

The date of this Prospectus is 29 April 2009

PRAXIS I FINANCE PLC

incorporated in England and Wales as a public limited company under registered number 06828528

€493,000,000 Class A – Asset-Backed Fixed Rate Notes due 2026

€232,000,000 Class B – Asset-Backed Floating Rate Notes due 2026

Arranger

Morgan Stanley

For a discussion of certain risks and other factors that should be considered in connection with an investment in the Notes, see the section entitled "Risk Factors"

PROSPECTUS DATED 29 APRIL 2009

PRAXIS I FINANCE PLC

(incorporated in England and Wales as a public limited company under registered number 06828528)

€493,000,000 Class A Asset-Backed Fixed Rate Notes due 2026

€232,000,000 Class B Asset-Backed Floating Rate Notes due 2026

Issue Price of the Notes: 100 per cent.

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

Application has been made to the Irish Stock Exchange (the "**Irish Stock Exchange**") for the €493,000,000 Class A Asset-Backed Fixed Rate Notes due 2026 (the "**Class A Notes**") and the €232,000,000 Class B Asset-Backed Floating Rate Notes due 2026 (the "**Class B Notes**" and, together with the Class A Notes, the "**Notes**") to be issued by PRAXIS I FINANCE PLC (the "**Issuer**") on or about the Closing Date (as defined below) to be admitted to the Official List and trading on its regulated market.

	<u>Class A</u>	<u>Class B</u>
Initial Principal Amount Outstanding:	€493,000,000	€232,000,000
Issue Price:	100%	100%
Interest Rate:	2.9%	One-month EURIBOR
Margin:	N/A	N/A
Interest Payment Dates:	Monthly in arrear on the Interest Payment Dates falling on the 28 th day of each calendar month in each year	
First Interest Payment Date:	28 June 2009	28 June 2009
Final Maturity Date:	Interest Payment Date falling in June 2026	
Expected Rating (Moody's):	Aaa	Not Rated

The Class A Notes are expected, on issue, to be assigned an Aaa rating by Moody's Investors Service Limited ("**Moody's**"). The Class B Notes will not be assigned a rating.

The ratings address the likelihood of timely payment of interest at the applicable rate of interest on each interest payment date (each an "**Interest Payment Date**") on the Class A Notes and the ultimate payment of the Principal Amount Outstanding (as defined herein) of the Class A Notes on the Final Maturity Date (as defined herein).

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

The Notes will be in bearer form and in the denomination of €100,000 each and integral multiples of €1,000 in excess thereof and will be governed by English law. The Notes of each class will initially be in the form of a temporary global note (each a "**Temporary Global Note**"), without interest or principal Coupons (as defined herein) or talons for further Coupons ("**Talons**") attached, which will be deposited with a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank S.A./N.V. as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, *Société Anonyme* ("**Clearstream, Luxembourg**") on or about 30 April 2009 (or such later date as may be agreed between the Issuer, the Arranger and the Note Trustee (the "**Closing Date**")). The Temporary Global Note of each class of Notes will be exchangeable, in whole or in part, for interests in a

permanent global note (each a "**Permanent Global Note**" and, together with each Temporary Global Note, the "**Global Notes**") of that class of Notes, in bearer form without interest or principal Coupons or Talons attached, not earlier than 40 days after the Closing Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. Each Permanent Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Class A Notes or Class B Notes (as the case may be) in definitive form in denominations equal to the minimum denomination of the Notes and with Coupons and, if required, Talons attached.

The Global Notes are intended to be held in a manner which will allow Eurosystem eligibility since the Global Notes are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg (together the "**ICSDs**") as Common Safekeeper. This does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

This Prospectus constitutes a prospectus for the purposes of Article 5 of the Prospectus Directive.

The Class B Notes are subordinated to the Class A Notes for all purposes. Failure to pay any amount of principal or interest in respect of the Class B Notes, whether or not any Class A Notes are outstanding, shall not, in any circumstances, constitute an Event of Default. Class B Noteholders should in the light of this risk pay particular attention to the contents of this Prospectus, especially, but not limited to, the section headed "*Risk Factors*".

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

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

The Notes will be obligations of the Issuer only and will not be guaranteed by, or be the responsibility of, any other person. It should be noted, in particular, that the Notes will not be obligations or responsibilities of, and will not be guaranteed by, the Trustee, the Servicer, the Arranger, the Subordinated Reserve Loan Provider, the Set-Off (Deposits) Facility Provider, the Set-Off (Reclaimable Payments) Facility Provider, the Paying Agent, the Agent Bank, the Cash Manager, the Issuer Account Bank, the Corporate Services Provider, the Greek Account Bank, the Share Trustee or the Seller (each as defined in this Prospectus).

For a discussion of certain risks and other factors which should be considered in connection with an investment in the Notes, see the section herein entitled "*Risk Factors*".

Arranger

Morgan Stanley

RESPONSIBILITY STATEMENTS

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY U.S. STATE SECURITIES LAWS. THE NOTES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) UNLESS THE NOTES ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission (the "**SEC**"), any U.S. state securities commission or any other regulatory authority nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. This statement does not prejudice any liability which may arise under Irish law. The Issuer further confirms that this Prospectus contains all information which is material in the context of the issue of the Notes, that such information contained in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in it are honestly held by it and that there are no other facts the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect and all proper enquiries have been made to ascertain and to verify the foregoing. The Issuer accepts responsibility accordingly and the Issuer has confirmed to the Arranger that the Issuer accepts such responsibility.

Piraeus Bank S.A. ("**Piraeus**") (in its capacity as the "**Seller**", "**Servicer**", the "**Subordinated Reserve Loan Provider**", the "**Set-Off (Deposits) Facility Provider**", the "**Set-Off (Reclaimable Payments) Facility Provider**" and "**Greek Account Bank**") accepts responsibility for the information in this Prospectus relating to itself, the description of its rights and obligations in respect of, and all information relating to the Portfolio, the Loan Sale Agreement, the Servicing Agreement and all information relating to the Portfolio and the Seller in the sections headed "*Underwriting and Lending Criteria*", "*Piraeus: The Seller, the Servicer, the Set-Off (Deposits) Facility Provider, the Set-Off (Reclaimable Payments) Facility Provider, the Greek Account Bank, the Subordinated Reserve Loan Provider*", "*Description of the Provisional Loan Portfolio*", and "*Servicing of the Portfolio*", all information relating to the Portfolio (together the "**Piraeus Information**") and such Piraeus Information is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Seller and Servicer as to the accuracy or completeness of any information contained in this Prospectus (other than the Piraeus Information) or any other information supplied in connection with the Notes or their distribution.

The Notes will be obligations solely of the Issuer and will not be obligations of, and will not be guaranteed by, and will not be the responsibility of, any other entity. In particular, the Notes will not be the obligations of, and will not be guaranteed by, Piraeus, the Issuer Account Bank, the Cash Manager, the Trustee, the Paying Agent, the Agent Bank, the Corporate Services Provider (each as defined below) or the Arranger (the "**Transaction Parties**").

None of the Transaction Parties have separately verified the information contained in this Prospectus other than the Piraeus Information in relation to Piraeus. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of the Transaction Parties as to the accuracy or completeness of the information contained in this Prospectus or any other information supplied in connection with the Notes. Each person receiving this Prospectus acknowledges that such person has not relied on any of the Transaction Parties, nor any other person affiliated with any of them in connection with its investigation of the accuracy of such information or its investment decision.

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

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

Each person contemplating making an investment in the Notes must make its own investigation and analysis of the Issuer and the terms of the offering including the merits and risks involved, and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience and any other factors which may be relevant to it in connection with such investment. An investment in the Notes is, therefore, only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such investment and who have sufficient resources to be able to bear any losses which may result therefrom for an indefinite period of time.

Representations about the Notes

No person has been authorised to give any information or to make any representations, other than those contained in this Prospectus, in connection with the issue and sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorised by any of the Transaction Parties. Neither the delivery of this document nor any offer, sale, allotment or solicitation made in connection with the offering of the Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer or the information contained herein since the date hereof or that the information contained herein is correct at any time subsequent to the date hereof.

No action has been taken by the Issuer or the Arranger other than as set out in this Prospectus that would permit a public offer of the Notes in any country or jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus (nor any part hereof) nor any form of application, advertisement or other offering materials may be issued, distributed or published in any country or jurisdiction except in circumstances that will result in compliance with applicable laws, orders, rules and regulations, and the Issuer has represented that all offers and sales by them have been made on such terms.

Each person receiving this Prospectus shall be deemed to acknowledge that (i) such person has been afforded an opportunity to request from the Issuer, and to review, and has received, all additional information which it considers to be necessary to verify the accuracy and completeness of the information herein, (ii) such person has not relied on the Arranger or any person affiliated with the Arranger in connection with its investigation of the accuracy of such information or its investment decision, and (iii) except as provided pursuant to clause (i) above, no person has been authorised to give any information or to make any representation concerning the Notes offered hereby except as contained in this Prospectus, and, if given or made, such other information or representation should not be relied upon as having been authorised by the Issuer or the Arranger.

If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

It should be remembered that the price of securities and the income from them can go down as well as up.

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

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

Selling Restrictions Summary

This Prospectus does not constitute an offer of, or an invitation by or on behalf of, any of the Transaction Parties to subscribe for or purchase any of the Notes and this document may not be used for or in connection with an offer to, or a solicitation of an offer by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

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

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

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

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

Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this document nor any part hereof nor any other offering circular, prospectus, form of application, advertisement, other offering materials nor other information may be issued, distributed or published in any country or jurisdiction (including the United Kingdom), except in circumstances that will result in compliance with all applicable laws, orders, rules and regulations. See "*Purchase and Sale*" below.

Currency

In this Prospectus, unless otherwise specified, references to "€", "EUR" or "euro" are to the lawful currency of the member states of the European Union participating in Economic and Monetary Union as contemplated by the Treaty establishing the European Communities as amended by, *inter alia*, the Treaty on European Union (the "**Treaty**").

In this Prospectus, unless otherwise specified, references to "£", "**pounds**" or "**pounds sterling**" are to the lawful currency for the time being of the United Kingdom.

In this Prospectus, unless otherwise specified, references to "Greece", the "Republic", the "Republic of Greece", the "Greek State" or the "State" are to the Hellenic Republic and all references to the "Government" are to the government of the Hellenic Republic.

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

Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

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TRANSACTION OVERVIEW

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

Capitalised terms used in this section and throughout this Prospectus unless otherwise defined will have the meanings given to them in the section titled "Definitions" at the end of this Prospectus.

The Parties

The Issuer: Praxis I Finance Plc of c/o Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH, United Kingdom, a public limited company incorporated in England and Wales (registered number 06828528) has been established for the limited purposes of the issue of the Notes, the purchase of the Loans and entering into the Transaction Documents to which it is a party (the "**Issuer**"). The Issuer's authorised share capital consists of 50,000 ordinary shares of £1 each. The issued share capital consists of 50,000 ordinary shares allotted with £12,501.50 paid up. All of the Issuer's share capital is held directly or indirectly by the Share Trustee.

The Servicer: Piraeus Bank S.A. acting through its office at 4 Amerikis Street, 105 64 Athens, Greece, a credit institution incorporated in the Hellenic Republic ("**Piraeus**") will act as agent for the Issuer and the Trustee to, *inter alia*, service the Portfolio (in such capacity, the "**Servicer**") in accordance with the terms of a servicing agreement to be entered into between the Issuer, the Trustee and the Servicer on or about the Closing Date (the "**Servicing Agreement**").

For more detailed information see "*Servicing of the Portfolio*" below.

The Seller: Piraeus (in such capacity, the "**Seller**"). Piraeus is, *inter alia*, in the business of originating personal consumer loans and other banking activities.

For more detailed information see "*The Seller*" below.

The Seller will sell its present and future rights, title, interest and benefit in, to and under a portfolio of amortising consumer loans (the "**Portfolio**") to the Issuer pursuant to a loan sale agreement to be entered into between the Issuer, the Seller and the Trustee on or about the Closing Date (the "**Loan Sale Agreement**"). See "*Summary of Principal Documents — Loan Sale Agreement*" below.

The Share Trustee: Wilmington Trust SP Services (London) Limited of Fifth Floor, 6 Broad Street Place, London EC2M 7JH, United Kingdom, a private limited liability company incorporated in England and Wales (registered number 02548079) (in such capacity, the "**Share Trustee**"). The entire issued share capital of the Issuer is held on trust by the Share Trustee for charitable purposes.

The Corporate Services Provider:	<p>Wilmington Trust SP Services (London) Limited of Fifth Floor, 6 Broad Street Place, London EC2M 7JH, United Kingdom, a private limited liability company incorporated in England and Wales (registered number 02548079) (in such capacity, the "Corporate Services Provider") in accordance with the terms of a corporate services agreement to be entered into between the Issuer, the Corporate Services Provider and the Trustee on or about the Closing Date (the "Corporate Services Agreement").</p> <p>See "<i>Summary of Principal Documents – Corporate Services Agreement</i>" below.</p>
The Trustee:	<p>Citicorp Trustee Company Limited, acting through its registered office at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, United Kingdom (the "Trustee"). The Trustee will be appointed pursuant to the Trust Deed to represent the interests of the Noteholders and to hold the security granted or created, as the case may be, under the Deed of Charge, the Greek Account Pledge Agreement and the provisions of the Securitisation Law on behalf of itself, the Noteholders, the Couponholders, the Servicer, the Seller, the Corporate Services Provider, the Subordinated Reserve Loan Provider, the Set-Off (Deposits) Facility Provider, the Set-Off (Reclaimable Payments) Facility Provider, the Issuer Account Bank, the Greek Account Bank, the Cash Manager, the Paying Agent, the Agent Bank and any other agent appointed under the Agency Agreement (together, the "Secured Parties") and will be entitled to enforce the security granted or created, as the case may be, in its favour under the Deed of Charge, the Greek Account Pledge Agreement and the Securitisation Law.</p>
The Paying Agent and the Agent Bank:	<p>Citibank N.A., London Branch acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom (in such capacities, the "Paying Agent" and the "Agent Bank" and together the "Agents") acting in accordance with the terms of an agency agreement to be entered into between the Issuer, the Trustee and Agents on or about the Closing Date (the "Agency Agreement").</p>
The Issuer Account Bank:	<p>Citibank N.A., London Branch, acting through its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom (in such capacity, the "Issuer Account Bank") in accordance with the terms of a bank accounts agreement to be entered into between the Issuer, the Cash Manager, the Issuer Account Bank, the Greek Account Bank and the Trustee on or about the Closing Date (the "Bank Accounts Agreement").</p> <p>See "<i>Summary of Principal Documents — Bank Accounts Agreement</i>" below.</p>
The Greek Account Bank:	<p>Piraeus, acting through its principal branch at 4 Amerikis Street, 105 64 Athens, Greece (in such capacity the "Greek Account Bank") in accordance with the terms of the Bank Accounts Agreement.</p>

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

See "*Summary of Principal Documents — Cash Management Agreement*" below.

