment"** means any repayment pursuant to clause 6(6) of the PSI LM Facility Agreement.

**"Commitment Fee"** has the meaning given to the term "Commitment Fee" in the PSI LM Facility Agreement.

**"Common Amortisation Table"** means the amortisation table set out in Schedule 2 setting out by reference to each Payment Date the percentage of:

- (a) the original total principal amount of the PSI LM Facility Agreement which is scheduled to remain outstanding on such date; and

- (b) the aggregate original Principal Amount (as defined in the Conditions) of the Bonds which are scheduled to remain outstanding on such date.

**"Common Assets"** means:

- (a) any amount paid by the Beneficiary Member State to the Common Paying Agent pursuant to Clause 2.1; and
- (b) any amounts received or recovered by the Common Paying Agent in relation to the Liabilities which shall be held on trust to be applied for the benefit of the Creditors pursuant to Clause 3.2 (*Obligations in respect of turnover of receipts*) or Clause 4.2 (*Obligations in respect of turnover of receipts*).

**"Common Paying Agent's Spot Rate of Exchange"** means, in respect of the conversion of one currency (the **"First Currency"**) into another currency (the **"Second Currency"**) the Common Paying Agent's spot rate of exchange for the purchase of the Second Currency with the First Currency at or about 11.00 a.m. Luxembourg time on a particular day.

**"Conditions"** means the terms and conditions of the Bonds which will be constituted by and issued pursuant to the Trust Deed.

**"Creditors"** means EFSF as lender under the PSI LM Facility Agreement and the Bond Creditors.

**"Debt Document"** means each of the PSI LM Facility Agreement, the Bond Documents, this Deed and any other document designated as such in writing by the Common Paying Agent, the Bond Paying Agent, the Bond Trustee, EFSF and the Beneficiary Member State.

**"Deed(s) of Guarantee"** has the meaning given to the term "Deed(s) of Guarantee" in the PSI LM Facility Agreement.

**"Disincentive Payment"** has the meaning given to the term "Disincentive Payment" in the PSI LM Facility Agreement.

**"EFSF Cost of Funding"** has the meaning given to the term "EFSF Cost of Funding" in the PSI LM Facility Agreement.

**"EFSF Debt Issuance Programme"** means the EFSF debt issuance programme established in accordance with the EFSF Funding Guidelines.

**"EFSF Debt Securities"** means Funding Instruments issued by EFSF in the form of short term unsubordinated notes with maturity of no more than twenty four (24) months issued under the EFSF Debt Issuance Programme and which pay interest at a rate comparable to the market rate which would be payable by EFSF for instruments with the same maturity as such EFSF Debt Securities.

**"EFSF Funding Guidelines"** means the funding strategy and guidelines of EFSF from time to time adopted by the board of directors of EFSF and approved by the Guarantors.

"**ESM**" has the meaning given to the term "ESM" in the PSI LM Facility Agreement.

"**EUR**" and "**euro**" denote the single currency unit of the Participating Member States.

"**Event of Default**" means an event of default (howsoever described) under the PSI LM Facility Agreement or the Conditions.

"**EWG**" means the Eurogroup Working Group.

"**Framework Agreement**" has the meaning given to the term "Framework Agreement" in the PSI LM Facility Agreement.

"**Funding Instruments**" means bonds, notes, commercial paper, debt securities or other financing arrangements.

"**Guarantee Commission Fee**" has the meaning given to the term "Guarantee Commission Fee" in the PSI LM Facility Agreement.

"**Guarantors**" has the meaning given to the term "Guarantors" in the PSI LM Facility Agreement.

"**Intercreditor Amendment**" means an amendment or waiver which is subject to Clause 2.4 (*Consents and Amendments*).

"**Issuance Costs**" has the meaning given to the term "Issuance Costs" in the PSI LM Facility Agreement.

"**Liabilities**" means all present and future liabilities and obligations at any time of the Beneficiary Member State to any Creditor under the Debt Documents in respect of the scheduled, voluntary or mandatory repayment of principal and payment of interest (including in respect of interest under the PSI LM Facility Agreement, the EFSF Cost of Funding, Service Fee, Commitment Fee, Guarantee Commission Fee and/or any Margin components). For the avoidance of doubt, all other commissions, fees, costs and other amounts due to EFSF under the PSI LM Facility Agreement (including Negative Carry, Loss of Interest, Issuance Costs, Disincentive Payments and any Clause 6(6) Repayment) and/or Bond Trustee Expenses do not and shall not constitute Liabilities.

"**Loss of Interest**" has the meaning given to the term "Loss of Interest" in the PSI LM Facility Agreement.

"**Margin**" has the meaning given to the term "Margin" in the PSI LM Facility Agreement.

"**Negative Carry**" has the meaning given to the term "Negative Carry" in the PSI LM Facility Agreement.

"**Participating Member States**" means the member states of the European Union that have the euro as their lawful currency in accordance with the legislation of the European Union in relation to Economic and Monetary Union.

**"Payment"** means a payment, prepayment, repayment, redemption, defeasance or discharge of any of the Liabilities. For the avoidance of doubt, all amounts received, paid or recovered in respect of other commissions, fees, costs and other amounts due to EFSF under the PSI LM Facility Agreement (including Negative Carry, Loss of Interest, Issuance Costs, Disincentive Payments and any Clause 6(6) Repayment) and/or Bond Trustee Expenses do not and shall not constitute Payments.

**"Payment Date"** means each date specified in the Common Amortisation Table **provided that** the dates for Payments to be made under the Bonds shall be identical to the dates for Payments to be made under the PSI LM Facility Agreement and **provided further that** following any acceleration under the Bonds (or any of them) or the PSI LM Facility Agreement, a Payment Date shall include any date on which the accelerated Liabilities are required to be paid under the relevant Conditions or the PSI LM Facility Agreement (as applicable).

**"Service Fee"** has the meaning given to the term "Service Fee" in the PSI LM Facility Agreement.

**"Trust Deed"** means the trust deed dated [•] between the Bond Trustee and the Beneficiary Member State, the terms of which are expressed to apply to debt instruments including the Bonds and any supplemental trust deed relating thereto.

**"VAT"** means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

**"Voluntary Liability Management Transaction"** has the meaning given to the term "Voluntary Liability Management Transaction" in the PSI LM Facility Agreement.

## 1.2 Construction

- (a) Unless a contrary indication appears, a reference in this Deed to:
- (i) **"Common Paying Agent", "Creditor", "Bond Trustee", "Bond Paying Agent" and "Party"**, shall be construed to be a reference to it in its capacity as such and not in any other capacity;
  - (ii) **"Common Paying Agent", "EFSF", "Bond Trustee", "Bond Paying Agent" or "Bond Creditor"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees **provided that** such successor, assign or transferee has agreed to be bound by this Deed;
  - (iii) **"assets"** includes present and future properties, revenues and rights of every description;
  - (iv) a **"Debt Document"** or any other agreement or instrument is (other than a reference to a **"Debt Document"** or any other agreement or instrument in **"original form"**) a reference to that Debt Document, or other agreement or instrument, as amended, novated, supplemented, extended or restated but solely as permitted by this Deed;

- (v) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
  - (vi) the "**original form**" of a Debt Document or any other agreement or instrument is a reference to that Debt Document, agreement or instrument as originally entered into;
  - (vii) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
  - (viii) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
  - (ix) the singular includes the plural and vice versa (unless the context otherwise requires); and
  - (x) a provision of law is a reference to that provision as amended or re-enacted.
- (b) Section, Clause and Schedule headings are for ease of reference only.

### 1.3 **PSI LM Facility Agreement**

It is acknowledged and agreed by the Parties that, in accordance with Clause 2(3)(d) of the PSI LM Facility Agreement, EFSF has discharged or will discharge its obligations to make the Financial Assistance Amounts (as defined in the PSI LM Facility Agreement) available under that facility by the delivery of EFSF Debt Securities with an aggregate notional principal amount which (subject to rounding) is equal to the relevant Financial Assistance Amount(s) (as defined in the PSI LM Facility Agreement). Notwithstanding the foregoing, for all purposes of the PSI LM Facility Agreement and this Deed, the amount outstanding and any Payments and Liabilities due in respect of the PSI LM Facility Agreement shall be determined by reference to the Financial Assistance Amount(s) (as defined in the PSI LM Facility Agreement) made available and which remain outstanding from time to time and shall not be affected by any change in the market value of the EFSF Debt Securities.

## 2. **LIABILITIES**

### 2.1 **Payment of Liabilities**

Subject to the terms of this Deed:

- (a) EFSF and the Beneficiary Member State hereby agree that the Beneficiary Member State shall make Payments under the PSI LM Facility Agreement into

the account of the Common Paying Agent designated in accordance with Clause 16 (*Accounts*).

