

KEY TERMS OF CONVERTIBLE ENHANCED CAPITAL SECURITIES

<i>Offered securities:</i>	Perpetual convertible non-cumulative enhanced capital securities (“Convertible Enhanced Capital Securities”, “CECS”)
<i>Ratio of Allotment and Size of Issue:</i>	<ul style="list-style-type: none"> ▪ One (1) CECS with nominal price €1.00 for every five (5) ordinary shares held ▪ Total Issue Amount €294.056.786
<i>Nominal value:</i>	€1 per Convertible Enhanced Capital Security
<i>Issue price:</i>	At par (€1 per Convertible Enhanced Capital Security)
<i>Duration:</i>	The CECS are perpetual without a maturity date (please, see “Redemption” clause below)
<i>Interest Rate:</i>	The CECS will bear a fixed annual interest (coupon) of 7 %
<i>Conversion into Bank’s ordinary shares at the option of the holder of the CECS:</i>	During the first 15 days of March, May, September and November of each year with the first conversion period being September 2011 and the last conversion period being May 2016
<i>Conversion Price:</i>	Conversion price is €1.80 per ordinary share and will be subject to customary adjustments for corporate actions with a minimum being the nominal value of the Bank’s ordinary share (presently €0.85)
<i>Conversion Periods:</i>	First Conversion Period 1-15 September 2011, Last Conversion Period 1-15 May 2016
<i>Redemption:</i>	The Bank may, at its discretion, redeem, at par value together with any accrued interest, all, but not part, of the CECS, as from the fifth anniversary and on any subsequent interest payment date. Any such redemption of the CECS shall be subject to the approval of the Central Bank of Cyprus.
<i>Subordination:</i>	The CECS constitute direct, unsecured and subordinated securities of the Bank and will rank senior only to the Bank’s ordinary shares.
<i>Optional Cancellation of Interest Payment:</i>	<p>Should, prior to any interest payment date, the Bank, at its absolute discretion, determine that it is not/ will not be in compliance with the relevant capital adequacy / solvency requirements, then the Bank may elect to cancel such interest payment. In such case, the Bank will not pay any dividends / make any payments to any Tier 1 capital. Interest payments can be cancelled indefinitely without any accumulation of interest. Any interest not paid is no longer due and payable by the Bank.</p> <p>Interest cancellation does not constitute an event of default of interest payment and does not entitle holders to petition for the liquidation or winding-up of the Bank.</p>
<i>Mandatory Cancellation of Interest Payment:</i>	If prior to any interest payment date there is a breach of applicable minimum solvency requirements, or insufficient distributable items, the Bank will be required to cancel interest payments on the CECS. The Central Bank of Cyprus may require, at its sole discretion, on the basis of the assessment of the financial and solvency situation of the Bank for the next three years, that the Bank should cancel interest payments on the

	CECS.
<i>Mandatory Conversion into Bank's ordinary shares:</i>	If a Contingency Event or Viability Event (defined below) occurs, the CECS shall be mandatorily converted into ordinary shares at a mandatory conversion price (defined below).
<i>Contingency Event:</i>	<p><i>A Contingency Event</i> occurs when the Bank has given notice that either (i) prior to implementation of Basel III as will be adopted by the European Union, its Core Tier 1 Ratio is below 4.5% or, on or after the implementation of Basel III, as will be adopted by the European Union, its Common Equity Tier 1 Ratio is below the minimum threshold as it will be determined or (ii) the Central Bank of Cyprus determines that the Bank is in non-compliance with the required capital adequacy ratio thresholds.</p> <p>Based on the assessment of the financial and solvency situation of the Bank and due to actual or expected events, the Bank may determine in consultation with the Central Bank of Cyprus or the Central Bank of Cyprus may deem at its sole discretion, that a breach of the minimum Core Tier 1 Ratio, Common Equity Tier 1 Ratio or Total Capital Ratio, as the case may be, is likely in the near future and thus a Contingency Event Conversion shall take place.</p>
<i>Viability Event:</i>	<p><i>Viability Event</i> occurs if:</p> <ul style="list-style-type: none"> i. the Central Bank of Cyprus determines that the conversion of the CECS (together with other non viability instruments that pursuant to their terms or by other operation of law, are capable of being converted into equity) is required to improve the capital adequacy and financial position of the Bank to prevent insolvency and/or ii. the Central Bank of Cyprus determines that the Bank requires public sector support to prevent it from becoming insolvent, bankrupt or unable to pay a material amount of its debts or iii. other similar circumstances.
<i>Mandatory conversion price:</i>	<i>Mandatory conversion price</i> will be calculated as the 90% of the volume weighted average of the market price of the Bank's ordinary share on the 20 business days prior to the Contingency Event or Viability Event notice. The lowest mandatory conversion price is the nominal value of the Bank's ordinary share (today €0.85).
<i>Legal / regulatory framework:</i>	In the event of an actual or proposed amendment and/or modification of laws and/or relevant regulations and/or relevant directives of the Republic of Cyprus, including changes in the tax laws and regulation, having as a result adverse economic effects for the Bank, or the Capital Securities ceasing to be classified as Tier I capital by the Central Bank of Cyprus, the Bank may, at its discretion and subject to the prior approval of the Central Bank of Cyprus, either exchange the CECS with a new issue of Tier 1 capital, or redeem them, or modify their terms so that they continue to qualify as Tier 1 securities in accordance with the Central Bank of Cyprus regulations in force.
<i>Listing of Capital Securities on the CSE:</i>	The Bank intends to proceed with the required actions to list the CECS on the Cyprus Stock Exchange ('CSE') and the Athens Stock Exchange ('ASE').