The Subordinated Reserve Loan Provider: Piraeus, acting through its office at 4 Amerikis Street, 105 64 Athens, Greece (in such capacity, the "**Subordinated Reserve Loan Provider**") in accordance with the terms of a subordinated reserve loan agreement to be entered into between the Issuer, the Subordinated Reserve Loan Provider and the Trustee on or about the Closing Date (the "**Subordinated Reserve Loan Agreement**").

See "*Summary of Principal Documents – Subordinated Reserve Loan Agreement*" below.

The Set-Off (Reclaimable Payments) Facility Provider: Piraeus, acting through its office at 4 Amerikis Street, 105 64 Athens, Greece (in such capacity, the "**Set-Off (Reclaimable Payments) Facility Provider**") in accordance with the terms of a facility agreement to be entered into between the Issuer, the Set-Off (Reclaimable Payments) Facility Provider and the Trustee on or about the Closing Date (the "**Set-Off (Reclaimable Payments) Facility Agreement**").

See "*Summary of Principal Documents — Set-Off (Reclaimable Payments) Facility Agreement*" below.

The Set-Off (Deposits) Facility Provider: Piraeus, acting through its office at 4 Amerikis Street, 105 64 Athens, Greece (in such capacity, the "**Set-Off (Deposits) Facility Provider**") in accordance with the terms of a facility agreement to be entered into between the Issuer, the Set-Off (Deposits) Facility Provider and the Trustee on or about the Closing Date (the "**Set-Off (Deposits) Facility Agreement**").

See "*Summary of Principal Documents — Set-Off (Deposits) Facility Agreement*" below.

The Arranger: Morgan Stanley & Co. International plc acting through its offices at 25 Cabot Square, Canary Wharf, London, E14 4QA, United Kingdom.

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

Application of Proceeds of the Notes

Use of Issue Proceeds: The aggregate proceeds from the issue of the Notes are expected to amount to approximately €725,000,000. On the Closing Date, this amount will be applied by the Issuer towards payment to the Seller of the initial purchase price for the acquisition of the Initial Portfolio (the "**Closing Date Portfolio Consideration**").

The Loans:

The Loans will consist of: (a) personal amortising consumer loans which have been originated by the Seller that meet (i) in the case of the loans comprised in the Initial Portfolio, the Eligibility Criteria; or (ii) in the case of the Replacement Loans, the Replacement Loans Criteria (which, for the avoidance of doubt includes satisfaction of the Eligibility Criteria); or (iii) in the case of the Subsequent Loans, the Subsequent Loans Criteria (which, for the avoidance of doubt includes satisfaction of the Eligibility Criteria), (the loans comprised in the Initial Portfolio together with any Replacement Loans and any Subsequent Loans being the "**Loans**"), together with; (b) Ancillary Rights.

Unless the context requires otherwise, any reference herein to a Loan includes the relevant Ancillary Rights.

The Seller will sell and assign its rights, title, interest and benefit in, to and under the Loans and the Ancillary Rights to the Issuer pursuant to and in accordance with: (i) the Loan Sale Agreement; (ii) the provisions of the Securitisation Law and; (iii) a Greek assignment agreement to be entered into between the Issuer and the Seller on or about the Closing Date (in respect of the Initial Loans) and on each Repurchase Date and Subsequent Transfer Date (in respect of Replacement Loans and Subsequent Loans) (as the case may be), each such agreement being in the same form (each, a "**Greek Assignment Agreement**").

Each Loan in the Initial Portfolio is presently owned by the Seller and will be owned by the Seller until the Closing Date. All of the Loans will comply with the Eligibility Criteria described below, which include the requirement that the Loans have at the time of origination been advanced to private individuals (the "**Borrowers**", which expression includes co-Borrowers, if any). The Loans are personal consumer loans some of which may be secured on properties located in Greece pursuant to a Pre-Notation. For a more detailed description of the Loans comprising the Provisional Portfolio (from which the Portfolio will be selected) see "*Description of the Provisional Loan Portfolio*" below.

The Issuer, together with the Trustee, will have the benefit of certain warranties from the Seller relating to the Loans and the Ancillary Rights. In the event of a breach of the warranties in respect of a Loan or its Ancillary Rights given pursuant to the Loan Sale Agreement, the relevant Loan and its Ancillary Rights will be repurchased by the Seller. The terms and conditions of the sale of the Loans from the Seller to the Issuer and any repurchase by the Seller are more fully described under "*Summary of Principal Documents – Loan Sale Agreement*" below.

Unless the context requires otherwise, any reference in this Prospectus to a sale or repurchase of a Loan and its Ancillary Rights shall mean a sale or repurchase of the Seller's or, as applicable, the Issuer's rights, title, interest and benefit in, to or under the relevant Loan and its Ancillary Rights.

The Portfolio:

The portfolio of Loans purchased from the Seller and owned by the Issuer from time to time will comprise; (a) the Initial Loans as reduced from time to time by Loans: (i) which have been repaid in full; or (ii) in respect of which Enforcement Procedures have been completed; or (iii) which have been repurchased by the Seller since the Closing Date; (b) Replacement Loans and (c) Subsequent Loans.

The Initial Portfolio will consist of the Initial Loans (excluding accrued interest) purchased by the Issuer from the Seller on or about the Closing Date.

The Initial Portfolio will be drawn (in accordance with the criteria summarised below) only from, and will substantially comprise the loans contained in the Provisional Portfolio owned and selected by the Seller as at the Cut-Off Date.

On the Cut-Off Date, the Provisional Portfolio had the characteristics shown below:

Contractual Balance of all loans:	€818,662,566
Total number of loans:	99,322
Average Contractual Balance of each loan:	€8,243
Contractual Balance of largest loan:	€127,000
Final maturity date of latest maturing loan:	2019

Characteristics of the Provisional Portfolio are more fully described under "*Description of the Portfolio – Characteristics of the Provisional Portfolio*" below.

Prior to the Closing Date, in forming the Initial Portfolio, the Seller will remove from the Provisional Portfolio all loans which: (a) are fully redeemed; (b) do not comply with the representations and warranties set out in the Loan Sale Agreement or; (c) need to be removed to ensure that the aggregate Contractual Balance of Loans comprised in the Initial Portfolio is as close as possible to the aggregate principal amount of the Notes on the Closing Date.

Any Loan that the Seller sells to the Issuer as part of the Initial Portfolio will be required to comply with the Eligibility Criteria that, *inter alia*, the Seller will represent have been met (see "*Summary of the Principal Documents – Loan Sale Agreement – Representations, Warranties and Eligibility Criteria*" below).

In addition, any Replacement Loan that the Seller sells to the Issuer after the Closing Date pursuant to the terms of the Loan Sale Agreement (see "*Summary of Principal Documents – Loan Sale Agreement – Replacement Loan Criteria*" below) will be required to comply with the Replacement Loan Criteria (including the Eligibility Criteria) that *inter alia*, the Seller will represent have been met.

Revolving Period:

Prior to each Interest Payment Date during the Revolving Period (as defined below), the Seller shall notify the Issuer in writing of its intention to sell Subsequent Loans to the Issuer. Subject to the Subsequent Loans conforming to the Subsequent Loans Criteria (which include meeting the Eligibility Criteria and as more fully described under *Summary of Principal Documents – Loan Sale Agreement – Subsequent Loan Criteria* below), the Issuer shall purchase, on each Interest Payment Date during the Revolving Period, the Subsequent Loans offered for sale by the Seller, using such funds as are available for such purpose in accordance with the Pre-Enforcement Priority of Payments.

"**Revolving Period**" means the period commencing on the Closing Date and ending on the earlier of:

- (a) the Interest Payment Date following the twenty-fourth Interest Payment Date; or
- (b) the Interest Payment Date following the date on which:
 - (i) Piraeus' long-term, unsecured, unsubordinated and unguaranteed debt rating falls below Baa3 by Moody's;
 - (ii) the Arrears Ratio is higher than 6 per cent.; and
 - (iii) the Default Ratio is higher than 8.5 per cent.; or
- (c) the Interest Payment Date following the date on which the credit balance of the Reserve Account falls below the Required Reserve Fund Amount; or
- (d) the Interest Payment Date immediately following the Interest Payment Date on which the Class A Notes are redeemed in full.

"**Arrears Ratio**" means, on any Calculation Date, the ratio, expressed as a percentage (rounded downwards to two decimal places) of:

- (a) the aggregate Contractual Balance of the Loans in Arrears by more than 60 days (excluding Defaulted and Written Off Loans) as at the beginning of the Collection Period immediately preceding such Calculation Date; over
- (b) the aggregate Contractual Balance of the Loans as at the beginning of the Collection Period immediately preceding such Calculation Date.

Description of the Notes

The Notes:

The €493,000,000 Class A Asset-Backed Fixed Rate Notes due 2026 and the €232,000,000 Class B Asset-Backed Floating Rate Notes due 2026 to be issued on the Closing Date by the Issuer.

Status, Form and Denomination:

Each Class of Notes (which will be in the denomination of €100,000 each and integral multiples of €1,000 in excess thereof, subject to *pro rata* redemption of Notes of the same Class pursuant to the Conditions), will initially be represented by a single Temporary Global Note for that Class without interest or principal Coupons or Talons attached. Interests in each Temporary Global Note will, upon certification as to non-U.S. beneficial ownership, be exchangeable for interests in a Permanent Global Note for that Class without interest or principal Coupons or Talons attached on and after the Exchange Date. The Permanent Global Note in respect of each Class will not be exchangeable for Definitive Notes for that Class save in certain limited circumstances set out in each Permanent Global Note. The Notes will be issued in new global note ("NGN") form and will be delivered upon issue to one of the ICSDs as Common Safekeeper. This does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

The Notes will constitute direct, secured and, in the case of the Class B Notes, conditional obligations of the Issuer. The Notes will be constituted by a trust deed governed by English law to be dated on or about the Closing Date (the "**Trust Deed**") and entered into between the Issuer and the Trustee and each Class of Notes will be secured by the same security. The Notes of each Class will rank *pari passu* with the other Notes of the same class. The Class B Notes will rank subordinate to the Class A Notes in point of security and as to the payment of interest and principal.

It should be noted that, subject to certain exceptions described below, if amounts are due and payable to the Trustee under the Trust Deed, the Deed of Charge or the Greek Account Pledge Agreement, to the Servicer under the Servicing Agreement, to the Cash Manager under the Cash Management Agreement, to the Issuer Account Bank or the Greek Account Bank under the Bank Accounts Agreement, to the Corporate Services Provider under the Corporate Services Agreement, to any of the Agents under the Agency Agreement or, prior to enforcement of the Security, certain third party creditors of the Issuer, the Issuer's obligations in respect thereof, as well as certain other amounts, will rank ahead of its obligations in respect of the Notes of each Class.

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

- (a) except where expressly provided otherwise in the Trust Deed or any other Transaction Document, have regard to the interests of the Class A Noteholders and the Class B Noteholders equally PROVIDED THAT if in the opinion of the Trustee (for so long as there are any Class A Notes outstanding) there is a conflict between the interests of the Class A Noteholders, on the one hand, and the interests of the Class B Noteholders, on the other, it shall have regard only to the interests of the Class A Noteholders but so that this proviso shall not apply in the case of powers, trusts, rights, authorities, duties and discretions:
 - (i) in relation to which it is expressly stated that they may be exercised by the Trustee only if in its opinion the interests of the Noteholders of each Class would not be materially prejudiced thereby; or
 - (ii) the exercise of which by the Trustee relates to any Basic Terms Modification, in which event the Trustee may exercise such powers, trusts, rights, authorities, duties and discretions if it receives from the Noteholders of any Class, which is or may be affected by such Basic Terms Modification, the relevant consent or sanction;

- (b) where it is required to have regard to the interests of the Noteholders (or any Class thereof), have regard to the interests of the Noteholders (or such Class) as a class and in particular, but without prejudice to the generality of the foregoing, shall not be obliged to have regard to the consequences thereof for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to, the jurisdiction of any particular territory and the Trustee shall not be entitled to require, nor shall any Noteholders be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders; and
- (c) except where expressly provided otherwise, have regard only to the interests of the Noteholders and shall not be required to have regard to the interests of any Other Secured Party or any other person or to act upon or comply with any direction or request of any Other Secured Party or any other person whilst any amount remains owing to any Noteholder.

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

The Notes will be obligations of the Issuer only. The Notes will not be obligations or responsibilities of, or guaranteed by, any person other than the Issuer. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, the Trustee, the Servicer, the Subordinated Reserve Loan Provider, the Set-Off (Deposits) Facility Provider, the Set-Off (Reclaimable Payments) Facility Provider, the Paying Agent, the Agent Bank, any other agent appointed under the Agency Agreement, the Issuer Account Bank, the Cash Manager, the Greek Account Bank, the Corporate Services Provider, the Share Trustee or the Seller (together, the "**Other Secured Creditors**" or "**Other Secured Parties**") or the Arranger.