- (b) The Bond Trustee and the Bond Paying Agent hereby agree that the Beneficiary Member State shall make Payments under the Bond Documents into the account of the Common Paying Agent designated in accordance with Clause 16 (*Accounts*).
- (c) All payments to be made by the Beneficiary Member State under this Deed under Clause 12 (*Costs and Expenses*) or Clause 13 (*Indemnities*) to the Common Paying Agent shall be made by the Beneficiary Member State into the account of the Common Paying Agent designated in accordance with Clause 16 (*Accounts*).
- (d) All Payments to be made by the Beneficiary Member State under the PSI LM Facility Agreement and under the Bond Documents shall be made solely on the Payment Dates **provided that** the Beneficiary Member State shall not be relieved of its obligations to make a Payment if it fails to make a Payment on a Payment Date.
- (e) The Common Paying Agent shall apply Payments received by it (other than pursuant to Clause 2.1(c)) in accordance with Clause 6.1 (*Order of Application*).
- (f) For the avoidance of doubt, all other commissions, fees, costs and other amounts due from the Beneficiary Member State to EFSF under the PSI LM Facility Agreement (including Negative Carry, Loss of Interest, Issuance Costs, Disincentive Payments and any Clause 6(6) Repayment), which amounts do not constitute Payments, shall be paid directly by the Beneficiary Member State to EFSF.
- (g) For the avoidance of doubt:
  - (i) any Bond Trustee Expenses; and
  - (ii) any payments of fees, costs and expenses, or pursuant to any contractual indemnification rights to the Common Paying Agent under this Deed,

do not constitute Payments and shall be paid by the Beneficiary Member State or the Bondholders directly to the Bond Trustee or the Common Paying Agent (as the case may be).

## 2.2 **Amendments and Waivers: EFSF**

- (a) Subject to Clause 2.2(b) to (d), the Beneficiary Member State and EFSF may amend or waive the terms of the PSI LM Facility Agreement in accordance with its terms (and subject to any consent required under them) at any time.
- (b) The Beneficiary Member State and EFSF may not, subject to Clause 2.2(c) and (d), (without the prior written consent of the Bond Trustee (acting in accordance with the Trust Deed)) amend or waive the terms of the PSI LM

Facility Agreement if the amendment or waiver is, in relation to the original terms of the PSI LM Facility Agreement (or the original terms thereof as amended in compliance with the terms of this Deed):

- (i) an amendment or waiver which changes any of the dates on which a Payment is to be made under the PSI LM Facility Agreement from a Payment Date;
- (ii) an amendment or waiver which results in an obligation on the Beneficiary Member State to make any Payment which would result, on any Payment Date, in:
  - (A) the percentage of the original principal amount of the PSI LM Facility Agreement which has been reimbursed, repaid or recovered being less than the percentage set out in the Common Amortisation Table in relation to such Payment Date; and/or
  - (B) any Payment of interest falling due on a date earlier than originally scheduled (or on a date earlier than such date as amended in compliance with the terms of this Deed); or
- (iii) an amendment to the terms of clause 6(6) of the PSI LM Facility Agreement or to the definition of "Market Disruption Event" set out in clause 1 (Definitions) of the PSI LM Facility Agreement.

The Parties acknowledge and agree that if any amendment is made to the repayment schedule for principal under the PSI LM Facility Agreement with the consent of the Bond Trustee in accordance with this Clause 2.2(b), the Parties shall enter into such consequential amendments to the Debt Documents as are necessary to reflect such amendments in the Common Amortisation Table and/or each equivalent table in each other Debt Document.

- (c) For the avoidance of doubt, the Parties acknowledge and agree that an adjustment in the EFSF Cost of Funding (which may be an upwards or downwards adjustment) may occur from time to time in accordance with the terms of the PSI LM Facility Agreement and that such an adjustment will not breach or require any consent under this Deed.
- (d) The Parties acknowledge that, in addition, EFSF and the Beneficiary Member State acting together in relation to the PSI LM Facility Agreement, will be able to amend interest provisions (so as to increase or decrease the interest rate or to change the basis upon which it is calculated), introduce Margin and/or increase or decrease any fees, in line with decisions the board of directors of EFSF and/or the shareholders of EFSF may take from time to time regarding the general pricing policy also applying to other Member States benefiting from EFSF funding and following a decision to that effect by the EWG and that such amendments shall not be in breach of or require any consent under this Clause 2.2.

### **2.3 Amendments and Waivers: Bond Creditors**

- (a) Subject to Clause 2.3(b), the Beneficiary Member State and the Bond Creditors may amend or waive the terms of the Bond Documents in accordance with their terms (and subject to any consent required under them) at any time.
- (b) The Beneficiary Member State and the Bond Creditors may not (without the prior written consent of EFSF) amend or waive the terms of the Bond Documents if the amendment or waiver is, in relation to the original terms of the Bond Documents (or the original terms thereof as amended in compliance with the terms of this Deed):
  - (i) an amendment or waiver which changes any of the dates on which a Payment is to be made under the Bond Documents from a Payment Date; or
  - (ii) an amendment or waiver which results in an obligation on the Beneficiary Member State to make any Payment which would result, on any Payment Date, in:
    - (A) the percentage of the original principal amount of the Bonds which has been reimbursed, repaid or recovered being less than the percentage set out in the Common Amortisation Table in relation to such Payment Date; and/or
    - (B) any Payment of interest falling due on a date earlier than originally scheduled.

The Parties acknowledge and agree that if any amendment is made to the repayment schedule for principal under the Bonds with the consent of EFSF in accordance with this Clause 2.3(b), the Parties shall enter into such consequential amendments to the Debt Documents as are necessary to reflect such amendments in the Common Amortisation Table and/or each equivalent table in each other Debt Document.

### **2.4 Consents and Amendments**

- (a) The provisions of this Deed may only be waived with the prior written consent of EFSF and the Bond Trustee (acting in accordance with the Bond Documents).
- (b) This Deed may only be amended with the written consent of the Beneficiary Member State, EFSF, the Bank of Greece, the Common Paying Agent, the Bond Paying Agent and the Bond Trustee (acting in accordance with the Bond Documents).
- (c)
  - (i) The Parties acknowledge that, on or about the date of this Deed, the Bonds comprise twenty (20) series, each having an equal aggregate principal amount and the principal amount of each of which is due to



be repaid in full in a single payment on the Payment Date specified in relation to the relevant series and set out in the Common Amortisation Table.

- (ii) The prior written consent of EFSF is required in respect of:
  - (A) any issuance of Bonds after 16 April 2012 (including any roll-over, exchange, refinancing or replacement of Bonds with or by further bonds which are to be constituted by, and subject to, the Trust Deed and which by their terms are to be expressed to be subject to the terms of (and have the benefit of) this Deed); and/or
  - (B) any increase in the Permitted Aggregate Principal Amount.
- (iii) The Permitted Aggregate Principal Amount specified in the definition of "Bonds" may be increased from time to time with the prior written consent of EFSF **provided that** the Permitted Aggregate Principal Amount shall not at any time be increased to an amount that would exceed the lower of:
  - (A) the product of (x) three (3), and (y) the principal amount then outstanding under the PSI LM Facility Agreement; and
  - (B) EUR 90,000,000,000.

## 2.5 **Clause 6(6) Repayments**

- (a) In the event that the Beneficiary Member State is required to and does make a repayment under clause 6(6) of the PSI LM Facility Agreement as a result of a Market Disruption (as therein defined)(each such repayment a "**Market Disruption Prepayment**"), the Beneficiary Member State shall:
  - (i) no later than three (3) Business Days after the date of that Market Disruption Prepayment, deliver a notice to the Bond Trustee pursuant to which it shall offer to purchase at par, with accrued interest, Bonds with an aggregate principal amount (after any adjustment for rounding) equal to the product of (i) the amount by which that Market Disruption Prepayment (together with the amount of any other Market Disruption Prepayments but only to the extent that such other Market Disruption Prepayments have not been re-borrowed or been the subject of an earlier prepayment offer pursuant to this Clause 2.5) exceeds EUR3,000,000,000, if any and (ii) the Pro Rata Multiple (as defined below); and
  - (ii) on the first Business Day falling at least twelve (12) months after the date of that Market Disruption Prepayment, deliver a notice to the Bond Trustee pursuant to which it shall offer to purchase at par, with accrued interest, Bonds with an aggregate principal amount (after any adjustment for rounding) equal to the product of (i) the amount of that Market Disruption Prepayment (together with the amount of any other

Market Disruption Prepayments but only to the extent that such other Market Disruption Prepayments have not been re-borrowed or been the subject of an earlier prepayment offer pursuant to this Clause 2.5), to the extent such amount does not exceed EUR3,000,000,000 and (ii) the Pro Rata Multiple (as defined below),

and the Bond Trustee shall (at the cost and expense of the Beneficiary Member State) promptly deliver a copy of each such notice which it has received from the Beneficiary Member State to the Bondholders in accordance with the Conditions. For the purposes of Clause 8.6(a), EFSF is deemed to have expressly consented in writing to each purchase of Bonds made pursuant to an offer made in accordance with this Clause 2.5.

- (b) The "**Pro Rata Multiple**" means, on the date of any Market Disruption Prepayment (but before giving effect thereto), the aggregate principal amount of the Bonds Outstanding (as defined in the Trust Deed) on that date divided by the aggregate principal amount outstanding under the PSI LM Facility Agreement on that date.
- (c) Any purchase made pursuant to this Clause 2.5 shall be completed on a date not less than thirty (30) nor more than sixty (60) days after the date on which notice of the offer is delivered to the Bond Trustee and Bonds tendered in the offer will be accepted by the Beneficiary Member State on a *pro rata* basis in the case of oversubscription or, in the event not all Bondholders accept the offer to purchase, the Pro Rata Multiple will be reduced by the percentage equal to the percentage of the Bonds held by Bondholders who do not accept the offer to purchase.