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

Interest:	Interest on the Notes is payable by reference to successive Interest Periods. Interest on the Notes will be payable monthly in arrear in euro on the 28th day of each calendar month in each year (subject to adjustment for non-Business Days), (each an " Interest Payment Date ") commencing on the Interest Payment Date falling in June 2009. The first Interest Period will commence on (and include) the Closing Date and end on (but exclude) the Interest Payment Date falling on 28 June 2009. Each subsequent Interest Period will commence on (and include) an Interest Payment Date and end on (but exclude) the next succeeding Interest Payment Date.
Class A Rate of Interest:	The Class A Notes will bear interest on their then Principal Amount Outstanding at the rate of 2.9 per cent. per annum.
Class B Rate of Interest:	Interest on the Class B Notes for each Interest Period will accrue on their Principal Amount Outstanding at an annual rate equal to EURIBOR for one-month deposits.

The Class B Noteholders will only be entitled to receive payments of interest on the Class B Notes on any Interest Payment Date to the extent that the Issuer has funds available for such purpose (and any other items ranking *pari passu* therewith) after making payment on such Interest Payment Date of any liabilities due for payment and ranking in priority to the Class B Notes as described below in "Summary – Application of Funds". Any interest due on any Class B Notes not paid on an Interest Payment Date will itself accrue interest (at the interest rate then applicable to the Class B Notes) and, together with such accrued interest, will be paid to such Class B Noteholders on subsequent Interest Payment Dates to the extent that the Issuer has funds available for such purpose (and any other items ranking *pari passu* therewith), after paying in full on such Interest Payment Date all payments ranking in priority thereto.

Non-payment of interest in respect of the Class A Notes will constitute an Event of Default and such interest is not subject to deferral. Non-payment of interest in respect of the Class B Notes will not constitute an Event of Default at any time and such interest will continue to be subject to deferral until the Final Maturity Date.

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

Final Redemption: Unless previously redeemed in full, each Class of Notes will mature at their then Principal Amount Outstanding on the Interest Payment Date falling in 2026 (the "**Final Maturity Date**"), together with accrued interest thereon.

Mandatory Redemption in Full: On receipt from Piraeus of notice that it intends to exercise the Seller Call Option (as defined below) to acquire the Portfolio in whole pursuant to the Loan Sale Agreement, the Issuer will, having given not more than 60 nor less than 30 days' notice to the Noteholders in accordance with Condition 15 (*Notice to Noteholders*), redeem all (but not some only) of the Notes on the next Interest Payment Date at their respective Principal Amount Outstanding together with accrued interest (which shall include, for the avoidance of doubt, Deferred Interest (if any)) provided that, prior to giving any such notice, the Issuer shall have delivered to the Trustee a certificate signed by two directors of the Issuer to the effect that, subject to receiving the consideration payable pursuant to exercise of the Seller Call Option, the Issuer will have the funds, not subject to the interest of any other persons, required to fulfil its obligations hereunder in respect of the Notes and any amounts required under the Cash Management Agreement and/or the Deed of Charge to be paid *pari passu* with, or in priority to, the Notes and the Trustee shall accept the certificate as sufficient evidence of the satisfaction of such condition precedent and it shall be conclusive and binding on the Noteholders.

After giving notice of redemption, the Issuer shall not make any further payment of principal on the Notes and no further reduction shall be made to the Principal Amount Outstanding of any such Note other than by way of redemption as described above.

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

- (a) following the occurrence of any of the following:
- (i) any amount is required to be deducted or withheld for or on account of tax from amounts of interest or principal payable to the Issuer on the Loans, by reason of a change in law in the United Kingdom or any other jurisdiction, or a binding change in the application, official interpretation or administration thereof, where such change becomes effective on or after the Closing Date, and/or the Seller and/or the Servicer is required to pay an additional amount to the Issuer as a result of such a change in law or such a change in the application, official interpretation or administration thereof in accordance with the terms of the Loan Sale Agreement or the Servicing Agreement, as applicable;
 - (ii) on the occasion of the next Interest Payment Date, the Issuer (or the Paying Agent on its behalf) would be required to make any withholding or deduction from any payment of principal or interest in respect of any of the Notes for or on account of any present or future tax, duty or charge of whatsoever nature assessed, collected or levied by or on behalf of the United Kingdom, the Hellenic Republic or any other relevant jurisdiction or any authority thereof or therein;
 - (iii) the Issuer becomes subject to taxation or incurs a taxation liability in the Hellenic Republic by reason of a change in law, or a binding change in the application, official interpretation or administration thereof, where such a change becomes effective on or after the Closing Date;
 - (iv) the Issuer incurs a taxation liability in the United Kingdom by reason of a change in law or a binding change in the application, official interpretation or administration thereof, where such a change becomes effective on or after the Closing Date and which taxation liability is materially greater than the taxation liability it would have been subject to had such a change in law or such a change in the application, interpretation or administration thereof not occurred;
 - (v) by virtue of a change in the law of the United Kingdom, the Hellenic Republic or any other relevant jurisdiction, or a binding change in the application, official interpretation or administration thereof, from that in effect on the Closing Date, any amounts payable by the Borrowers to the Issuer in relation to the Portfolio is or will be reduced or ceases or will cease to be receivable (whether or not actually received) by the Issuer during the then current Interest Period; or
 - (vi) the Issuer is not or ceases to be a "securitisation company" as defined for the purposes of the Taxation of Securitisation Companies Regulations 2006 of the United Kingdom,

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

to the Trustee; or

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

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

For more information on redemption of the Notes, see "*Terms and Conditions of the Notes – Conditions 6 (Redemption)*" below.

Seller Call Option:

The Seller may exercise the Seller Call Option granted by the Issuer pursuant to the Loan Sale Agreement to purchase, and have assigned to it, the Portfolio and all rights attaching thereto in full on the next Interest Payment Date by giving notice to the Issuer of not more than 120 days and not less than 90 days of such exercise. Such purchase will be in an amount equal to the aggregate Contractual Balance relating to the Portfolio on such Interest Payment Date provided that the Seller will only purchase the Portfolio on such Interest Payment Date if: (i) the Available Funds will, following the exercise of the Seller Call Option, be sufficient for the Issuer to discharge all his liabilities in respect of the Notes and any amounts to be paid *pari passu* with or in priority to the Notes according to the Priority of Payments on such Interest Payment Date; and (ii) is able to certify in writing to the Issuer and the Trustee on the Seller Call Option Exercise Date: (a) that it is able to meet its debts as they fall due; (b) that its assets exceed its liabilities (actual, prospective and contingent); and (c) that it is not subject to any insolvency proceedings in any jurisdiction in which it does business.

For more information on redemption of the Notes, see "*Terms and Conditions of the Notes - Condition 6 Redemption*" below.

Principal amortisation:

Prior to the enforcement of the Security, Noteholders will be entitled to receive payments of principal on their respective Classes of Notes on each Interest Payment Date, but only to the extent that the Issuer has funds available for the purpose (and any other items ranking *pari passu* therewith) after making payment, on such Interest Payment Date, of any liabilities due for payment and ranking in priority to payments of principal on such class of Notes as provided in the Conditions, the Trust Deed, the Cash Management Agreement and in the Deed of Charge and in the manner and in the amounts specified below.

Rating:

It is expected that the Class A Notes, when issued, will be assigned an Aaa rating by the Rating Agency. The Class B Notes will not be rated.

The ratings address the likelihood of timely payment of interest at the applicable rate of interest on each Interest Payment Date on the Class A Notes, and the ultimate payment of the Principal Amount Outstanding of the Class A

Notes at the Final Maturity Date.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation if in its judgment, circumstances in the future so warrant.

Listing: Application has been made to the Irish Stock Exchange to have the Notes admitted to the Official List and to trading on its regulated market.

Purchases: The Issuer is not permitted to purchase the Notes.

Governing Law of the Notes: English.

Estimated Weighted Average Lives: See under "*Estimated Weighted Average Lives of the Notes*" below.

Security for the Notes: The Notes will have the benefit of security that is granted, or created, as the case may be:

1. by a pledge operating by law over the Issuer's interest in the Loans and the Ancillary Rights and in the Servicer Collection Account pursuant to paragraph 18, article 10 of the Securitisation Law;
2. by a pledge under Greek law over the Issuer Greek Bank Accounts (except for the Servicer Collection Account) pursuant to a Greek law account pledge agreement between the Issuer and the Trustee for the benefit of the Trustee, the Noteholders and all other Secured Parties (the "**Greek Account Pledge Agreement**") which will create a first rank pledge over the Issuer Greek Bank Accounts and all present and future, actual or contingent, rights and claims of the Issuer under or in connection with the Issuer Greek Bank Accounts, including interest, as well as proceeds related to, or arising from the Issuer Greek Bank Accounts; and
3. pursuant to a deed of charge between, among others, the Issuer and the Trustee for the benefit of the Trustee, the Noteholders and all of the other Secured Parties (the "**Deed of Charge**") which will create the following English law security interests:
 - (i) a first priority charge over the Issuer's right, title, interest and benefit, present and future, in and to all moneys now or at any time standing to the credit of the Issuer Transaction Account;
 - (ii) first priority security assignments over the Issuer's right, title and interest in the following English law governed documents:
 - (A) the Agency Agreement;
 - (B) the Loan Sale Agreement;
 - (C) the Cash Management Agreement;
 - (D) the Note Purchase Agreement;

- (E) the Servicing Agreement;
 - (F) the Set-Off (Reclaimable Payments) Facility Agreement;
 - (G) the Set-Off (Deposits) Facility Agreement;
 - (H) the Subordinated Reserve Loan Agreement;
 - (I) the Corporate Services Agreement;
 - (J) the Bank Accounts Agreement;
 - (K) the Issuer – ICSDs Agreement; and
- (iii) a floating charge over any rights or assets of the Issuer not secured by the security interests created above.

The pledges, charges and assignments referred to in paragraphs (i), (ii) and (iii) above are together the "**Security**".

The documents referred to in paragraphs (2) and (3) above, together with the Trust Deed and the Greek Assignment Agreement, are referred to as the "**Transaction Documents**".

Other Agreements

Servicing Agreement:

Under the Servicing Agreement, the Servicer will agree to provide to the Issuer and, following the service of an Acceleration Notice or the Security otherwise becoming enforceable, the Trustee certain loan administration services. Such services will include administering and enforcing the Loans, the storing and safe-keeping of all documents relating to the Loans and their Ancillary Rights, maintaining all such licences, approvals, authorisations and consents as may be necessary in connection with the performance of the administration and payments of the Loans and services incidental thereto.

See "*Servicing of the Portfolio*" below.

Subordinated Reserve Loan Agreement:

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

The Subordinated Reserve Loan will be for an amount of €36,250,000 and will be fully drawn by the Issuer on the Closing Date in order to fund the Initial Reserve Fund Amount.

Interest on the Subordinated Reserve Loan will be paid and principal repaid by the Issuer on each Interest Payment Date or, following enforcement of the Security, on any Business Day from Available Funds or Available Security Funds, as the case may be, subject to and in accordance with the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

All amounts outstanding under the Subordinated Reserve Loan will be due and payable on the earlier of: (i) the Final Maturity Date; and (ii) the Interest Payment Date on which all the Notes are redeemed or have been repaid, subject to the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority

of Payments, as applicable.

See "*Summary of Principal Documents —Subordinated Reserve Loan Agreement*" below.

Set-Off (Reclaimable Payments) Facility Agreement:

The Set-Off (Reclaimable Payments) Facility Provider will, in accordance with the terms of Set-Off (Reclaimable Payments) Facility Agreement make available a facility to the value of the Set-Off (Reclaimable Payments) Facility Limit to the Issuer.

After the Closing Date the Set-Off (Reclaimable Payments) Facility Limit will fluctuate so that at any time it will consist of the aggregate of the Exposure Amounts in relation to each Loan less the aggregate of the Exposure Reduction Amounts in relation to each Loan.

The Issuer will drawdown to 50 per cent. of the amount of the Set-Off (Reclaimable Payments) Facility Limit on the First Ratings Downgrade Date.

The Issuer will drawdown to 100 per cent. of the amount of the Set-Off (Reclaimable Payments) Facility Limit on the Second Ratings Downgrade Date.

Following the First Ratings Downgrade Date and for so long as the First Ratings Downgrade continues but a Second Ratings Downgrade has not occurred, any increase in the Set-Off (Reclaimable Payments) Facility Limit will be followed by an immediate drawing under the Set-Off (Reclaimable Payments) Facility Agreement in the amount of 50 per cent. of such increase and any decrease in the Set-Off (Reclaimable Payments) Facility Limit will result in a repayment of the Set-Off (Reclaimable Payments) Loan in an amount equal to 50 per cent. of such decrease on the following Interest Payment Date.

Following the Second Ratings Downgrade Date and for so long as the Second Ratings Downgrade continues any increase in the Set-Off (Reclaimable Payments) Facility Limit will be followed by an immediate drawing under the Set-Off (Reclaimable Payments) Facility Agreement in the amount of 100 per cent. of such increase and any decrease in the Set-Off (Reclaimable Payments) Facility Limit will result in a repayment of the Set-Off (Reclaimable Payments) Loan in an amount equal to 100 per cent. of such decrease on the following Interest Payment Date.

The amounts drawn under the Set-Off (Reclaimable Payments) Facility Agreement will constitute a borrowing under it. Once drawn, the Set-Off (Reclaimable Payments) Loan will be paid into the Set-Off (Reclaimable Payments) Reserve Account.

Interest on the Set-Off (Reclaimable Payments) Loan will be paid on each Interest Payment Date from Available Funds (or following enforcement of the Security, on any Business Day from Available Security Funds) subject to and in accordance with the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable, and the terms of the Set-off (Reclaimable Payments) Facility Agreement. Interest earned by the Issuer on the amounts standing to the credit of the Set-Off (Reclaimable Payments) Reserve Account will be transferred to the Issuer Collection Account on every Calculation Date and will form part of the Receipts.

If the Set-Off (Reclaimable Payments) Facility Provider, having suffered a Second Ratings Downgrade, is subsequently upgraded to the Second Rating but still does not have a rating at least as high as the First Rating, the principal amount of the Set-Off (Reclaimable Payments) Loan will be repayable on the following Interest Payment Date in the amount of:

- (a) 100 per cent. of the amount of the Set-Off (Reclaimable Payments) Facility Limit prior to the immediately preceding Calculation Date; less
- (b) 50 per cent. of the amount of the Set-Off (Reclaimable Payments) Facility Limit on the immediately preceding Calculation Date.

PROVIDED THAT, if the calculation results in a negative number, the Set-Off (Reclaimable Payments) Facility Provider will not be repaid on such Interest Payment Date and instead the Issuer will drawdown under the Set-Off (Reclaimable Payments) Facility and amount equal to the positive difference of (b) minus (a) above, on the Calculation Date that such Set-Off (Reclaimable Payments) Facility Limit is calculated.

The principal amount of the Set-Off (Reclaimable Payments) Loan will be repayable in full (but the Set-Off Reserve (Reclaimable Payments) Facility Limit will not be affected) on the Interest Payment Date following the date the Set-Off (Reclaimable Payments) Facility Provider regains a rating higher than the First Rating.

The Set-Off (Reclaimable Payments) Facility Limit (or, if drawn the Set-Off (Reclaimable Payments) Loan) will be cancelled (and/or, as the case may be, the principal amount of the Set-Off (Reclaimable Payments) Loan will be repayable) in full on the earlier of:

- (a) the date falling five years after the Final Maturity Date; and
- (b) the date on which:
 - (i) prior to the enforcement of the Security, the Trustee or, if all Notes have been redeemed in full, the Issuer, is satisfied (in each case in its absolute discretion) that the Issuer has no further actual or contingent liabilities in respect of any Reclaimable Payments; or
 - (ii) following the enforcement of Security, the date on which the Trustee or, if all the liabilities owing by the Issuer to the Secured Parties under the Transaction Documents have been discharged in full and the Security released, the Issuer, is satisfied (in each case in its absolute discretion) that no further withdrawals from the Set-Off (Reclaimable Payments) Reserve Account are required to be made in respect of any Exposure Amounts that Borrowers or Guarantors may claim directly from the Issuer, or set-off or deduct from amounts payable under the Loans in respect of any Exposure Amounts, in accordance with the Cash Management Agreement.

If any of the Notes remain outstanding, the Set-Off (Reclaimable Payments) Facility Provider will notify the Rating Agency in writing immediately upon a cancellation of the Set-Off (Reclaimable Payments) Facility Limit in accordance with paragraph (b)(i) above.

See also "*Set-Off (Reclaimable Payments) Reserve Account*" and "*Summary of Principal Documents – Set-Off (Reclaimable Payments) Facility Agreement*".

Set-Off (Deposits) Facility Agreement:

The Set-Off (Deposits) Facility Provider will, in accordance with the terms of the Set-Off (Deposits) Facility Agreement make available to the Issuer the Set-Off (Deposits) Facility with an initial Set-Off (Deposits) Facility Limit equal to the aggregate amount of all Deposit Contributions held with the Seller by the Borrowers and (in respect of only those Loans where any amount has been or is being claimed from a Guarantor) the Guarantors of such Loans whose Loans form part of the Portfolio as at the Closing Date or in the case of any Replacement Loan or Subsequent Loan as at the date the relevant Replacement Loan or Subsequent Loan is assigned to the Issuer.

The Set-Off (Deposits) Facility Limit will be adjusted in the manner set out in "*Summary of Principal Documents – Set-Off (Deposits) Facility Agreement*" below.

The Issuer will drawdown to 50 per cent. of the Set-Off (Deposits) Facility Limit on the First Ratings Downgrade Date.

The Issuer will drawdown to 100 per cent. of the Set-Off (Deposits) Facility Limit on the Second Ratings Downgrade Date.

Following the First Ratings Downgrade Date and for so long as the First Ratings Downgrade continues but a Second Ratings Downgrade has not occurred, any increase in the Set-Off (Deposits) Facility Limit will be followed by an immediate drawing under the Set-Off (Deposits) Facility Agreement in the amount of 50 per cent. of such increase and any decrease in the Set-Off (Deposits) Facility Limit will result in a repayment of the Set-Off (Deposits) Loan in an amount equal to 50 per cent. of such decrease on the following Interest Payment Date.

Following the Second Ratings Downgrade Date and for so long as the Second Ratings Downgrade continues any increase in the required Set-Off (Deposits) Facility Limit will be followed by an immediate drawing under the Set-Off (Deposits) Facility Agreement in the amount of 100 per cent. of such increase and any decrease in the required Set-Off (Deposits) Facility Limit will result in a repayment of the Set-Off (Deposits) Loan in an amount equal to 100 per cent. of such decrease on the following Interest Payment Date.

The amounts drawn under the Set-Off (Deposits) Facility Agreement will constitute a borrowing under it. Once drawn, the Set-Off (Deposits) Loan will be paid into the Set-Off (Deposits) Reserve Account.

Interest on the Set-Off (Deposits) Loan will be paid by the Issuer on each Interest Payment Date from Available Funds (or following enforcement of the Security, on any Business Day from Available Security Funds) in accordance with the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable, and the terms of the Set-Off (Deposits) Facility Agreement.

Interest earned by the Issuer on the amounts standing to the credit of the Set-Off (Deposits) Reserve Account will be transferred to the Issuer Collection Account on every Calculation Date and will form part of the Receipts.

If the Set-Off (Deposits) Facility Provider, having suffered a Second Ratings Downgrade, is subsequently upgraded to the Second Rating but still does not have a rating at least as high as the First Rating, the principal amount of the Set-Off (Deposits) Loan will be repayable on the following Interest Payment Date in the amount of:

- (a) 100 per cent. of the amount of the Set-Off (Deposits) Facility Limit prior to the immediately preceding Calculation Date; less
- (b) 50 per cent. of the amount of the Set-Off (Deposits) Facility Limit on the immediately preceding Calculation Date.

PROVIDED THAT, if the calculation results in a negative number, the Set-Off (Deposits) Facility Provider will not be repaid on such Interest Payment Date and instead the Issuer will drawdown under the Set-Off (Deposits) Facility and amount equal to the positive difference of (b) minus (a) above, on the Calculation Date that such Set-Off (Deposits) Facility Limit is calculated.

The principal amount of the Set-Off (Deposits) Loan will be repaid in full (but the Set-Off (Deposits) Facility Limit will not be affected) on the Interest Payment Date following the date the Set-Off (Deposits) Facility Provider regains a rating at least as high as the First Rating.

The Set-Off (Deposits) Facility Limit (or, if drawn the Set-Off (Deposits) Loan) will be cancelled (and/or, as the case may be, the principal amount of the Set-Off (Deposits) Loan will be repayable) in full on the earlier of:

- (a) the date falling five years after the Final Maturity Date; and
- (b) the date on which:
 - (i) prior to the enforcement of the Security, the Trustee or, if all Notes have been redeemed in full, the Issuer, is satisfied (in each case in its absolute discretion) that the Issuer has no further actual or contingent liabilities in respect of any Deposit Amounts; or
 - (ii) following the enforcement of Security, the date on which the Trustee or, if all the liabilities owing by the Issuer to the Secured Parties under the Transaction Documents have been discharged in full and the Security released, the Issuer, is satisfied (in each case in its absolute discretion) that no further withdrawals from the Set-Off (Deposits) Reserve Account are required to be made by the Cash Manager in respect of amounts that Borrowers or Guarantors may set-off or deduct from amounts payable under the Loans in respect of amounts payable by the Seller to the Borrowers or the Guarantors, in accordance with the Cash Management Agreement.

If any of the Notes remain outstanding, the Set-Off (Deposits) Facility Provider will notify the Rating Agencies in writing immediately upon a cancellation of the Set-Off (Deposits) Facility Limit in accordance with paragraph (b)(i) above.

See also "*Set-Off (Deposits) Reserve Account*" and "*Summary of Principal Documents - Set-Off (Deposits) Facility Agreement*" below.

Servicer Collection Account: Pursuant to the Servicing Agreement, the Servicer will open and maintain a euro bank account at its 2784 branch in Athens in the name of the Issuer to be designated as the collection account under the Securitisation Law (the "**Servicer Collection Account**").

The Servicer Collection Account will be operated in accordance with the Securitisation Law pursuant to the Bank Accounts Agreement. The Servicer will be required, pursuant to the Servicing Agreement, to credit Collections to the Servicer Collection Account by 5:00 p.m. (Athens time) or, if the Servicer suffers a First Ratings Downgrade, by 2:00 p.m. (Athens time) on, in each case, the Athens Business Day immediately following receipt or collection. The Collections will be credited to the Servicer Collection Account less deductions made by the Servicer in accordance with the Servicing Agreement (in respect of, *inter alia*, certain legal expenses and insurance premium payments associated with the ongoing servicing of the Loans and Levy) promptly upon receipt or collection of these amounts by the Servicer. The Collections which for the avoidance of doubt, will not include any Levy deducted by the Servicer (for so long as the Servicer is Piraeus) and paid to the Bank of Greece, will be transferred by the Servicer from the Servicer Collection Account:

- (a) to the Issuer Collection Account (or, if the Greek Account Bank ceases to be an Eligible Bank, to the Issuer Transaction Account) at or about 5:00 p.m. (Athens time) on the Athens Business Day immediately following the day on which the Collections have been credited to the Servicer Collection Account; or
- (b) if the Servicer suffers a First Ratings Downgrade to the Issuer Collection Account (or, if the Greek Account Bank ceases to be an Eligible Bank, to the Issuer Transaction Account) immediately upon transfer into the Servicer Collection Account and by no later than 5:00 p.m. (Athens time) on the Athens Business Day such amounts are transferred into the Servicer Collection Account,

or, in each case, if such day is not a Transfer Business Day, the immediately following Transfer Business Day.

Under law 128/1975 of the Hellenic Republic, consumer loans bear a Levy, currently at 0.60 per annum.

The Servicer Collection Account will, pursuant to the Securitisation Law, be segregated from all other accounts held in the name of other customers of Piraeus and only amounts which relate to the Portfolio will be paid into the Servicer Collection Account (for additional detail, see "*Servicing of the Portfolio*").

If a substitute servicer which is not a credit institution for the purposes of law 3601/2007 of the Hellenic Republic is appointed, such substitute servicer will be required to appoint an Eligible Bank in a jurisdiction in which such bank needs to be located for the purposes of paragraph 15, Article 10 of the

Securitisation Law and that is satisfactory to the Trustee to open and operate the Servicer Collection Account in the name of the Issuer pursuant to the terms of the Bank Accounts Agreement.

If the Servicer suffers a Second Ratings Downgrade, then the Servicer shall provide notification to all Borrowers that any and all future payments due under the Loans are henceforth to be effected directly to the Issuer Collections Account (or, if the Greek Account Bank suffers a First Ratings Downgrade, to the Issuer Transaction Account) rather than the Servicer Collection Account.

Pursuant to the Bank Accounts Agreement, Collections standing to the credit of the Servicer Collection Account may accrue interest on an annual basis at such rate as may be agreed between the Issuer and the relevant Eligible Bank.

The Collection Account Income will be transferred by the Servicer to the Issuer Collection Account on or about the first day of each calendar month, or if such date is not a Transfer Business Day, on the immediately preceding Transfer Business Day.

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

Bank Accounts Agreement

Under the Bank Accounts Agreement the Issuer Account Bank will open the Issuer Transaction Account in the name of the Issuer and the Greek Account Bank will open the Issuer Greek Bank Accounts in the name of the Issuer.

The Issuer Account Bank will agree to comply with any payment instructions given by an Authorised Representative of the Issuer, Cash Manager or the Trustee and to manage the Issuer Transaction Account in accordance with the instructions of the Cash Manager.

The Greek Account Bank will agree to comply with any payment instructions given by an Authorised Representative of the Issuer (acting on information provided by the Cash Manager) or the Trustee and to manage the Issuer Greek Bank Accounts in accordance with the instructions of the Issuer (acting on information provided by the Cash Manager).

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

Amounts of interest or other income received in respect of the amounts standing to the credit of the Issuer Greek Bank Accounts will be transferred to the Issuer Transaction Account one Transfer Business Day prior to each Interest Payment Date and will form part of the IBA Income.

If the Greek Account Bank ceases to be an Eligible Bank, and provided that Citibank N.A. is an Eligible Bank, amounts standing to the credit of each of the Issuer Greek Bank Accounts will be transferred as soon as reasonably practicable to an equal number of corresponding accounts (the "**Back-Up Bank Accounts**") in the name of the Issuer opened by Citibank N.A., London Branch (the "**Back-Up Account Bank**"). The Back-Up Account Bank will agree to comply with any payment instructions given by an Authorised Representative of the Issuer, Cash Manager or the Trustee and to manage the Back-Up Bank Accounts in accordance with the instructions of the Cash Manager. If the Back-Up Account Bank ceases to be an Eligible Bank, the Back-Up Bank Accounts will be transferred as soon as reasonably practicable to another bank that will be an Eligible Bank.

Issuer Collection Account: The Issuer will, on or about the Closing Date, open and maintain a designated bank account (the "**Issuer Collection Account**") with the Greek Account Bank in Athens under the Bank Accounts Agreement, into which all amounts received by the Issuer (including all amounts received in respect of the Loans (other than as provided above)) and funds transferred from the Servicer Collection Account will be paid. On each Calculation Date, all monies standing to the credit of the Issuer Collection Account will be transferred to the Issuer Transaction Account (as defined below).