## 2.6 No Effect on Other Facilities

For the avoidance of doubt:

- (a) nothing in any Debt Document shall oblige EFSF or the Beneficiary Member State to secure payment to, or to pay to, the Common Paying Agent or to anyone else except EFSF sums due under any loan or other financial facility (other than the PSI LM Facility Agreement) that EFSF has extended or may in future extend to the Beneficiary Member State ("**Other Loans**");
- (b) nothing in any Debt Document shall restrict the Beneficiary Member State from discharging in full as and when it is obliged so to do its liabilities to EFSF under any Other Loan; and
- (c) none of the Common Paying Agent, the Bond Trustee, the Bondholders, the Bond Paying Agent or anyone else shall have any recourse to or claim against EFSF in respect of any sums owed by the Beneficiary Member State to EFSF under any Other Loan or in respect of any sums paid by the Beneficiary Member State or received or recovered by EFSF in discharge of the liabilities of the Beneficiary Member State under any Other Loan.

### **3. TURNOVER OF RECEIPTS BY CREDITORS**

#### **3.1 Sums received by the Creditors**

Subject to Clause 3.4, if EFSF or any Bond Creditor receives a Payment or recovers any amount (including by way of set-off) in respect of a Liability other than by way of a Payment made under Clause 2.1 (*Payments*) or Clause 3.4 (*Payments between Creditors*) then EFSF or, as the case may be, the relevant Bond Creditor shall be liable to make a payment in an amount equal to the amount received, recovered or deemed to have been received or recovered to the Common Paying Agent for application by the Common Paying Agent in accordance with Clause 6 (*Application of Proceeds*). For the avoidance of doubt this Clause 3 and this Deed shall not apply to:

- (a) any amounts received or recovered by EFSF or the Bond Trustee which do not relate to Payments or Liabilities such as any amounts as described in Clause 2.1(f) which are paid to, received or otherwise recovered by EFSF and any amounts as described in Clause 2.1(g) which are paid to, received or otherwise recovered by the Bond Trustee;
- (b) any amounts received or recovered by EFSF under or in relation to any financial assistance facility agreement, facility or other agreement that may be entered into between EFSF and the Beneficiary Member State other than the facility provided under the PSI LM Facility Agreement; or
- (c) any amounts received or recovered by the Bond Trustee under any other agreement or arrangement between the Bond Trustee and the Beneficiary Member State other than in connection with the Bond Documents,

and, in particular, this Clause 3, this Deed and the Debt Documents shall not confer any rights on Bond Creditors or impose any obligations or liabilities on EFSF in respect of any financial assistance facility, facility (or other agreement or any monies or amounts received by EFSF in connection therewith) other than the PSI LM Facility Agreement.

#### **3.2 Obligations in respect of turnover of receipts**

Any amounts paid by a Creditor to the Common Paying Agent under this Clause 3 shall be held on trust by the Common Paying Agent to be applied in accordance with the terms of this Deed.

#### **3.3 Extent of discharge**

Subject to Clause 3.4, it is acknowledged and agreed that any amount received or recovered by EFSF or a Bond Creditor to which Clause 3.1 above applies shall only discharge the obligations of the Beneficiary Member State under the PSI LM Facility Agreement and/or the Bonds to the extent that an amount equal to the amount received or recovered is paid to the Common Paying Agent and then paid by the Common Paying Agent to EFSF (in the case of the PSI LM Facility Agreement) or the Bond Trustee or the Bond Paying Agent (as applicable, in the case of the Bonds) and received by the Bondholders or Bond Trustee in each case pursuant to the terms

of this Deed. Accordingly, the obligation in relation to which that amount was received or recovered shall not be discharged or, to the extent necessary, shall be reinstated to the extent that the relevant amount is ultimately re-allocated to discharge a different Liability pursuant to the terms of this Deed.

### **3.4 Payments between Creditors**

If and so long as the Common Paying Agent is the Bank of Greece, EFSF and the Bond Creditors may discharge their obligations under Clause 3.1 above in respect of any Payment received or any amount recovered (including by way of set-off) by making payments to each other in amounts equal to the amounts that would otherwise be due to the relevant Party from the Common Paying Agent in accordance with Clause 6 (*Application of Proceeds*) in respect of that Payment received or amount recovered. In this event, EFSF, or, as the case may be, the relevant Bond Creditor(s) shall inform the Common Paying Agent of the payment made under this Clause 3.4.

### **3.5 Bondholders bound**

To the extent that any undertaking or obligation under this Clause 3 is given by Bond Creditors which are Bondholders, the Parties acknowledge that each Bondholder has, by agreeing to become a holder of Bonds, agreed under the Conditions of such Bonds to be bound by the terms of this Deed.

## **4. TURNOVER OF RECEIPTS BY BENEFICIARY MEMBER STATE**

### **4.1 Sums received by the Beneficiary Member State**

If the Beneficiary Member State receives or recovers any sum or Payment (including any Payment received by the Beneficiary Member State in its capacity as the holder of a Bond and including a Payment by way of set-off) which, under the terms of any of the Debt Documents, should have been paid to the Common Paying Agent, then the Beneficiary Member State will promptly pay the amount of that receipt or recovery to the Common Paying Agent for application by the Common Paying Agent in accordance with the terms of this Deed. For the avoidance of doubt this Clause 4.1 shall not apply to any amounts received by the Beneficiary Member State from the Common Paying Agent by reason of the Beneficiary Member State being a holder of Bonds acquired by it in accordance with the terms of the Debt Documents if and to the extent that there is no shortfall in the Payments made or to be made to the Creditors.

### **4.2 Obligations in respect of turnover of receipts**

Any amounts paid by the Beneficiary Member State under this Clause 4 (*Turnover of Receipts by Beneficiary Member State*) shall be held on trust by the Common Paying Agent for application in accordance with the terms of this Deed.

## **5. REDISTRIBUTION**

- (a) Any amount paid by a Creditor (a "**Recovering Creditor**") to the Common Paying Agent under Clause 3 (*Turnover of Receipts by Creditors*) or to any other Party in accordance with Clause 3.4 (*Payments between Creditors*) shall

be treated as having been paid by the Beneficiary Member State to the Common Paying Agent. Where such amount was paid to the Common Paying Agent, such amount shall be distributed by the Common Paying Agent to the Creditors in accordance with the terms of this Deed.

- (b) Following a distribution by the Common Paying Agent or a payment by one Party to another in accordance with Clause 3.4 (*Payments between Creditors*) of any sum received or recovered by a Recovering Creditor from the Beneficiary Member State (as described in paragraph (a) above), as between the Beneficiary Member State and the Recovering Creditor an amount equal to the amount received or recovered by that Recovering Creditor and which it has paid to another Party in accordance with Clause 3.4 (*Payments between Creditors*) or has paid to the Common Paying Agent (the "**Shared Amount**") will be treated as not having been paid by the Beneficiary Member State to the Recovering Creditor and not to have discharged the liability of the Beneficiary Member State owed to such Recovering Creditor.

## 6. APPLICATION OF PROCEEDS

### 6.1 Order of application

- (a) All amounts from time to time received or recovered by the Common Paying Agent pursuant to the terms of any Debt Document or under this Deed shall be held by the Common Paying Agent on trust to apply them (subject to the provisions of this Clause 6 (*Application of Proceeds*)), in the following order of priority:

**First** in discharging any sums owing to the Common Paying Agent to the extent that the Beneficiary Member State has not paid the amounts payable by it to the Common Paying Agent under Clause 12 (*Costs and Expenses*);

**Second** in payment to:

- (i) EFSF; and
- (ii) the Bond Paying Agent, or at the direction of the Bond Trustee (acting in accordance with the Trust Deed), on its own behalf and on behalf of the Bondholders,

for application towards the discharge of the Liabilities on a *pro-rata* basis as described in paragraph (b) below; and

**Third** the balance, if any, in payment to the Beneficiary Member State.

- (b) For the purposes of determining the amount of any *pro-rata* payment to be made pursuant to paragraph (a) above:
  - (A) in respect of Payments or other amounts received or recovered by the Common Paying Agent for distribution on a Payment Date when there are no overdue or unpaid amounts in respect of Payments due on earlier Payment Dates, the Common Paying Agent shall apply the amount received or recovered on a *pro rata* basis by reference to (a) the amount of any Payment

due to be paid under the PSI LM Facility Agreement on that Payment Date, as communicated in accordance with Clause 14.1 and (b) the amount of any Payment due to be paid under the Bonds on that Payment Date, as communicated by the Bond Paying Agent or the Bond Trustee in accordance with Clause 14.3;

- (B) in respect of Payments or other amounts received or recovered by the Common Paying Agent for distribution on a Payment Date when there are overdue or unpaid amounts in respect of Payments due on earlier Payment Dates, the Common Paying Agent shall apply the amount received or recovered on a *pro rata* basis by reference to (a) the amount of (i) any Payment due to be paid under the PSI LM Facility Agreement on that Payment Date, as communicated in accordance with Clause 14.1, together with (ii) any other Payment which has fallen due to EFSF under the PSI LM Facility Agreement but which has not been discharged in full and (b) the amount of (i) any Payment due to be paid under the Bonds on that Payment Date, as communicated by the Bond Paying Agent or the Bond Trustee in accordance with Clause 14.3 together with (ii) any other Payment which has fallen due under the Bonds but which has not been discharged in full; and
- (C) in respect of amounts received or recovered on a date other than a Payment Date (including amounts received or recovered pursuant to Clause 3 (*Turnover of Receipts from Creditors*) and/or Clause 4 (*Turnover of Receipts by Beneficiary Member State*)) at a time when there are overdue or unpaid amounts in respect of Payments due on earlier Payment Dates, then the Common Paying Agent shall promptly apply the amount received or recovered on a *pro-rata* basis by reference to (a) the amount of any Payment which has fallen due to EFSF under the PSI LM Facility Agreement but which has not been discharged in full and (b) the amount of any Payment which has fallen due under the Bonds but which has not been discharged in full.