Issuer Transaction Account: The Issuer will, on or about the Closing Date, open and maintain a designated euro bank account (the "**Issuer Transaction Account**") with the Issuer Account Bank in London, under the Bank Accounts Agreement, into which funds transferred from the Issuer Collection Account will be paid and from which the Issuer will make all payments required to be made by it (including payments under the Notes).

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

The Reserve Account will be funded on the Closing Date in the amount of €6,250,000 from the proceeds of the Subordinated Reserve Loan.

Subject to all of the Performance Criteria being met on the Calculation Date immediately preceding an Interest Payment Date, the Required Reserve Fund Amount will decrease on each Interest Payment Date to an amount equal to:

- (a) So long as there are Class A Notes outstanding, the greater of:
 - (i) 5 per cent of the Principal Amount Outstanding of the Notes at such Calculation Date; and
 - (ii) 2.5 per cent of the Principal Amount Outstanding of the Notes as at the Closing Date; or
- (b) If there are no Class A Notes outstanding, zero,

provided that if any one of the conditions of the Performance Criteria is not satisfied on any Calculation Date, the Required Reserve Fund Amount will remain at the level at which it was on the immediately preceding Interest Payment Date and provided further that on the Final Maturity Date, the Required Reserve Fund amount shall be zero.

The Reserve Account will be replenished on each Interest Payment Date subject to and in accordance with the Pre-Enforcement Priority of Payments to the extent the balance of the Reserve Account has fallen or is below the Required Reserve Fund Amount for such Interest Payment Date.

Set-Off (Reclaimable Payments) Reserve Account:

The Issuer will, on the Closing Date, create and maintain a designated account (the "**Set-Off (Reclaimable Payments) Reserve Account**") with the Greek Account Bank under the Bank Accounts Agreement.

The Set-Off (Reclaimable Payments) Reserve Account will hold the Set-Off (Reclaimable Payments) Loan to the extent this has been drawn under the Set-Off (Reclaimable Payments) Facility Agreement or accumulated in accordance with the Pre-Enforcement Priority of Payments.

Withdrawals from the Set-Off (Reclaimable Payments) Reserve Account may be made only in accordance with the provisions of the Cash Management Agreement and the Deed of Charge. The circumstances in which such a withdrawal may be made relate to the exercise by a Borrower of any set-off, counterclaim or deduction from any amount payable by such Borrower under a Loan in respect of Reclaimable Payments.

Amounts withdrawn for such purpose from the Set-Off (Reclaimable Payments) Reserve Account will be transferred to the Issuer Transaction Account on the relevant Calculation Date and will form part of the Available Funds.

Following a Performance Event and for so long as there are Notes outstanding, the balance of the Set-Off (Reclaimable Payments) Reserve Account may be replenished on each Interest Payment Date in accordance with the Pre-Enforcement Priority of Payments until the total amount standing to the credit thereof equals the Set-Off (Reclaimable Payments) Facility Limit (as the same may have reduced or increased since the Closing Date).

Amounts of interest or other income received in respect of the amounts standing to the credit of the Set-Off (Reclaimable Payments) Reserve Account will be transferred to the Issuer Collection Account on the last day of each month and will form part of the Receipts.

See also "*Set-Off (Reclaimable Payments) Facility Agreement*" above and "*Summary of Principal Documents – Set-Off (Reclaimable Payments) Facility Agreement*" below.

Set-Off (Deposits) Reserve Account:

The Issuer will, on the Closing Date, create and maintain a designated account ("**Set-Off (Deposits) Reserve Account**") with the Greek Account Bank under the Bank Accounts Agreement.

The Set-Off (Deposits) Reserve Account will hold the Set-Off (Deposits) Loan to the extent this has been drawn under the Set-Off (Deposits) Facility Agreement or accumulated in accordance with the Pre-Enforcement Priority of Payments.

Withdrawals from the Set-Off (Deposits) Reserve Account may be made only in accordance with the provisions of the Cash Management Agreement and the Deed of Charge. The circumstances in which such a withdrawal may be made relate to the exercise by a Borrower or (in respect of those Loans where any amount has been or is being claimed from a Guarantor) Guarantor of any set-

off, counterclaim or deduction relating to amounts held on deposit by the Borrower or Guarantor with the Seller from any amount payable by such Borrower or Guarantor under a Loan. Amounts withdrawn for such purpose from the Set-Off (Deposits) Reserve Account will be transferred to the Issuer Transaction Account on the relevant Calculation Date and will form part of the Available Funds.

Following a Performance Event and for so long as there are Notes outstanding, the balance of the Set-Off (Deposit) Reserve Account may be replenished on each Interest Payment Date in accordance with the Pre-Enforcement Priority of Payments until the total amount standing to the credit thereof equals the Set-Off (Deposits) Facility Limit (as the same may have reduced or increased since the Closing Date).

Amounts of interest or other income received in respect of the amounts standing to the credit of the Set-Off (Deposits) Reserve Account will be transferred to the Issuer Collection Account on the last day of each month and will form part of the Receipts.

See also "*Set-Off (Deposits) Facility Agreement*" above and "*Summary of Principal Documents – Set-Off (Deposits) Facility Agreement*" below.

Sources of Funds:

The Receipts in respect of a Collection Period will comprise the aggregate of:

- (a) Income Receipts;
- (b) amounts of principal received in respect of the Loans (and similar charges allocated to principal collected and to be collected thereunder);
- (c) recoveries of principal from defaulting Borrowers or Guarantors under Loans being enforced or Loans which have been enforced;
- (d) any proceeds of an insurance policy relating to a Borrower or a Guarantor or a Loan (to the extent not applied in the repair and/or reinstatement of the relevant Property);
- (e) amounts transferred from the Set-Off (Reclaimable Payments) Reserve Account and the Set-Off (Deposits) Reserve Account to the Issuer Transaction Account;
- (f) all proceeds of the repurchase of any Loan by the Seller from the Issuer pursuant to the terms of the Loan Sale Agreement other than any proceeds of a repurchase that are set-off against amounts due from the Issuer to the Seller to purchase Replacement Loans from the Seller;
- (g) any indemnity amounts paid by the Seller in respect of any Loan pursuant to the Loan Sale Agreement, other than any proceeds of an indemnity payment that are set-off against amounts due from the Issuer to the Seller to purchase Replacement Loans from the Seller;
- (h) all late payment penalties and similar charges; and
- (i) all other amounts properly payable to the Issuer (if any),

without double-counting.

Application of Funds:

Pre-Enforcement Priority of Payments:

Prior to the enforcement of the Security, on each Interest Payment Date the Issuer and/or Cash Manager will apply the aggregate of the Available Funds, as determined on the immediately preceding Calculation Date, in the following manner and order of priority (the "**Pre-Enforcement Priority of Payments**") in each case only if and to the extent that payments or provisions of a higher priority have been made in full:

- (i) *first*, in or towards payment of, *pari passu* and *pro rata*, according to their respective amounts thereof and upon presentation of an invoice to the Issuer, the costs, expenses, fees, remuneration or any other liability and indemnity payments (including, in each case, any tax thereon) (if any) payable to the Trustee or any persons appointed by the Trustee under the Trust Deed, the Deed of Charge and/or any other Transaction Document to which it is a party including any receiver or other appointee;
- (ii) *secondly*, in or towards payment of, *pari passu* and *pro rata* according to the respective amounts thereof and upon presentation of an invoice to the Issuer:
 - (A) all amounts due to the Issuer Account Bank and the Greek Account Bank under the Bank Accounts Agreement;
 - (B) all amounts due to the Cash Manager under the Cash Management Agreement; and
 - (C) all amounts due to the Agents under the Agency Agreement;
- (iii) *thirdly*, in or towards payment of, *pari passu* and *pro rata* according to the respective amounts thereof and upon presentation of an invoice to the Issuer:
 - (A) all amounts due to the Corporate Services Provider under the Corporate Services Agreement; and
 - (B) all amounts due to the Servicer under the Servicing Agreement;
- (iv) *fourthly*, in or towards payment of, *pari passu* and *pro rata*, according to their respective amounts thereof,

- (A) amounts (including audit fees and fees due to the Rating Agency), which are payable by the Issuer (and for which the Issuer has received an invoice) to third parties and incurred without breach by the Issuer of the Trust Deed or the Deed of Charge and not provided for payment elsewhere in the Pre-Enforcement Priority of Payments and to provide for any such amounts expected to become due and payable by the Issuer upon receipt of an invoice after that Interest Payment Date (but before the subsequent Interest Payment Date);
 - (B) to provide for the Issuer's corporation tax liability in the United Kingdom (save to the extent of such liability which can be met out of amounts standing to the credit of the Issuer Retained Profit Ledger (as defined below) and, if required, any other Available Funds); and
 - (C) any other possible liability for taxation (including, without limitation, any VAT for which the Issuer is liable to account to any relevant tax authority) up to the subsequent Interest Payment Date;
- (v) *fifthly*, in payment to the Issuer of an amount equal to 0.01 per cent. of the aggregate of the Income Receipts for the Collection Period which ended immediately prior to such Calculation Date (the "**Issuer Retained Profit**"), which shall be recorded in a separate ledger (the "**Issuer Retained Profit Ledger**") and retained in the Issuer Transaction Account, and thereafter dealt with in accordance with the Transaction Documents;
 - (vi) *sixthly*, in or towards payment of interest due on the Class A Notes;
 - (vii) *seventhly*, during the Revolving Period, in the application of the Principal Amortisation Amount in or towards the purchase of those Subsequent Loans that are offered for sale by the Seller in accordance with the terms of the Loan Sale Agreement, and following application of such amounts towards the purchase price for such Subsequent Loans, any remaining balance of the Principal Amortisation Amount (the "**Remaining Principal Amortisation Amount**") towards the redemption of the Class A Notes;
 - (viii) *eighthly*, on any Interest Payment Date following the end of the Revolving Period, in or towards redemption of the Class A Notes in an amount equal to the Class A Note Redemption Amount;
 - (ix) *ninthly*, for so long as there are Class A Notes outstanding, in crediting the Reserve Account until the amount of the Reserve Account equals the Required Reserve Fund Amount;

- (x) *tenthly*, in or towards payment of interest due on the Class B Notes;
- (xi) *eleventhly*, on Interest Payment Dates after the Revolving Period, in or towards redemption of the Class B Notes in an amount equal to the Class B Note Redemption Amount;
- (xii) *twelvethly*, but only following a Performance Event and for so long as there are Notes outstanding, *pari passu* and *pro rata*:
 - (A) in crediting the Set-Off (Reclaimable Payments) Reserve Account until the total amount standing to the credit thereof equals the Set-Off (Reclaimable Payments) Facility Limit (as the same may have reduced or increased since the Closing Date); and
 - (B) in crediting the Set-Off (Deposits) Reserve Account until the total amount standing to the credit thereof equals the Set-Off (Deposits) Facility Limit (as the same may have reduced or increased since the Closing Date);
- (xiii) *thirteenthly*, in or towards payment, *pari passu* and *pro rata* according to the amounts thereof, of interest due on the Subordinated Reserve Loan, the Set-Off (Reclaimable Payments) Loan and the Set-Off (Deposits) Loan or, if the Issuer has not been provided with a direction by HM Revenue & Customs to make payments of interest to the Subordinated Reserve Loan Provider, the Set-Off (Reclaimable Payments) Facility Provider or the Set-Off (Deposits) Facility Provider, as applicable, free of withholding or deduction for or on account of tax on or prior to such Interest Payment Date, to reserve for such amounts of interest in accordance with the Subordinated Reserve Loan, the Set-Off (Reclaimable Payments) Loan and the Set-Off (Deposits) Loan, as applicable;
- (xiv) *fourteenthly*, in or towards payment of principal outstanding under the Subordinated Reserve Loan;
- (xv) *fifteenthly*, in or towards payment *pari passu* and *pro rata* of principal outstanding under each of the Set-Off (Reclaimable Payments) Loan and the Set-Off (Deposits) Loan;
- (xvi) *sixteenthly*, provided that the Servicer (whilst the Servicer is Piraeus) has provided a Servicer Report on or before the related Servicer Report Date, in or towards payment of Deferred Consideration to the Seller; and
- (xvii) *seventeenthly*, the surplus, if any, to the Issuer.

Principal Amortisation Amount:

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

Income Receipts

On each Calculation Date, the Cash Manager will, on the basis of information supplied to it by the Servicer and the Account Bank calculate the Income Receipts in respect of the immediately succeeding Interest Payment Date.