## 6.2 **Currency Conversion**

- (a) For the purpose of, or pending the discharge of, any of the obligations the Common Paying Agent may convert any moneys received or recovered by the Common Paying Agent in a currency (such as US dollars or Japanese Yen) other than the currency of account in which such obligations were due into the currency of account at the Common Paying Agent's Spot Rate of Exchange.
- (b) In such circumstances, the obligations of the Beneficiary Member State to pay in the relevant currency of account shall only be satisfied to the extent of the amount of such currency purchased and applied against the relevant obligation after deducting the costs of conversion.

## 6.3 **Good Discharge**

- (a) Any payment to be made in respect of the Liabilities through the Common Paying Agent:
  - (i) in respect of the PSI LM Facility Agreement, shall be made by the Common Paying Agent to EFSF; or

- (ii) in respect of the Bonds, shall be made by the Common Paying Agent to the Bond Paying Agent (or, at the request of the Bond Trustee (acting in accordance with the Trust Deed), to the Bond Trustee or otherwise to its order),

and each payment made by the Common Paying Agent in accordance with this Clause 6.3(a) shall *pro tanto* to the extent of such payment constitute good discharge of the obligations of the Common Paying Agent under this Deed.

- (b) The Beneficiary Member State shall only be discharged of its obligations to EFSF in respect of the Liabilities under the PSI LM Facility Agreement:

- (i) once the Common Paying Agent has applied the Payments made to it under Clause 2.1(a) by the Beneficiary Member State to EFSF; or
- (ii) once payment to EFSF in accordance with Clause 3.4 (*Payments between Creditors*) has been received by EFSF,

and, in each case, only to the extent of the payment actually received by EFSF.

- (c) The Beneficiary Member State shall only be discharged of its obligations to the Bondholders or the Bond Trustee in respect of the Liabilities under the Bonds to the extent of the payment actually received by the Bondholders or the Bond Trustee in respect of such payment and every payment to the Bondholders or the Bond Trustee in respect of such payment shall operate in satisfaction *pro tanto* of the relative covenant by the Beneficiary Member State to the extent such payment is received by the Bondholders or the Bond Trustee.

## **7. THE COMMON PAYING AGENT**

### **7.1 Appointment and remuneration of the Common Paying Agent**

- (a) The Beneficiary Member State shall at all times maintain a Common Paying Agent.
- (b) The Beneficiary Member State hereby appoints the Bank of Greece to act as Common Paying Agent in connection with this Deed and authorises the Common Paying Agent to exercise such rights, powers, authorities and discretions as are specifically conferred on the Common Paying Agent by the terms hereof.
- (c) The Common Paying Agent shall be entitled to such remuneration and reimbursement of such expenses from the Beneficiary Member State as may be agreed between it and the Beneficiary Member State from time to time (with the approval of the Bond Trustee and EFSF).

### **7.2 Acceptance by the Common Paying Agent**

The Common Paying Agent hereby accepts its appointment, and acknowledges the authority conferred on it, as set out in Clause 7.1 (*Appointment of the Common Paying Agent*) above.

### 7.3 Trust

- (a) The Common Paying Agent declares that it shall hold the Common Assets on trust for the Creditors on the terms contained in this Deed.
- (b) Each of the parties to this Deed agrees that the Common Paying Agent shall have only those duties, obligations and responsibilities expressly specified in this Deed (and no others shall be implied).
- (c) The trust created under this Deed shall not limit or prejudice the right of the Bond Trustee to take legal action or proceedings to recover sums due and payable under the Bond Documents or the right of EFSF to take legal action or proceedings to recover sums due and payable under the PSI LM Facility Agreement.
- (d) The Common Paying Agent shall have no right of action against the Beneficiary Member State if the Beneficiary Member State fails to make any payment due to be made to the Common Paying Agent as required by Clause 2 (*Liabilities*), nor shall it be necessary for the Common Payment Agent to join any action taken by EFSF or the Bond Trustee against the Beneficiary Member State. Rights of action against the Beneficiary Member State shall be confined to EFSF in accordance with the PSI LM Facility Agreement and the Bond Trustee in accordance with the Trust Deed. If the Bond Trustee or EFSF receives or recovers any amount by enforcing any judgment given against the Beneficiary Member State, those amounts (with the exception of any amounts representing the legal costs and amounts received by the Bond Trustee in accordance with Clause 2.1(g)) shall be paid to the Common Paying Agent or to the other Party in accordance with Clause 3. Neither EFSF nor the Bond Creditors will have a right of action against the Common Paying Agent if and to the extent that any non-payment by the Common Paying Agent results from the Beneficiary Member State failing to make a payment as required according to this Deed, including, without limitation, Clause 2 above.
- (e) If and to the extent the concept of a trust is not recognised in any applicable jurisdiction, the Common Paying Agent shall hold any and all amounts received by it in accordance with this Deed as the common agent, custodian and bailee of the Parties (other than the Common Paying Agent) (the "**Beneficiaries**") such that all amounts are held by the Common Paying Agent for the benefit of and as the property of such Beneficiaries and such that the amounts are not available to the general or personal creditors of the Common Paying Agent and the Common Paying Agent shall disburse such amounts as if such amounts had been received by it to hold on trust on the terms expressed in this Deed. The Parties hereby appoint the Common Paying Agent as their common agent, custodian and bailee for the purposes of Clause 7.3(e) and the Common Paying Agent accepts such appointment.

### 7.4 Instructions to Common Paying Agent and exercise of discretion

- (a) Subject to paragraphs (c) to (e) below, but without prejudice to the provisions of Clause 6.1, the Common Paying Agent shall act in accordance with any written instructions given to it by the Bond Trustee and EFSF acting together or,



if so instructed by the Bond Trustee and EFSF acting together, refrain from exercising any right, power or authority vested in it as Common Paying Agent and shall be entitled to assume that (i) any written instructions received by it from the Bond Trustee and EFSF acting together and signed by both of them are duly given in accordance with the terms of the Debt Documents and (ii) unless it has received actual written notice of revocation from the Bond Trustee and EFSF acting together and signed by both of them that those instructions or directions have not been revoked. The Common Paying Agent shall not be liable to any Party or any other person if it has complied with such joint written instructions.

- (b) The Common Paying Agent shall be entitled to request instructions, or clarification of any direction, from the Bond Trustee and EFSF acting together as to whether, and in what manner, it should exercise or refrain from exercising any rights, powers or authorities and the Common Paying Agent may refrain from acting unless and until those instructions or clarification are received by it.
- (c) Paragraph (a) above shall not apply:
  - (i) where a contrary indication expressly appears in this Deed;
  - (ii) where this Deed requires the Common Paying Agent to act in a specified manner or to take a specified action; and/or
  - (iii) in respect of any provision which protects the Common Paying Agent's own position in its personal capacity as opposed to its role of Common Paying Agent for the Creditors including, without limitation, the provisions set out in Clauses 7.6 (*Common Paying Agent's discretions*) to Clause 7.16 (*Disapplication*).
- (d) If giving effect to instructions given by the Bond Trustee and EFSF acting together would (in the Common Paying Agent's opinion) have an effect equivalent to an Intercreditor Amendment, the Common Paying Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Common Paying Agent) whose consent would have been required in respect of that Intercreditor Amendment.
- (e) In exercising any discretion to exercise a right, power or authority under this Deed where it has not received any written instructions from the Bond Trustee and EFSF acting together and signed by both of them as to the exercise of that discretion the Common Paying Agent shall exercise such discretion having regard to the interests of all the Creditors.
- (f) References in this Clause 7.4 to "the Bond Trustee and EFSF acting together" shall be deemed to be references to "the Bond Trustee (acting in accordance with the Trust Deed) and EFSF acting together."

## **7.5 Common Paying Agent's Actions**

Without prejudice to the provisions of Clause 7.4 (*Instructions to Common Paying Agent and exercise of discretion*), the Common Paying Agent may (but shall not be

obliged to), in the absence of any instructions to the contrary, take such action in the exercise of any of its powers and duties under the Debt Documents as it considers in its discretion to be appropriate in the best interests of all Creditors.

#### **7.6 Common Paying Agent's discretions**

The Common Paying Agent may:

- (a) assume (unless it has received actual notice in writing from EFSF or the Bond Trustee) that (i) no Event of Default has occurred under the PSI LM Facility Agreement or the Bonds and (ii) any right, power, authority or discretion vested by any Debt Document in any person has not been exercised;
- (b) engage, pay for and rely on the advice or services of any legal advisers, accountants, tax advisers, surveyors or other experts whose advice or services may at any time seem necessary, expedient or desirable; and
- (c) rely upon any communication or document believed by it to be genuine and, as to any matters of fact which might reasonably be expected to be within the knowledge of a Creditor or the Beneficiary Member State, upon a certificate signed by or on behalf of that person.

#### **7.7 Common Paying Agent's obligations**

The Common Paying Agent shall promptly:

- (a) copy to (i) EFSF and (ii) the Bond Trustee the contents of any notice or document received by it from the Beneficiary Member State;
- (b) forward to a Party the original or a copy of any document which is delivered to the Common Paying Agent for that Party by any other Party **provided that**, the Common Paying Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party; and
- (c) notify EFSF and the Bond Trustee promptly of the occurrence of any Event of Default or any default by the Beneficiary Member State in the due performance of or compliance with its obligations under any Debt Document of which the Common Paying Agent has received notice from any other Party to this Deed.

#### **7.8 Excluded obligations**

Notwithstanding anything to the contrary expressed or implied in the Debt Documents or this Deed, the Common Paying Agent shall not:

- (a) be bound to enquire as to (i) whether or not any Event of Default (other than in respect of payment obligations) has occurred or (ii) the performance, default or any breach by the Beneficiary Member State of its obligations under any of the Debt Documents;
- (b) be bound to account to any other Party for any sum or the profit element of any sum received by it for its own account;

- (c) be bound to make advances or otherwise provide credit to any Party; or
- (d) be bound to disclose to any other person (including but not limited to any Creditor) (i) any confidential information or (ii) any other information if disclosure would, or might in its reasonable opinion, constitute a breach of any law or be a breach of fiduciary duty.

## 7.9 **Exclusion of liability**

The Common Paying Agent shall not accept responsibility or be liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Common Paying Agent or any other person in or in connection with any Debt Document or the transactions contemplated in the Debt Documents, or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Common Assets or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Common Assets; or
- (c) any losses to any person or any liability arising as a result of taking or refraining from taking any action in relation to any of the Debt Documents, the Common Assets or otherwise, whether in accordance with an instruction from EFSF and/or the Bond Trustee or otherwise unless directly caused by its negligence, wilful misconduct or fraud.

## 7.10 **No proceedings**

No Party (other than the Common Paying Agent) may take any proceedings against any officer, employee or agent of the Common Paying Agent in respect of any claim it might have against the Common Paying Agent, or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Debt Document and any officer, employee or agent of the Common Paying Agent may rely on this Clause subject only to Clause 17.3 (*Third Party Rights*) and the provisions of the Contracts (Rights of Third Parties) Act 1999.

## 7.11 **Own responsibility**

Without affecting the responsibility of the Beneficiary Member State for information supplied by it or on its behalf in connection with any Debt Document, each Creditor a party hereto (in respect of itself only) confirms to the Common Paying Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Debt Document including but not limited to:

- (a) the financial condition, status and nature of the Beneficiary Member State;

- (b) the legality, validity, effectiveness, adequacy and enforceability of any Debt Document, the Common Assets and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Common Assets;
- (c) whether that Creditor has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Debt Document, the Common Assets, the transactions contemplated by the Debt Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Common Assets; and
- (d) the adequacy, accuracy and/or completeness of any information provided by the Common Paying Agent or by any other person under or in connection with any Debt Document, the transactions contemplated by any Debt Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document,

and each Creditor party hereto warrants to the Common Paying Agent that it has not relied on and will not at any time rely on the Common Paying Agent in respect of any of these matters.

#### **7.12 Refrain from illegality**

- (a) Notwithstanding anything to the contrary expressed or implied in the Debt Documents, the Common Paying Agent may refrain from doing anything which in its reasonable opinion will or may be contrary to any relevant law, directive or regulation of any applicable jurisdiction, including any such law, directive or regulation of the European Union, and the Common Paying Agent may do anything which is, in its reasonable opinion, necessary to comply with any such law, directive or regulation. In the context of the above, and for the avoidance of doubt, for as long as the Bank of Greece acts as the Common Paying Agent, it has the right to refrain from doing anything which in its reasonable opinion will or would be contrary, in particular, to the Statute of the Bank of Greece and/or the rules governing the functioning of the Eurosystem.
- (b) Nothing in Clause 7.12(a) shall affect the rights and obligations as between the Beneficiary Member State, the Bond Creditors and EFSF.

#### **7.13 Business with the Beneficiary Member State**

The Common Paying Agent may accept deposits from, lend money to, and generally engage in any kind of banking or other business with the Beneficiary Member State. If the Common Paying Agent is a central bank which is a member of the Eurosystem which is bound by the monetary financing prohibition, it will not lend money, provide advances or extend credit whatsoever to the Beneficiary Member State, or otherwise act in a manner which could give rise to a breach of the monetary financing prohibition pursuant to Article 123 of the Treaty on the functioning of the European Union.

#### 7.14 **Powers supplemental**

The rights, powers and discretions conferred upon the Common Paying Agent by this Deed shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in the Common Paying Agent by English law.

#### 7.15 **Confidentiality**

If information is received by another division or department of the Common Paying Agent, it may be treated as confidential to that division or department and the Common Paying Agent shall not be deemed to have notice of it.

#### 7.16 **Disapplication**

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Common Paying Agent in relation to the trust constituted by this Deed. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Deed, the provisions of this Deed shall, to the extent allowed by law, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of that Act.

#### 7.17 **Termination of appointment of Common Paying Agent**

- (a) The Beneficiary Member State may, and, upon written demand by EFSF (acting at its discretion) shall, terminate the appointment of the Common Paying Agent by not less than [30] Business Days' notice to the Common Paying Agent (copied to the other Parties) **provided that** the Beneficiary Member State has appointed a central bank which is a member of the Eurosystem as replacement Common Paying Agent on substantially the same terms as are set out in this Deed with effect from a date falling on or prior to the date such termination is to take effect by entering into an accession undertaking with the Parties in the form set out in Schedule 3.
- (b) The outgoing Common Paying Agent shall, at the cost of the Beneficiary Member State, make available to the successor Common Paying Agent such documents and records and provide such assistance as the successor Common Paying Agent may reasonably request for the purposes of performing its functions as Common Paying Agent under this Deed.
- (c) Upon the appointment of a successor, the outgoing Common Paying Agent shall be discharged from any further obligation in respect of this Deed but shall remain entitled to the benefit of Clause 7.9, Clause 7.10, Clause 7.11, Clause 12 and Clause 13. Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

## **8. BOND TRUSTEE PROTECTIONS**

### **8.1 Limitation of Trustee Liability**

It is expressly understood and agreed by the Parties that this Deed is executed and delivered by the Bond Trustee in its capacity as the Bond Trustee in the exercise of the powers and authority conferred and vested in it under the Trust Deed. It is further understood by the Parties that in no case shall the Bond Trustee be (i) responsible or accountable in damages or otherwise to any other Party for any loss, damage or claim incurred by reason of any act or omission performed or omitted by the Bond Trustee in good faith in accordance with this Deed and the applicable Bond Documents in a manner that the Bond Trustee believed to be within the scope of the authority conferred on it by this Deed and the applicable Bond Documents or by law, or (ii) personally liable for or on account of any of the statements, representations, warranties, covenants or obligations stated to be those of any other Party, all such liability, if any, being expressly waived by the Parties and any person claiming by, through or under such Party, **provided however, that** the Bond Trustee (or any such successor bondholder trustee) shall be personally liable under this Deed for its own negligence, wilful misconduct, breach of this Deed or fraud. It is also acknowledged that the Bond Trustee shall not have any responsibility for the actions of any individual Bondholder. Notwithstanding any provision of this Deed to the contrary, the Bond Trustee shall not be liable under any circumstances for special or punitive damages even if the Bond Trustee is actually aware of the likelihood of such special or punitive damages regardless of whether the claim for loss or damage is made in negligence, for breach of contract or otherwise.

### **8.2 Bond Trustee not fiduciary for other Creditors**

The Bond Trustee shall not be deemed to owe any fiduciary duty to any of the Creditors (other than the Bondholders) or the Beneficiary Member State and shall not be liable to any Creditor (other than the Bondholders) or the Beneficiary Member State if the Bond Trustee shall in good faith mistakenly pay over or distribute to the Bondholders or to any other person cash, property or securities to which any Creditor (other than a Bondholder) shall be entitled by virtue of this Deed or otherwise. With respect to the Creditors (other than the Bondholders), the Bond Trustee undertakes to perform or to observe only such covenants or obligations of it as are specifically set forth in the relevant Bond Documents and this Deed and no implied covenants or obligations with respect to Creditors (other than the Bondholders) shall be read into this Deed against the Bond Trustee.