Post-Enforcement Priority of Payments:

Following the enforcement of the Security, the Trustee or a receiver appointed by it will apply Available Security Funds in the following manner and order of priority (the "**Post-Enforcement Priority of Payments**") (in each case only if and to the extent that payments of a higher priority have been made in full):

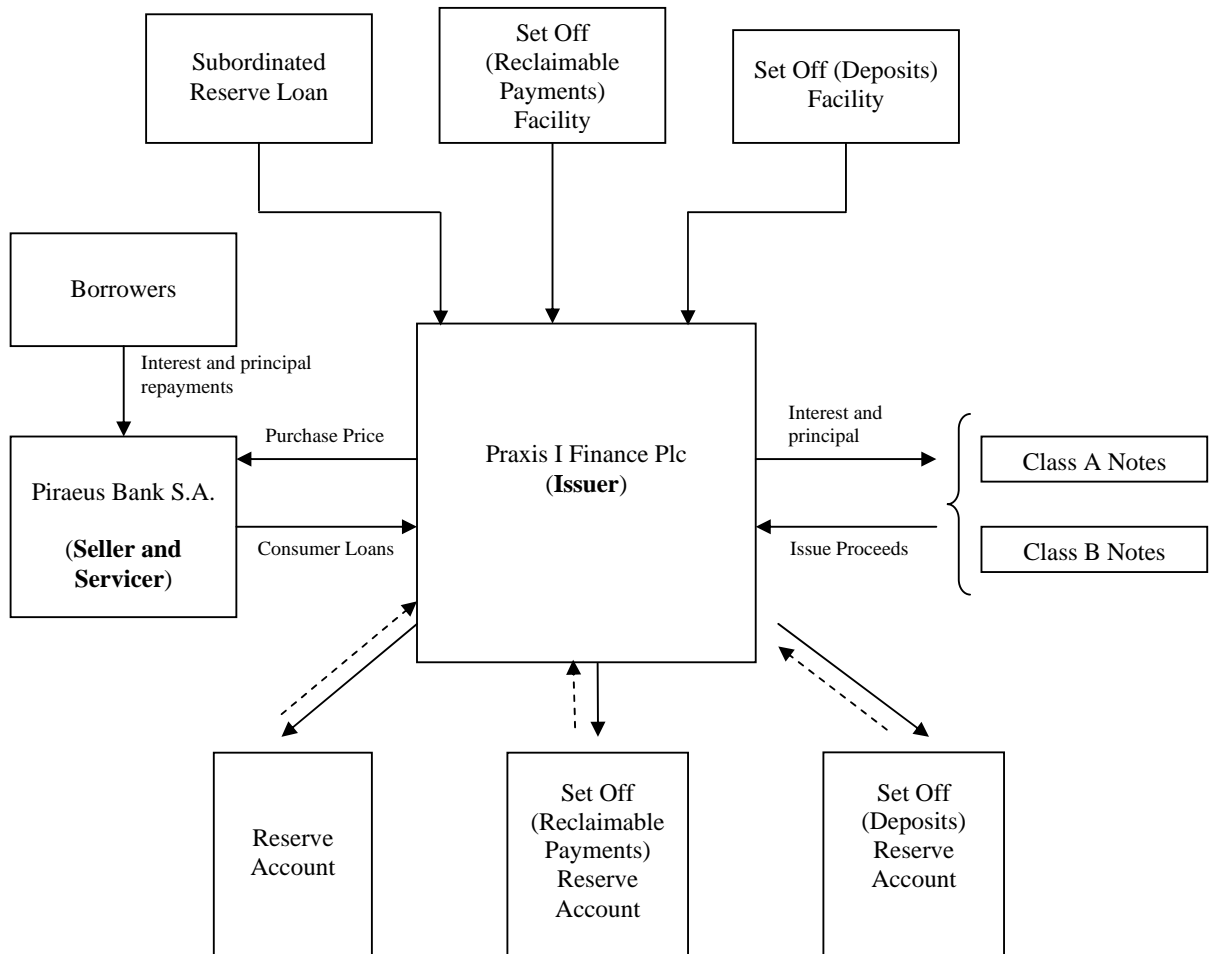
- (i) *firstly*, in or towards satisfaction of, *pari passu* and *pro rata*, the costs, expenses, fees, remuneration and indemnity payments (including, in each case, any tax thereon) (if any) payable to the Trustee and any receiver or other person appointed by the Trustee and any costs, charges, liabilities and expenses incurred by the Trustee or such receiver or other person, in each case under the Trust Deed, the Deed of Charge and/or any other Transaction Document to which it is a party;
- (ii) *secondly*, in or towards satisfaction of, *pari passu* and *pro rata* according to the respective amounts thereof, (a) all amounts due to the Corporate Services Provider under the Corporate Services Agreement, (b) all amounts due to the Servicer under the Servicing Agreement, (c) all amounts due to the Issuer Account Bank and the Greek Account Bank under the Bank Accounts Agreement, (d) all amounts due to the Cash Manager under the Cash Management Agreement and (e) all amounts due to the Agents under the Agency Agreement;
- (iii) *thirdly*, in or towards satisfaction of all interest and principal due or overdue on the Class A Notes;
- (iv) *fourthly*, in or towards satisfaction of all interest and principal due or overdue on the Class B Notes;
- (v) *fifthly*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts thereof, of interest due or overdue on the Subordinated Reserve Loan, and the Set-Off (Reclaimable Payments) Loan and the Set-Off (Deposits) Loan;
- (vi) *sixthly*, in or towards payment of all principal and other amounts due or overdue on the Subordinated Reserve Loan;
- (vii) *seventhly*, in or towards payment, *pari passu* and *pro rata*, and according to the respective amounts thereof, of all principal and other amounts due or overdue on the Set-Off (Reclaimable Payments) Loan and the Set-Off (Deposits) Loan;
- (viii) *eighthly*, in or towards payment to the Issuer of an amount equal to 0.01 per cent. of Income Receipts in respect of the security, which shall be retained in the Issuer Retained Profit Ledger and thereafter dealt with in accordance with the Transaction Documents;
- (ix) *ninthly*, in or towards satisfaction of all amounts of Deferred Consideration to the Seller; and
- (x) *tenthly*, the surplus, if any, to the Issuer or other persons entitled thereto.

Following the enforcement of the Security, the Set-Off (Deposits) Facility and the Set-Off (Reclaimable Payments) Facility will be cancelled in full (and/or, as the case may be, principal repaid from any amounts (if any) standing to the credit of the Set-Off (Deposits) Reserve Account and the Set-Off (Reclaimable Payments) Reserve Account) on the earlier of:

- (a) the date falling five years after the Final Maturity Date; and
- (b) the date on which the Trustee or, if all the liabilities owing by the Issuer to the Secured Parties under the Transaction Documents have been discharged in full and the Security released, the Issuer, is satisfied (in its absolute discretion) that no further withdrawals from the Set-Off (Deposits) Reserve Account or the Set-Off (Reclaimable Payments) Reserve Account (as applicable) are required to be made by the Cash Manager in respect of amounts that Borrowers or Guarantors may set-off or deduct from amounts payable under the Loans in respect of amounts payable by the Seller to the Borrowers or the Guarantors in accordance with the Cash Management Agreement.

To the extent that any amounts remain standing to the credit of the Set-Off (Reclaimable Payments) Reserve Account or the Set-Off (Deposits) Reserve Account after repaying all amounts due under the Set-Off (Reclaimable Payments) Facility or the Set-Off (Deposits) Facility, as applicable, such amounts shall be paid by the Issuer to the Seller as Deferred Consideration.

STRUCTURE DIAGRAM



RISK FACTORS

The purchase of the Notes may involve substantial risks and is suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. The Issuer believes that the following factors may affect its ability to fulfil its obligations in relation to the Notes issued under this Prospectus. Some of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under this Prospectus, but the inability of the Issuer to pay interest, principal or other amounts due under or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and, in the light of their own financial circumstances and investment objectives, reach their own views prior to making any investment decision.

THE NOTES

Liabilities under the Notes

The Notes will be obligations of the Issuer only. The Notes will not be obligations or responsibilities of, or guaranteed by, any person (including any of the Transaction Parties) other than the Issuer. None of the Transaction Parties (including any of their affiliates) or any other person has assumed any obligation or accepted any liability with respect to the Notes and none of the Transaction Parties or any other person will make any payment of interest, principal or other amount due under the Notes in case the Issuer fails to make any such payment due under any of the Notes.

Recourse only to the assets of the Issuer

Although the Notes will be full recourse obligations of the Issuer, the Issuer has only limited assets and cashflows available to it. The ability of the Issuer to meet its obligations under the Notes will depend, directly or indirectly, primarily upon the receipt by it of principal and interest paid by the Borrowers under the Loans, the receipt of funds from each of the Subordinated Reserve Loan Provider under the Subordinated Reserve Loan Agreement, from the Set-Off (Deposits) Facility Provider under the Set-Off (Deposits) Facility Agreement (if available to be drawn) and from the Set Off (Reclaimable Payments) Facility Provider under the Set-Off (Reclaimable Payments) Facility Agreement (if available to be drawn). Other than the amounts listed above and any interest earned by the Issuer on cash balances in the Issuer Greek Bank Accounts and the Issuer Transaction Account, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes and/or any other payment obligation ranking in priority to, or *pari passu* with, the Notes.

In addition, upon enforcement of the Security, should the amounts recovered from assets of the Issuer prove to be insufficient to meet its obligations in respect of, *inter alia*, the Notes, any claims in respect of such outstanding and unpaid amounts will be extinguished and Noteholders will have no right to take any further actions, nor require the Trustee to do so, to recover such due but unpaid sums. Class B Noteholders should also note the statements contained in "*Risk Factors – Subordination of the Class B Notes*" below.

The Issuer is party to a number of other agreements with other third parties that have agreed to perform services in relation to the Notes. The failure by any relevant third party to perform its obligations could ultimately cause a reduction in the amount of funds available, or a delay in the allocation of the funds available, to make payments in respect of the Notes.

Enforcement of the Security for the Notes

Upon enforcement of the security for the Notes, the Trustee or any receiver and the Noteholders will have recourse only to the Loans, the Issuer's interest in the relevant Ancillary Rights and to any other assets of the Issuer then in existence as described in this Prospectus.

The Noteholders and the Other Secured Parties (other than the Trustee) will not be able to enforce the Security by taking direct action against the Issuer except in limited circumstances.

The Deed of Charge will provide that only the Trustee may enforce the Security and neither the Noteholders nor any of the Other Secured Parties (other than the Trustee) shall take any steps for the purpose of recovering any of the amounts owed to them or enforcing any rights arising out of the Transaction Documents directly against the Issuer or procuring the winding up, administration or liquidation of the Issuer in respect of any of its liabilities whatsoever. The Noteholders and the Other Secured Parties (other than the Trustee) shall be entitled, however, to take such steps and proceedings to enforce the Security as they shall deem necessary if the Trustee fails within a reasonable period (i) to serve an Acceleration Notice when bound to do so or (ii) to enforce the Security after an Acceleration Notice has been served or the Security has otherwise become enforceable and, in both cases (i) and (ii), such failure is continuing. In any event, the Noteholders and the Other Secured Parties (other than the Trustee) will not be entitled to petition for the winding-up, liquidation or administration of the Issuer save in the very limited circumstances set out in the Conditions and the Deed of Charge.

Subordination of the Class B Notes

The Class B Notes will be subordinated in right of payment to the Class A Notes and are therefore affected by considerations which do not affect the Class A Notes. Before the Security becomes enforceable, in respect of the obligation of the Issuer to pay interest and repay principal on the Class A Notes and the Class B Notes, the Class A Notes will rank *pari passu* without preference or priority amongst themselves and in priority to the Class B Notes and the Class B Notes will rank *pari passu* without preference or priority amongst themselves, but subordinated to the Class A Notes. After the Security has become enforceable, the proceeds from the enforcement of the Security will be first applied towards the repayment of interest and principal on the Class A Notes before any such proceeds are applied towards the repayment of interest or principal of the Class B Notes.

The Class A Notes will rank in all circumstances in point of payment and security prior to the Class B Notes. Accordingly, any shortfall in the funds to make required payments on the Notes will be allocated first to the Class B Notes and then to the Class A Notes. Following an enforcement of Security, any losses after application of the Issuer's assets (including any proceeds of sale of the Portfolio and the balances on the Issuer Transaction Account) in accordance with the Post-Enforcement Priority of Payments will be attributable first to the Class B Notes and then to the Class A Notes. Therefore, prior to such enforcement, the Class B Notes will support the timely payment of interest on the Class A Notes because of the higher ranking of payments of interest under the Class A Notes than payments of interest due under the Class B Notes. There can be no assurance, however, that these subordination rules will protect the holders of the Class A Notes from all risks of loss.

The terms of the Class B Notes provide that whether or not any Class A Notes are outstanding, any failure by the Issuer to pay interest or principal in respect of the Class B Notes will not constitute an Event of Default. There is therefore a risk to Class B Noteholders that even where they are the sole Class of Notes outstanding, there will not, to the extent that the Issuer has insufficient sums to enable it to make any payment to the Class B Noteholders on any Interest Payment Date, be an Event of Default, thus exposing Class B Noteholders to a risk of total loss of investment in the absence of an ability to call an Event of Default or to require any enforcement of the Security for the Class B Notes. Class B Noteholders' attention is also drawn to the section headed "*Risk Factors – Recourse only to the assets of the Issuer*" for a description of further limitations on the recourse of Noteholders to the assets of the Issuer.

Conflict between Classes of Noteholders

The Trust Deed will provide that the Trustee shall have regard to the interests of the Noteholders equally, as regards all powers, trusts, rights, authorities, duties and discretions of the Trustee (except where expressly provided otherwise). Nevertheless, for so long as there are any Class A Notes outstanding, if in the opinion of the Trustee there is a conflict between, on the one hand, the interests of the Class A Noteholders and, on the other hand, the interests of the Class B Noteholders, the Trustee shall have regard only to the interests of the Class A Noteholders. The Trustee shall, however, treat the Noteholders equally in the case of powers, trusts, rights, authorities, duties and discretions:

- (A) in relation to which it is expressly stated that they may be exercised by the Trustee only if in its opinion the interests of the Noteholders of each Class would not be materially prejudiced thereby; or
- (B) the exercise of which by the Trustee relates to any Basic Terms Modification, in which event the Trustee may exercise such powers, trusts, authorities, duties and discretions if it receives from the Noteholders of any class, which is or may be affected by such Basic Terms Modification, the relevant consent or sanction.

Conflict Between Noteholders and Other Secured Parties

So long as any of the Notes are outstanding, the Trustee shall not have regard to the interests of the Other Secured Parties, subject to the provisions of Condition 11(b) (*Enforcement*).

Piraeus will purchase all of the Notes on the Closing Date (see "*Risk Factors - Purchase and Sale*" below). For so long as Piraeus remains the beneficial owner of all of the Notes, it will be entitled to vote in respect of them, but not otherwise.

Certain Material Interests

The Trustee and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, Piraeus and its affiliates in the ordinary course of business. Citibank, N.A., London Branch will act as Paying Agent and Agent Bank and Issuer Account Bank. Other parties to the transaction may also perform multiple roles, including Piraeus, who will act as Seller, Servicer, Greek Account Bank, Subordinated Reserve Loan Provider, Set-Off (Deposits) Facility Provider and Set-Off (Reclaimable Payments) Facility Provider.