### **8.3 Reliance on certificates**

The Bond Trustee may rely without enquiry on any notice, consent or certificate of EFSF or the Common Paying Agent as to the matters certified therein.

### **8.4 Bond Trustee**

In acting under and in accordance with this Deed, the Bond Trustee shall act in accordance with the Trust Deed and shall seek any necessary instruction from the Bondholders to the extent provided for, and in accordance with, the Trust Deed, and where it so acts on the instructions of the Bondholders, the Bond Trustee shall not

incur any liability to any person for so acting other than in accordance with the Trust Deed. Furthermore, prior to taking any action under this Deed, the Bond Trustee may, at its sole discretion, request and rely upon an opinion of counsel or opinion of another qualified expert, at the Beneficiary Member State's expense, as applicable.

#### **8.5 Bondholders and the Bond Trustee**

In acting pursuant to this Deed and the Trust Deed, the Bond Trustee is not required to have any regard to the interests of the Creditors (other than the Bondholders).

#### **8.6 EFSF, the Bond Trustee and the Bond Creditors**

- (a) The Bond Trustee shall refrain from taking any action as Bond Trustee:
  - (i) to amend any of the financial terms of the Bonds (including the dates or amounts of payments to be made or become due under the Bonds) or to concur in the amendment of any of:
    - (A) the Conditions; or
    - (B) the terms of the Trust Deed, unless such amendment to the Trust Deed is expressly stated to not affect the Conditions; or
  - (ii) in connection with the purchase, acquisition, exchange or cancellation of any Bonds by the Beneficiary Member State,

unless, in any such case, EFSF shall have expressly consented in writing to that action being taken by the Bond Trustee. EFSF shall act reasonably in considering any request for consent by the Bond Trustee and, for the avoidance of doubt, shall be deemed to be acting reasonably for the purposes of this Clause 8.6(a) if EFSF refuses consent in circumstances where EFSF in its sole discretion, considers that such action by the Bond Trustee will or may result in a breach of the terms of the PSI LM Facility Agreement or this Deed.

- (b) The Bond Trustee acknowledges that, as of the date of this Deed, the Trust Deed and the Conditions provide that the Bondholders will be entitled to the benefit of, will be bound by and will be deemed to have notice of, the terms of this Deed.
- (c) No Bondholder shall have any right to enforce or take proceedings under or in relation to this Deed. The Bond Trustee shall have the sole and exclusive right to enforce this Deed with respect to the interests of itself and the Bondholders and/or to take proceedings in relation to this Deed for itself and on behalf of the Bondholders.
- (d) The benefit of each and every covenant given by each Party to this Deed which is expressed to be to or for the benefit of the Bond Trustee and/or the Bondholders shall be held exclusively by the Bond Trustee for itself and for and on behalf of the Bondholders, subject to and in accordance with the terms of the Trust Deed.

#### 8.7 **Agency division**

In acting as Bond Trustee, the Bond Trustee shall be treated as acting through its agency division which shall be treated as a separate entity from its other divisions and departments. Any information received or acquired by the Bond Trustee which is received or acquired by some other division or department or otherwise than in its capacity as the Bond Trustee may be treated as confidential by the Bond Trustee and will not be treated as information possessed by the Bond Trustee in its capacity as such.

#### 8.8 **Other parties not affected**

This Clause 8 (*Bond Trustee Protections*) is intended to afford protection to the Bond Trustee only and no provision of this Clause 8 (*Bond Trustee Protections*) shall alter or change the rights and obligations as between the other Parties in respect of each other.

#### 8.9 **Disclosure of information**

The Beneficiary Member State irrevocably authorises the Bond Trustee to disclose to any other Creditor any information that is received by the Bond Trustee in its capacity as Bond Trustee.

#### 8.10 **Illegality**

The Bond Trustee may refrain from doing anything (including disclosing any information) which might, in its opinion, constitute a breach of any law or regulation and may do anything which, in its opinion, is necessary or desirable to comply with any law or regulation.

#### 8.11 **Change of Bond Trustee**

The Bond Trustee may resign or be removed in accordance with the terms of the Trust Deed, **provided that** a replacement of the Bond Trustee agrees with the Parties to become the replacement trustee under this Deed on the same terms by entering into an accession undertaking with the Parties in the form set out in Schedule 3.

#### 8.12 **Provisions Survive Termination**

The provisions of this Clause 8 (*Bond Trustee Protections*) shall survive any termination or discharge of this Deed.

### 9. **BANK OF GREECE**

The Bank of Greece shall make such payments as it is required to make on behalf of the Beneficiary Member State under the PSI LM Facility Agreement and the Bond Documents into the relevant designated account with the Common Paying Agent in accordance with Clause 2.1(a) and Clause 2.1(b) respectively.



## 10. EFSF PROTECTIONS

### 10.1 EFSF Excluded Obligations

Notwithstanding anything to the contrary expressed or implied in the Debt Documents, EFSF shall not:

- (a) be bound to enquire as to the performance, default or any breach by the Beneficiary Member State of its obligations under any of the Debt Documents;
- (b) be bound to disclose to any other person (including but not limited to any Creditor other than itself) (i) any confidential information or (ii) any other information if disclosure would, or might in its reasonable opinion, constitute a breach of any law or be a breach of fiduciary duty; or
- (c) have or be deemed to have any relationship of trust or agency with the Beneficiary Member State.

### 10.2 EFSF Exclusion of liability

EFSF shall not accept responsibility or be liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Common Paying Agent or the Bond Trustee or any other person in or in connection with this Deed or any Bond Documents or the transactions contemplated in this Deed or the Bond Documents; or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with this Deed or any Bond Document; or
- (b) the legality, validity, effectiveness, adequacy or enforceability of this Deed or any Bond Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with this Deed or any Bond Document.

## 11. CHANGES TO THE PARTIES

- (a) No Party may assign any of its rights and benefits or transfer any of its rights, benefits and obligations in respect of any Debt Documents or the Liabilities except as permitted by this Clause 11 (*Changes to the Parties*). This Clause 11 shall not restrict the negotiability of the Bonds **provided that**, pursuant to the Conditions and the Trust Deed, each Bondholder is deemed to have notice of and to be bound by the terms of this Deed.
- (b) The Beneficiary Member State shall not have any right to assign or transfer any of its rights or obligations under this Deed.
- (c) EFSF shall have the right (without any requirement for the consent of the Beneficiary Member State or the Bond Creditors) to freely assign and/or otherwise transfer its rights or claims against the Beneficiary Member State to all or any of the Guarantors in the circumstances described in Article 6(8) of the

Framework Agreement subject to the terms of the Deed(s) of Guarantee. In addition the Parties agree that the rights and obligations of EFSF may be freely transferred to ESM and/or to any other entity owned directly or indirectly by the euro-area Member States **provided that** any such Guarantor or any such other transferee agrees to adhere to the terms of this Deed on the same terms by entering into an accession undertaking with the Parties in the form set out in Schedule 3. For the avoidance of doubt, any transfer of the rights and obligations of EFSF under this Deed to ESM and/or to any other entity owned directly or indirectly by the euro-area Member States or to all or any of the Guarantors shall not give rise to any improved ranking or additional rights that the transferee would not otherwise enjoy and nor shall any transfer of the rights and obligations of EFSF under this Deed to ESM and/or to any other entity owned directly or indirectly by the euro-area Member States or to all or any of the Guarantors improve the ranking of the obligations of the Beneficiary Member State or otherwise confer any privileged or preferred status or other incremental benefit on the Bond Creditors. In addition, the Parties agree that the rights and obligations of EFSF under this Deed may be freely transferred to an independent, bankruptcy-remote, special purpose company provided that it agrees to adhere to the terms of this Deed on the same terms by entering into an accession undertaking with the Parties in the form set out in Schedule 3.

- (d) If a successor or additional Bond Paying Agent is appointed in respect of the Bonds, in accordance with applicable laws, the Beneficiary Member State shall ensure that successor or additional Bond Paying Agent agrees with the Parties to become the successor or additional bond paying agent under this Deed on the same terms by entering into an accession undertaking with the Parties in the form set out in Schedule 3.

## **12. COSTS AND EXPENSES**

### **12.1 Transaction expenses**

The Beneficiary Member State shall, promptly on demand, pay the Common Paying Agent the amount of all costs and expenses (including legal fees) (together with any applicable VAT or similar tax) reasonably incurred by the Common Paying Agent in connection with the negotiation, preparation, printing, execution and perfection of:

- (a) this Deed and any other documents referred to in this Deed; and
- (b) any other Debt Documents executed after the date of this Deed (including any amendment to such Debt Documents).

### **12.2 Stamp taxes**

The Beneficiary Member State shall pay and, within three Business Days of demand, indemnify the Common Paying Agent against any cost, loss or liability the Common Paying Agent incurs in relation to all stamp duty, registration and other similar taxes payable in respect of any Debt Document.

### 12.3 **Enforcement and preservation costs**

The Beneficiary Member State shall, within three Business Days of demand, pay to the Common Paying Agent the amount of all costs and expenses (including legal fees and together with any applicable VAT) incurred by it in connection with the enforcement of or the preservation of any rights under any Debt Document and any proceedings instituted by or against the Common Paying Agent as a consequence of enforcing these rights.