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

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

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

Yield and Prepayment Considerations

The yield to maturity of the Notes of each class will depend on, among other things, the amount and timing of payment of principal on the Loans (including full and partial prepayments under a Loan, sale proceeds arising on enforcement of a Loan, repurchases of Loans by the Seller due to breaches of representations and warranties under the Loan Sale Agreement (although this may be mitigated by the repurchase of Replacement Loans by the Issuer), whether or not Subsequent Loans are sold to the Issuer during the Revolving Period and the price paid by the Noteholders for the Notes. Such yield may be adversely affected by a higher or lower than anticipated rate of prepayments on the Loans.

Principal prepayments in full under the Loans may occur as a result of, or in connection with, the voluntary refinancing of the relevant Loan by a Borrower or as a result of enforcement proceedings under the relevant Loan, as well as the receipt of proceeds from insurance policies. In addition purchases of Loans by the Seller from the Issuer will have the same effect as a prepayment in full of such Loans although this may be mitigated by the purchase of Replacement Loans from the Seller in these circumstances, as might the sale of Subsequent Loans to the Issuer during the Revolving Period.

The rate of prepayment of the Loans cannot be predicted and is influenced by a wide variety of economic, social and other factors, including the availability of alternative financing and local and regional economic conditions. No assurance can be given as to the level of prepayment that the Portfolio will experience. See *Estimated Weighted Average Lives of the Notes* below.

Interest Rate calculations under the Notes

The rate of interest in respect of the Class A Notes will accrue on their then Principal Amount Outstanding at the rate of 2.9 per cent. per annum. and in respect of the Class B Notes the rate of interest will accrue on their Principal Amount Outstanding at an annual rate equal to EURIBOR for one-month deposits, in each case determined in accordance with Condition 5(c) (*Rates of Interest*). Condition 5(c)(iii) contains provisions for the calculation of EURIBOR based on rates given by various market information sources, and also contains alternative methods of calculating EURIBOR should those market information sources be unavailable. The market information sources might become unavailable for various reasons, including suspensions or limitations on trading, events which affect or impair the ability of market participants in general, or early closure of market institutions. These could be caused by physical threats to the publishers of the market information sources, market institutions or market participants in general, or unusual trading, or matters such as currency changes.

Interest Rate Mismatch

The interest rates on the Loans will not necessarily match the rate of interest payable by the Issuer to the Noteholders under the Notes which will be calculated by reference to either a fixed rate of 2.9 per cent. per annum or one-month EURIBOR.

The terms and conditions of the Loans provide for the interest rate to be determined either:

1. on a pure variable basis by reference to any of:
 - (a) one-month EURIBOR for euro deposits plus a margin; or
 - (b) the Base Rate plus, if applicable, a margin; or
2. on a purely fixed rate until the maturity of the Loan.

Loans with an entirely variable interest rate basis may be changed in the future to either a fixed or a combined rate basis and the Servicer will be authorised by the Issuer to make such a change (subject to the Loan Warranties and Eligibility Criteria set out in the Loan Sale Agreement).

The Servicer can adjust the interest rate on the Loans which are linked to the "**Base Rate**" being either: (a) if Piraeus is the Servicer, the variable base rate of Piraeus for consumer loans (the "**Piraeus Base Rate**") based on either (i) objective factors such as changes in the money exchange and/or capital markets, the financial condition and competitive environment of the banking sector, changes in the risk profile of the Bank, the consumer prices index and the particular financial conditions of the internal market; or (ii) the profile variation of one month EURIBOR plus/minus 50 basis points; or (b) if the Servicer is not Piraeus, the variable base rate of the Servicer set in accordance with the requirements of the Servicing Agreement. However, any such adjustment is at the Servicer's discretion. In this regard it is noted that in respect of the Loans having a variable interest rate determined by reference to the Piraeus Base Rate, the average adjustment of the Piraeus Base Rate (and consequently the interest rate of such Loans) made by Piraeus follows the variation (upwards or downwards) of the one-month EURIBOR for the same interest period.

If the Servicer is not Piraeus, the Servicer will be obliged to set the Base Rate at the end of each Calculation Period. When setting the Base Rate the Servicer must ensure that the Expected Weighted Average Interest Rate of all Loans in the Portfolio (excluding Defaulted Loans) remains equal to or greater than one-month EURIBOR plus 7 per cent. per annum.

Book-Entry Registration

The Class A Notes will be represented by the Class A Global Note and the Class B Notes will be represented by the Class B Global Note. Each Global Note will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg, and will not be held by the beneficial owners or their nominees. The Global Notes will not be registered in the names of the beneficial owners or their nominees. As a result, unless and until Notes in definitive form are issued, beneficial owners will not be recognised by the Issuer or the Trustee as Noteholders, as that term is used in the Trust Deed. Until such time, beneficial owners will only be able to exercise their rights in relation to the Notes indirectly, through Euroclear or Clearstream, Luxembourg (as the case may be) and their respective participating organisations, and will receive notices in accordance with Condition 15 (*Notices*) and other information provided for under the Conditions of the Notes only if and to the extent provided by Euroclear or Clearstream, Luxembourg (as the case may be) and their respective participating organisations.

Optional Redemption of Notes

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

Prepayment of Notes due to exercise of Seller Call Option

Under the terms of the Loan Sale Agreement, the Issuer has granted to the Seller the Seller Call Option. Pursuant to the Seller Call Option, the Seller may exercise an option to purchase, and have assigned to it, the Portfolio and all rights attaching thereto in full on the next Interest Payment Date by giving prior written notice to the Issuer of not more than 120 days and not less than 90 days of such exercise. Such purchase will be in an amount equal to the aggregate Contractual Balance relating to the Portfolio on such Interest Payment Date provided that the Seller will only purchase the Portfolio on such Interest Payment Date if the Available Funds will be sufficient for the Issuer to discharge all its liabilities in respect of the Notes and any amounts to be paid *pari passu* with or in priority to the Notes according to the Pre-Enforcement Priority of Payments on such Interest Payment Date. On receipt by the Issuer of the Seller's notice of the exercise of the Seller Call Option, the Issuer will redeem all of the Notes at their Principal Amount Outstanding together with accrued interest on the next Interest Payment Date subject to, amongst other things, the Issuer having given not more than 60 and not less than 30 days' prior written notice to the Trustee and the Noteholders of its intention to redeem all of the Notes. As a result, the Noteholders are subject to the prepayment risk in respect of their investment in the Notes due to the exercise by the Seller of the Seller Call Option.

Limited liquidity

There is currently no secondary market for the Notes. There can be no assurance that a secondary market for the Notes will develop or that a market will develop for all Classes of Notes or, if it does develop, that it will continue to exist.

Lack of liquidity could result in a significant reduction in the market value of the Notes. In addition, the market value of the Notes at any time may be affected by many factors, including the then prevailing interest rates and the then perceived riskiness of asset backed securities relative to other investments. Consequently, a sale of the

Notes in any secondary market which may develop may be at a discount from par value or from their purchase price.

The global securitisation markets are currently experiencing severe disruptions worldwide resulting from reduced investor demand for asset-backed securities and increased investor yield requirements for those securities. There can be no assurance as to whether or when market conditions will improve. A prolonged reduction in demand for asset-backed, mortgage backed or other debt securities, alone or in combination with the continuing increase in prevailing market interest rates, may adversely affect the market value of the Notes and may adversely affect the ability of the Noteholders to sell the Notes.

The Notes are also subject to certain selling restrictions which may further limit their liquidity (see "*Subscription and Sale*" below)

Ratings of the Notes

The ratings address the likelihood of timely payment of interest at the applicable rate of interest on each Interest Payment Date on the Class A Notes and the ultimate payment of the Principal Amount Outstanding of the Class A Notes at the Final Maturity Date.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation if, in its judgement, circumstances (including a withdrawal or downgrading in the credit rating of the Greek Account Bank, the Servicer or the Issuer Account Bank) in the future so warrant.

On 4 February 2009, Moody's downgraded the long-term deposit and debt ratings of Piraeus to A2 from A1, the Baseline Credit Assessment (BCA) to Baa1 from A3 and the bank financial strength rating (BFSR) to C- from C. Piraeus' subordinated debt and preferred stock ratings were downgraded to A3 from A2 and to Baa1 from A3, respectively. Piraeus' Prime-1 short-term deposit and debt ratings were affirmed. There can be no assurance that the credit rating of Piraeus will not be withdrawn, put on credit watch (with negative implications) or further downgraded in the future.

Implementation of Basel II risk-weighted asset framework may result in changes to the risk-weighting of the Notes

Following the issue of proposals from the Basel Committee on Banking Supervision for reform of the 1988 Capital Accord, a framework has been developed which places enhanced emphasis on market discipline and sensitivity to risk. An updated version of the text of the proposed framework was published in November 2005 under the title "Basel II: International Convergence of Capital Management and Capital Standards: a Revised Framework" (the "**Framework**").

The Framework is being implemented in stages (partly from year-end 2006 and the most advanced from year-end 2007). However, the Framework is not self-implementing and, accordingly, implementation dates in participating countries are dependent on the relevant national implementation process in those countries. In the United Kingdom, Basel II and the EU Capital Requirements Directive have been implemented through the Prudential Sourcebook for banks, building societies and investment firms and the Capital Requirements Regulation 2006 SI 2006/3221, although the most advanced approaches referred to above have only become available from 1 January 2008. In Greece the Basel II directives (2006/48/EC and 2006/49/EC) have been implemented by law 3601/2007 and secondary legislation pursuant to acts of the Bank of Greece.

As and when implemented, the Framework could affect risk weighting of the Notes for investors who are subject to capital adequacy requirements that follow the Framework. Consequently, investors should consult their own advisers as to the consequences to and effect on them of the application of the Framework and any relevant implementing measures. Proposals and guidelines for implementing the Framework in certain participating jurisdictions are still in development and no predictions can be made as to the precise effects of potential changes on any investor or otherwise.

The Basel Committee announced in April 2008 its intention to take steps to strengthen certain aspects of the Basel II Framework. The European Commission also published in April 2008 a consultation paper on proposed changes to the Capital Requirements Directive, and has sought technical advice on those proposals from the Committee of European Banking Supervisors.

On 16 January 2009, the Basel Committee issued a package of consultative documents to strengthen the Framework in response to developments in international credit and financial markets. The proposed changes to capital requirements cover trading book exposures, including complex and illiquid credit products; certain complex securitisations in the banking book such as collateralised debt obligations of asset-backed securities; and exposures to off-balance sheet vehicles (i.e. asset-backed commercial paper conduits).

Furthermore, in October 2008, the European Commission put forward a revision of EU rules on capital requirements for banks. Under the new rules, banks will be restricted in lending beyond a certain limit to any one party, while national supervisory authorities will have a better overview of the activities of cross-border banking groups. The proposal, which amends the existing Basle II Directives, reflects extensive consultation with international partners, Member States and industry and could be adopted in the course of 2009.

THE PORTFOLIO

Performance of the Portfolio

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

Deficiencies in receipts from Borrowers may result in reductions in Available Funds or Available Security Funds, as the case may be, to be applied to meet the payments in the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

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

Searches and investigations

The Issuer has not made or caused to be made on its behalf all of the enquiries, searches or investigations which a prudent purchaser of assets such as the Portfolio would make (and will not do so) and the Trustee, the Arranger, the Servicer, the Cash Manager, the Issuer Account Bank, the Greek Account Bank, the Corporate Services Provider, the Trustee and the Agents have made no such enquiries, searches or investigations. Each of the Issuer, the Trustee and such other parties will rely on the representations and warranties made by the Seller to be contained in the Loan Sale Agreement. The ultimate remedy for the breach of such representations and/or warranties if this breach cannot be otherwise rectified within 21 days from the date of receipt by the Seller of written notice of the breach, in accordance with the Loan Sale Agreement, will be limited to a repurchase by the Seller of the Loan(s) which are the subject of a breach of representation and/or warranty.

The Seller will be obliged to repurchase only those Loans (if any) in respect of which a representation and/or warranty given by the Seller pursuant to the Loan Sale Agreement was breached at the time such representation and/or warranty was made or deemed to be made. The Seller will not be obliged to repurchase a Loan(s) in any other circumstances.

Prior ranking Mortgages or Pre-Notations

In some cases, a Pre-Notation as security for a Loan may be held by the Issuer over a particular property which may rank lower than a pre-notation or mortgage registered earlier over the same property in favour of a third party creditor or the Seller itself. In these circumstances, the Issuer's claims to the proceeds of enforcement would rank behind those of the earlier creditor.

Insurance

Under the terms and conditions of the Loan Documentation, certain Borrowers are required to obtain and maintain fire and earthquake insurance, unless the property was built before 1st January 1960, in which case only fire insurance is available in the market. Accordingly, a claim under such policy for damage to the relevant property can be made only if the damage results from the occurrence of a fire or earthquake. However, this is not inconsistent with the terms and conditions of loans similar to the Loans made by other lenders in Greece who also only require borrowers to obtain and maintain fire and earthquake insurance. Nevertheless were such event to occur, the amount of insurance proceeds received may not be sufficient to enable the affected Borrower to meet its obligations under its Loan and consequently affect the Issuer's ability to meet its obligations under the Notes.

In addition, certain Borrowers are required to take out (where applicable) life and permanent disability insurance policies, with the Seller as the primary loss payee, to secure their obligations under the relevant Loan.

Delinquency management proceedings of Piraeus

Collections servicing for retail/consumer loans which have become delinquent commences once the relevant loan has from 1 day past due and enforcement against the relevant borrower begins when the loan has become 180 days past due.

After the loan is 180 days past due a "pre legal" treatment begins. The 1-180 days past due portfolio is divided into 6 main categories ("**Buckets**") and categorised into high/medium/low risk components according to the account balance and account behaviour scoring (for Buckets 1-2 only) of the relevant borrower. The collections team take certain steps based upon a strategy established for each Bucket category. Consequently, there are several telephone call scripts and reminder letters templates for the 6 Buckets (B1-6 or 1-180 days past due).