## 13. **INDEMNITIES**

The Beneficiary Member State shall promptly indemnify the Common Paying Agent against any cost, loss or liability (together with any applicable VAT) incurred by it:

- (a) in relation to or as a result of:
  - (i) any failure by the Beneficiary Member State to comply with obligations under Clause 12 (*Costs and Expenses*);
  - (ii) the exercise of any of the rights, powers, discretions and remedies vested in the Common Paying Agent by the Debt Documents or by law; or
  - (iii) any default by the Beneficiary Member State in the performance of any of the obligations expressed to be assumed by it in the Debt Documents; or
- (b) which otherwise relates to the performance of the terms of this Deed (otherwise than as a result of its gross negligence, wilful misconduct or fraud).

## 14. **INFORMATION**

- 14.1 EFSF shall provide to the Common Paying Agent the same details it is required to give to the Beneficiary Member State and the Bank of Greece under clause 7(4) of the PSI LM Facility Agreement on the same day as it provides the Beneficiary Member State and the Bank of Greece with such information and shall provide to the Common Paying Agent [10] Business Days prior to a Payment Date details of any Payments or other amounts due and not fully discharged under the PSI LM Facility Agreement on the relevant Payment Date together with details of any Payments due thereunder in respect of earlier Payment Dates which remain outstanding and unpaid.
- 14.2 The Beneficiary Member State shall provide to the Common Paying Agent a copy of the payment instructions it is required to provide to EFSF under clause 7(5) of the PSI LM Facility Agreement on the same day as it provides such information to EFSF.
- 14.3 The Bond Paying Agent shall provide to the Common Paying Agent [10] Business Days prior to each Payment Date details of the amount of Payments or other amounts due and not fully discharged under the Bonds on such Payment Date together with details of any Payments due thereunder in respect of earlier Payment Dates which remain outstanding and unpaid. If the Common Paying Agent notifies the Bond Trustee that the Bond Paying Agent has failed to provide all such information to the

Common Paying Agent by [8] Business Days prior to the relevant Payment Date, the Bond Trustee shall provide all such information to the Common Paying Agent (with a copy to the Bond Paying Agent) by [5] Business Days prior to the relevant Payment Date. Nothing in this Clause 14.3 shall oblige the Bond Paying Agent or the Bond Trustee to provide any information which is not in its possession.

#### **14.4 Notification of prescribed events**

- (a) If there is an amendment to the PSI LM Facility Agreement or the PSI LM Facility Agreement is accelerated by reason of the occurrence of an Event of Default, EFSF shall promptly (and in any event within two (2) Business Days of such event) notify the Common Paying Agent and the Common Paying Agent shall, upon receiving that notification, promptly notify the Bond Trustee.
- (b) If there is a proposal to amend the Bond Documents, an Event of Default occurs under the Bonds, the Bonds are accelerated by reason of the occurrence of an Event of Default, or the Bondholders rescind any notice of an Event of Default or acceleration, the Bond Trustee shall promptly (and in any event within two (2) Business Days of having actual knowledge of the occurrence of such event or circumstance) notify the Common Paying Agent and the Common Paying Agent shall, upon receiving that notification, promptly notify EFSF.
- (c) If there is a proposal for an early repayment of principal amounts outstanding under the PSI LM Facility Agreement or the Bonds which is authorised under this Deed, the Party making such proposal shall at the time of making such proposal present to the other Parties a proposed revised Common Amortisation Table.

#### **14.5 Notification of Bonds**

The Beneficiary Member State shall promptly after the issue of any Bonds supply to EFSF details of all such Bonds including the series number, due date, coupon, maturity profile and ISIN number.

### **15. NOTICES**

- 15.1 All notices in relation to this Deed shall be validly given if in writing and sent to the addressees listed in Schedule 1. Each Party will update addressees and notify it to the other Party hereto upon the same being amended from time to time.
- 15.2 All notices shall be given by registered mail. In case of urgency, they can be given by fax, SWIFT message or by hand-delivered letter to the addressees above mentioned and confirmed by registered mail without undue delay. Notices become effective with the actual receipt of the fax, the SWIFT message or the letter.
- 15.3 All documents, information and materials to be furnished under this Deed shall be in the English language.
- 15.4 Each Party to this Deed shall notify to the other Parties the specimen signatures of the persons authorised to act on its behalf under this Deed, promptly upon its signature of

this Deed. Likewise, each Party shall update such list and notify the other Parties hereto upon the same being amended from time to time.

## **16. ACCOUNTS AND PAYMENTS**

- (a) All payments under this Deed to EFSF, the Bond Trustee, the Bond Paying Agent, the Common Paying Agent and the Beneficiary Member State shall be made in immediately available cleared funds to the relevant accounts designated in writing by the Parties for the purpose of receiving payments under this Deed.
- (b) The euro shall be the currency of account and payment under this Deed.

## **17. MISCELLANEOUS**

### **17.1 No impairment**

If anyone or more of the provisions contained in this Deed should be or become fully or in part invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained in this Deed shall not in any way be affected or impaired thereby. Provisions which are fully or in part invalid, illegal or unenforceable shall be interpreted and thus implemented according to the spirit and purpose of this Deed.

### **17.2 Entire agreement**

The Preamble and the Schedules to this Deed do and shall hereafter form an integral part of this Deed.

### **17.3 Third Party Rights**

Unless expressly provided to the contrary in this Deed, a person which is not Party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or benefit from any term of this Deed. Unless otherwise specified in this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

### **17.4 Agreement to override**

This Deed overrides anything in the Debt Documents and each Agency Agreement (as defined in the Trust Deed) to the contrary. Accordingly in the event of there being any conflict, inconsistency or ambiguity between the terms of this Deed and the terms and conditions of any other Debt Document or any Agency Agreement (as defined in the Trust Deed) then the terms of this Deed shall prevail and shall override any provision to the contrary in such documents or any interpretation of such documents which might conflict with the terms of this Deed.

### **17.5 Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of any Party, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of

any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

#### **17.6 Waiver of defences**

The provisions of this Deed will not be affected by an act, omission, matter or thing which, but for this Clause 17.6 (*Waiver of defences*), would reduce, release or prejudice the rights and remedies expressed to be created by this Deed including (without limitation and whether or not known to any Party):

- (a) any time, waiver or consent granted to, or composition with, the Beneficiary Member State or other person;
- (b) the release of the Beneficiary Member State or any other person under the terms of any composition or arrangement with any creditor of the Beneficiary Member State;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, the Beneficiary Member State or other person, or any non-presentation or non-observance of any formality or other requirement in respect of any instrument;
- (d) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Debt Document or any other document or security;
- (e) any unenforceability, illegality or invalidity of any obligation of any person under any Debt Document or any other document or security;
- (f) any intermediate Payment of any of the Liabilities owing to the Creditors or the Common Paying Agent in whole or in part; or
- (g) any insolvency or similar proceedings.

#### **18. COUNTERPARTS**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

#### **19. GOVERNING LAW**

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

#### **20. ENFORCEMENT**

- (a) Subject to paragraphs (b) and (c) of this Clause 20, the courts of the Grand Duchy of Luxembourg shall have exclusive jurisdiction to settle any dispute arising from or in connection with this Deed, including any dispute about its legality, validity, interpretation or performance.

- (b) Paragraph (a) of this Clause 20 is for the benefit of EFSF and the Bond Trustee only. Accordingly, nothing in paragraph (a) of this Clause 20 prevents EFSF or the Bond Trustee from taking proceedings relating to a dispute ("**Proceedings**") in the courts of the domicile of the Beneficiary Member State or of the governing law of this Deed. To the extent allowed by law, EFSF or the Bond Trustee may take concurrent Proceedings in any number of such jurisdictions.
- (c) The Beneficiary Member State and the other Parties (other than EFSF and the Bond Trustee) hereby irrevocably submit to the jurisdiction of the courts of the domicile of the Beneficiary Member State and the courts of the jurisdiction of the governing law of this Deed. For the avoidance of doubt, EFSF does not submit to the jurisdiction of any courts other than the courts of the Grand Duchy of Luxembourg.
- (d) The Beneficiary Member State and the Bank of Greece hereby irrevocably and unconditionally waive all immunity to which each of them is or may become entitled, in respect of itself or its assets, from legal proceedings in relation to this Deed, including, without limitation, immunity from suit, judgment or other order, from attachment, arrest or injunction prior to judgment, and from execution and enforcement against its assets to the extent not prohibited by mandatory law.

**IN WITNESS WHEREOF** this Deed has been executed by the Parties and is intended to be and is hereby delivered on the date specified above

## **SCHEDULE 1**

### **LIST OF CONTACTS**

#### **For the Beneficiary Member State:**

Ministry of Finance  
General Accounting Office  
37, E. Venizelos str.  
101 65 Athens, Greece  
Attention: 23<sup>rd</sup> Division  
Fax: + 30 210 3338205

#### **For the Bank of Greece (in all of its capacities):**

Bank of Greece  
21, E. Venizelos str.  
102 50 Athens, Greece

Attention: Government Financial Operations & Accounts Department,  
Government Accounts Section  
Fax: + 30 210 3221007  
SWIFT BIC: BNGRGRAA

#### **For EFSF:**

European Financial Stability Facility  
43, avenue John F. Kennedy  
L-1855 Luxembourg

Attention: Chief Financial Officer  
Tel: +35226096226  
Fax: + 352 260 962 62  
SWIFT address: EFSFLULL

With copies to:

European Commission  
Directorate General Economic and Financial Affairs Unit  
L-4 "Borrowing, lending, accounting and back office"  
L-2920 Luxembourg

Attention: Head of Unit  
Tel.: (+352) 4301 36372  
Fax: (+352) 4301 36599  
SWIFT address: EUCOLULL

European Central Bank  
Kaiserstrasse 29  
D-60311 Frankfurt am Main



Attention: Head of Financial Operations Services Division  
Tel.: + 4969 13443470  
Fax: + 49 69 1344 6171  
SWIFT BIC: ECBFDEFFBAC

**For the Bond Trustee:**

Wilmington Trust (London) Limited  
Third Floor  
1 King's Arms Yard  
London EC2R 7AF  
Attention: Agency and Trust  
Fax: +44 (0)20 7397 3601

**SCHEDULE 2  
COMMON AMORTISATION TABLE**

<b><u>Payment Date</u></b>	<b>Principal outstanding following the principal repayment at the corresponding Payment Date  <u>(as a % of the disbursed amount)</u></b>
24 February 2013	100.000000000000000000%
24 February 2014	100.000000000000000000%
24 February 2015	100.000000000000000000%
24 February 2016	100.000000000000000000%
24 February 2017	100.000000000000000000%
24 February 2018	100.000000000000000000%
24 February 2019	100.000000000000000000%
24 February 2020	100.000000000000000000%
24 February 2021	100.000000000000000000%
24 February 2022	100.000000000000000000%
24 February 2023	95.23809523809520000%
24 February 2024	90.47619047619050000%
24 February 2025	85.71428571428570000%
24 February 2026	80.95238095238100000%
24 February 2027	76.19047619047620000%
24 February 2028	71.11111111111110000%

<b><u>Payment Date</u></b>	<b>Principal outstanding following the principal repayment at the corresponding Payment Date  <u>(as a % of the disbursed amount)</u></b>
24 February 2029	66.03174603174600000%
24 February 2030	60.95238095238100000%
24 February 2031	55.87301587301590000%
24 February 2032	50.79365079365080000%
24 February 2033	45.71428571428570000%
24 February 2034	40.63492063492060000%
24 February 2035	35.55555555555560000%
24 February 2036	30.47619047619050000%
24 February 2037	25.39682539682540000%
24 February 2038	20.31746031746030000%
24 February 2039	15.23809523809520000%
24 February 2040	10.15873015873020000%
24 February 2041	5.07936507936508000 %
24 February 2042	0%

### SCHEDULE 3 FORM OF ACCESSION UNDERTAKING

To: [Insert full name of current parties to the Co-Financing Agreement]

From: [Acceding Party]

**THIS UNDERTAKING** is made on [date] by [insert full name of new Party] (the "**Acceding Party**") in relation to the co-financing agreement (the "**Co-Financing Agreement**") dated [ ] between, among others, The Hellenic Republic as Beneficiary Member State, Bank of Greece as agent for payments made by the Beneficiary Member State, the Bond Trustee, European Financial Stability Facility as lender under the PSI LM Facility Agreement, the Bond Paying Agent and the Common Paying Agent (each as defined in the Co-Financing Agreement) (each such party other than [insert name of exiting party] together, the "**Continuing Parties**"). Terms defined in the Co-Financing Agreement shall, unless otherwise defined in this Undertaking, bear the same meanings when used in this Undertaking.

In consideration of the Acceding Party being accepted as [to be completed] for the purposes of the Co-Financing Agreement, the Acceding Party confirms that, as from the later of [date] and the first date on which this Undertaking has been accepted by each Continuing Party (the "**Effective Date**"), it intends to be party to the Co-Financing Agreement as [to be completed] and undertakes to perform all the obligations expressed in the Co-Financing Agreement to be assumed by [to be completed] and agrees that it shall be bound by all the provisions of the Co-Financing Agreement, as if it had been an original party to the Co-Financing Agreement.

On the Effective Date:

- (a) each of the Continuing Parties and [insert name of exiting party] shall be released from further obligations towards one another under the Co-Financing Agreement and their respective rights against one another under the Co-Financing Agreement (other than such rights arising prior to the Effective Date) shall be cancelled (being the "**Discharged Rights and Obligations**");
- (b) each of the Continuing Parties and the Acceding Party shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Continuing Party and the Acceding Party have assumed and/or acquired the same in place of that Continuing Party and the Existing Party;
- (c) the Continuing Parties shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the Acceding Party been the [to be completed] with the rights, and/or obligations acquired or assumed by it as a result of the novation and accession provided for in this Undertaking and to that extent the Continuing Parties shall each be released from further obligations to each other under the Co-Financing Agreement; and
- (d) the Acceding Party shall become a Party as "[to be completed]".

This Undertaking and any non-contractual obligations arising out of or in connection with it are governed by English law.

**IN WITNESS WHEREOF THIS UNDERTAKING** has been executed by the Parties and is intended to be and is hereby delivered on the date specified above

Acceding Party

**[EXECUTED as a DEED]**  
*[insert full name of Acceding Party]*

By:

Address:

Fax:

Accepted by the  
**Beneficiary Member State**

Accepted by  
**Bank of Greece**

\_\_\_\_\_  
for and on behalf of

\_\_\_\_\_  
for and on behalf of

*[Insert full name]*

*[Insert full name]*

Date:

Date:

Accepted by  
**European Financial Stability Facility**

Accepted by the  
**Bond Paying Agent**

\_\_\_\_\_  
for and on behalf of

\_\_\_\_\_  
for and on behalf of

*[Insert full name]*

*[Insert full name]*

Date:

Date:

Accepted by the  
**Common Paying Agent**

---

for and on behalf of

[Insert full name]

Date:

Accepted by the  
**Bond Trustee** <sup>1</sup>

---

for and on behalf of

*[Insert full name]*

Date:

---

<sup>1</sup> Delete execution block(s) as appropriate.

## SIGNATURES

Signed as a deed by

[*name, title*]

as the duly authorised representative of  
**THE HELLENIC REPUBLIC**

.....

Signed as a deed by

[•, Governor of the Bank of Greece]

as the duly authorised representative of  
**BANK OF GREECE**

.....

Signed as a deed by

[*name, title*]

as the duly authorised representative of  
**EUROPEAN FINANCIAL STABILITY**

.....

Signed as a deed by

[•, Governor of the Bank of Greece]

as the duly authorised representative of  
**BANK OF GREECE, as Bond Paying Agent**

.....

Signed as a deed by

[•, Governor of the Bank of Greece]

as the duly authorised representative of  
**BANK OF GREECE, as Common Paying Agent**

.....

Signed as a deed by

[*name, title*]

and

[*name, title*]

as the duly authorised representatives of  
**WILMINGTON TRUST (LONDON) LIMITED**

.....

in the presence of

Signature of witness

Name of witness

Address of witness

Occupation of witness

Address:

E-mail:

Attention:



**THE REPUBLIC**  
**The Hellenic Republic**  
Ministry of Finance  
Public Debt Management Agency  
8 Omirou Street  
10564 Athens  
The Hellenic Republic

**FINANCIAL ADVISER TO THE REPUBLIC**

**Lazard Frères**  
121 Boulevard Haussmann  
75008 Paris  
France

**INFORMATION, EXCHANGE AND TABULATION AGENT**

**Hellenic Exchanges, S.A.**

**Bondholder Communications Group LLC**

Email address to contact Information, Exchange and Tabulation Agent staff at all three cities: [helpdesk@greekbonds.gr](mailto:helpdesk@greekbonds.gr)

London

*For information:*  
Attention: Helena Ritz  
Telephone: +44 808 189 0467  
+44 207 382 4580  
Email: [hritz@greekbonds.gr](mailto:hritz@greekbonds.gr)

Athens

*For information:*  
Hellenic Exchanges S.A.  
Investor Services Desk  
110, Athinon Avenue  
GR-104 42 Athens  
Greece  
Attention: Amalthia Sofou  
Telephone: +30 210 3366201  
Email: [asofou@greekbonds.gr](mailto:asofou@greekbonds.gr)

New York

*For information:*  
Attention: Artemis Astor  
Telephone: +1 212 422 1222  
Email: [aastor@greekbonds.gr](mailto:aastor@greekbonds.gr)

**LEGAL ADVISERS**

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**Legal Advisers to the State**  
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Public Debt Management Agency  
8 Omirou Street

*To the Republic  
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10564 Athens  
The Hellenic Republic

*as to English Law*  
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City Place House  
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London EC2V 5EH  
United Kingdom

*To the Trustee as to English Law*

**Sidley Austin LLP**  
Woolgate Exchange  
25 Basinghall Street  
London EC2R 5HA  
United Kingdom