The collections proceedings are supported by both in-house and outsourced teams. The performance of both in-house and outsourced teams are assessed by Piraeus' authorised employees and through its reporting framework, on a daily, weekly, monthly and annual basis.

Finally, a collections system (Eispraxis) supports the delinquency management processes and includes automated allocation, segmentation and reporting modules.

Pre-Legal recovery procedures

A defaulted loan might be managed pre-legally and legally. However, most of such loans do not enter formal legal enforcement, it being considered a last resort so as to avoid legal costs and to enable faster recovery of amounts due.

Collection actions during the pre-legal phase include the following:

- service of an extra-judicial statement to the borrower as well as to the borrower's guarantor (if any) via a bailiff;
- telephone calls to the borrower as well as to the loan's guarantor (if any) or whoever is considered to be responsible for meeting the borrower's obligations under the loan; and/or
- amending loan amortization in cases where a borrower faces other problems such as serious illness, unemployment etc.

If the pre-legal actions fail it may become necessary for Piraeus to commence formal legal enforcement proceedings against such borrowers.

Legal enforcement proceedings are usually commenced against a borrower in respect of a loan once it becomes 150 days in arrears, at which point the loan is terminated.

The implementation of pre-legal management cannot be guaranteed to ensure early collections under delinquent Loans in the Portfolio which may result in the Issuer being unable to meet its obligations under the Notes.

For a description of the formal legal process for enforcing security in Greece, see "*Risk Factors – Greek Legal Considerations*" below.

Borrower Inability to Repay in Event of Interest Rate Fluctuation

Borrowers of floating rate and/or fixed-to-floating rate Loans may become unable to repay the Loans in the event of wide fluctuations in interest rates and may default on their payment obligations as a result. Consequently the Issuer may not receive payments it would otherwise be entitled to from such Borrowers.

Servicing of the Loans

The terms of the Servicing Agreement and the Cash Management Agreement will set out the circumstances in which the appointment of the Servicer and the Cash Manager, as applicable, may be terminated. The terms of the Servicing Agreement also provide for the appointment of a substitute Servicer upon the occurrence of, *inter alia*, (a) the insolvency of Piraeus, (b) there is a material default under the Servicing Agreement or (c) on the occurrence of a relevant default by the Seller under the Loan Sale Agreement. If the appointment of the Servicer or the Cash Manager is terminated, it will be necessary for the Issuer to appoint a substitute servicer or cash manager (as applicable) to undertake the obligations and to perform the services which the Servicer and Cash Manager will undertake and perform under the terms of the Servicing Agreement and the Cash Management Agreement, respectively.

There can be no assurance that a substitute servicer or cash manager would be found who would be willing and/or able to service the Portfolio (in the case of the Servicer) or to provide cash management services to the Issuer (in the case of the Cash Manager) for a commercially reasonable fee on the terms of the applicable agreement. In any event, the ability of a substitute servicer or cash manager to perform the required services would also depend, among other things, on the information, software and records available at the time of its appointment.

In addition, any substitute servicer will be required to be a credit or financing institution operating in Greece through a permanent establishment.

Any delay or inability to appoint a substitute servicer or cash manager may affect the receipt of payments from Borrowers on the Loans in the Portfolio, the identification of Collections received, the transfer of Collections into and out of the Issuer Collection Account, the Issuer Transaction Account and the Issuer Greek Bank Accounts and/or the ability of the Issuer to make timely payments on the Notes.

Variations to Loans

The Servicer is entitled to make Permitted Variations in accordance with the terms of the Servicing Agreement. The effect of this could be to change the payment characteristics of the Loans which could reduce the overall yield on the Portfolio and increase the risk profile of the Portfolio. However, it should be noted that such variations are only permitted provided that they would not, among other things, cause the Loan to cease to comply with the Eligibility Criteria or cause a breach of the Loan Warranties as if given on the date of the variation.

There can be no assurance that changes in applicable law, changes in the marketplace or prudent business practice might not result in the Servicer agreeing to Permitted Variations more frequently than is currently the case.

Set-off rights of Borrowers

Set-off

A Borrower or Guarantor may exercise his/her set-off rights against the Issuer's claims under a Loan after having calculated the exact amount of the Deposit Amount described below or the Reclaimable Payment (as described under "*Risk Factors – Consumer Protection Litigation*" below) which he/she is entitled to set-off. Set-off may be invoked by a written notification addressed to the Servicer or the Issuer, following which, if the Issuer agrees with the calculation made by the Borrower or Guarantor, the relevant amount will be set-off against the subsequent due and payable instalments under the Loan.

Deposit Amounts

In addition to Reclaimable Payments, any Borrower or Guarantor may also set-off an amount up to a Deposit Amount (as defined herein) held by such Borrower or Guarantor with the Seller against the Issuer's claim against such Borrower or Guarantor under the relevant Loan if the Seller fails to satisfy the Borrower's or Guarantor's claim in respect of the Deposit Amount. The upper limit of the amount which can be set-off as against the Issuer is equal to the Deposit Amount at the Closing Date (or in respect of Replacement and Subsequent Loans, the relevant Repurchase Date or Subsequent Transfer Date). If a Borrower or Guarantor makes a withdrawal after the Closing Date, the Deposit Amount that can be offset against the Issuer will be reduced by the amount that is so withdrawn, notwithstanding any subsequent deposit made by such Borrower or Guarantor, as withdrawals made during the relevant calculation period are determined on a "first in first out" basis. The amounts which can be set-off in respect of Deposits Amounts will also be reduced to nil if the relevant deposit has been withdrawn and the deposit account closed. Finally, the amounts which can be offset in respect of Deposit Amounts, will also be reduced by the amount by which they exceed the Contractual Balance and fully in respect of Retired Loans.

If the Issuer has legal grounds to consider the set-off as unlawful (e.g. if a Borrower or Guarantor attempts to set-off moneys deposited with the Seller after the Closing Date or without taking account of withdrawals from such account since the Closing Date) and, if, due to such set-off, the Borrower does not fulfil its obligations under the Loan, the Issuer will be entitled to contest the set-off and terminate the Loan. In this case the Borrower or Guarantor is entitled to either commence separate court procedures for the acknowledgment of its set-off right, or to wait until the Issuer has commenced enforcement proceedings and invoke set-off before the enforcement courts, which will then decide on the merits of such claim in the course of the overall enforcement procedure.

Mitigation

In order to mitigate the Issuer's risk to set-off in respect of Deposit Amounts and Reclaimable Payments, the Seller will, under the terms of the Loan Sale Agreement, indemnify the Issuer in respect of any Deposit Amounts and Reclaimable Payments offset by a Borrower or Guarantor against claims by the Issuer due under the relevant Loan. In addition, the Seller will also make available to the Issuer a stand-by facility in respect of the Reclaimable Payments and a stand-by facility in respect of the Deposit Amounts. The Set-Off (Reclaimable Payments) Facility will have an initial facility limit equal to the aggregate of the Reclaimable Payments of Borrowers at the Closing Date and the Set-Off (Deposits) Facility will have an initial facility limit equal to the aggregate of the Deposit Contributions of Borrowers on the Closing Date.

The Set-Off (Reclaimable Payments) Facility Limit will fluctuate proportionately to the amount of Reclaimable Payments in respect of: (i) Initial Loans prior to the Closing Date; (ii) any Replacement Loans prior to the relevant Repurchase Date; and (iii) any Subsequent Loans prior to the relevant Subsequent Transfer Date as well as any actual payments received by the Issuer in respect of an indemnity for Reclaimable Payments under the Loan Sale Agreement. The Set-Off (Reclaimable Payments) Facility Limit will also be reduced in certain circumstances if there is a relevant change in the law in Greece which would reduce the exposure of the Issuer to set-offs or claims for repayment of Reclaimable Payments. The Set-Off (Deposits) Facility Limit will fluctuate after the Closing Date to equal to the aggregate amount of Deposit Contributions (taking into account

the Deposit Amounts of any Guarantors in respect of those Loans where the Servicer has claimed or is claiming any amount from a Guarantor).

As indicated above, if the Seller does not perform its obligations under the Set-Off (Deposits) Facility Agreement or its indemnity obligations under the Loan Sale Agreement in each case for a period of more than five Athens Business Days, then the Pre-Enforcement Priority of Payments will provide that an amount equal to the Set-Off (Deposits) Facility Limit will begin to accumulate in the Set-Off (Deposits) Reserve Account in priority to any payments under the Subordinated Reserve Loan, the Set-Off (Reclaimable Payments) Facility, the Set-Off (Deposits) Facility and the Deferred Consideration to the Seller.

Pursuant to law 3746/2009 of the Hellenic Republic, which has replaced law 2832/2000 of the Hellenic Republic, the Hellenic Deposits and Investment Guarantee Fund (the "**Fund**") has been established for the purpose of providing compensation for persons who have deposited funds in bank accounts with credit institutions in Greece. All credit institutions established in the Hellenic Republic are obliged to participate in the compensation scheme available by virtue of the Fund. Compensation is available from the Fund if a credit institution fails to pay an amount due to a depositor in respect of a deposit held with it as a result of its insolvency and its financial position being confirmed by the Bank of Greece or a court in Greece. Compensation is limited to €100,000 until 31 December 2011, a period which may be extended through a decision of the Minister of Economy and Finance. Accordingly, a Borrower or Guarantor can claim compensation from the Fund if the Seller fails to pay such Borrower or Guarantor amounts due in respect of that Borrower's or Guarantor's deposit held with the Seller. The right for compensation exists in parallel with any set-off right, meaning that the Borrower may opt either for compensation from the Fund or to exercise a right of set-off for the satisfaction of its claim, and to the extent that the claim remains outstanding after the exercise of one of these options, the Borrower or Guarantor may pursue the other option in order to satisfy the balance of the claim.

The Issuer would not be liable to make a payment in respect of any compensation amounts received by a Borrower or Guarantor from the Fund or to make any payments to a Borrower or Guarantors to the extent that their loss of any Deposit Amount exceeded the amount of their Loan.

No punitive damages will be imposed by a Greek court in respect of a claim for any of the above amounts detailed in this section "*Risk Factors – Set-off*". Also, from decisions of Greek lower courts of which this Issuer is aware to date, the majority of Greek lower courts have rejected claims raised by borrowers and/or guarantors regarding payment of moral damages. Finally, a plaintiff may be able to also claim interest on any amount claimed as detailed in this section "*Risk Factors – Set-off*".

GREEK LEGAL CONSIDERATIONS

Security for loans over Property

In Greece, security is granted over property by establishing a mortgage. A mortgage can be established by a notarial deed (or by a judicial decision or by the law in special cases). The establishment of a mortgage by notarial deed is quite costly and it is therefore not preferred among banks and borrowers.

Instead, in most cases, banks obtain a pre-notation of a mortgage, which is an injunction over the property entitling its beneficiary to obtain a mortgage as soon as a final judgment for the secured claim has been obtained, but which is valid as of the date of the pre-notation. As regards enforceability, ranking of the security and preferred right to the proceeds of the auction, there is no difference between a holder of a mortgage and a holder of a pre-notation of a mortgage, since the latter is treated as a secured creditor of the property. Both the holder of a pre-notation of a mortgage and a mortgagee need an enforcement title before commencing enforcement procedures. The difference between them is that the pre-notation is a conditional security interest whose preferential treatment is subject to the unappealable adjudication of the claim it purports to secure, whereas a mortgagee's claim is usually deemed to be conclusively adjudicated pursuant to the mortgage deed itself.

Establishing a pre-notation is the most common way of establishing security over property in Greece.

The pre-notation, as a form of injunction, can be established with or without the consent of the owner(s) of the property over which the pre-notation will be established, but is only granted pursuant to a court decision.

The procedures adopted by lenders of property loans in practice has led to an arrangement whereby pre-notations are granted "by consent" where both the lending bank and the owner (i.e. the borrower or guarantor or a third party) of the property over which the pre-notation will be established appear before the competent court and consent to the establishment of the pre-notation on the specific property. The court issues the decision immediately (in practice, the decision is drafted beforehand by the lending bank and is certified and signed by the judge who hears the claim).

Having a certified copy of the court decision and a summary thereof, the lawyer for the lending bank files them with the Land Registry or the cadastre (where such cadastres are in operation), along with a written request for the issuance (by the Land Registry or the cadastre) of certificates confirming:

- (a) the ownership of the person that consented to the granting of the pre-notation (i.e. the borrower or guarantor or third party) of the property;
- (b) the registration and ranking of the mortgage;
- (c) the absence of (judicially raised) claims of third parties against the current and all previous owner(s) of the property; and
- (d) any other mortgages, pre-notations or seizures preceding the pre-notation registered by the bank.

At the same time the bank's lawyer effects a search in the land registry and the competent cadastre (if any) in order to confirm the uncontested ownership of the person that consented to the granting of the pre-notation (i.e. the borrower or guarantor or third party, as the case may be) and the first priority nature of the pre-notation, before the loan can be disbursed.

Once the certificates are issued, they are reviewed by the bank's employee and are included in the borrower's file. The legal review of both the ownership titles and the pre-notation registration is based on public documents, i.e. on notarial deeds and certificates issued by the competent land registries. The history of the ownership titles for the previous 20 years is examined (which is the period for adverse possession). Such a review together with a title search in the Land Registry and the competent cadastre (if any) precedes the approval of the loan. Upon registration of the pre-notation, a second title search is made to confirm the status quo.

Consumer Protection Litigation

The provisions of Law 2251/1994 on consumer protection have triggered a number of class actions by consumer associations challenging the lawful character and the validity of general terms included in credit agreements entered into by Greek banks, as well as of such banks' associated practices. The most important court precedent in this respect includes the Supreme Court Decision No. 1219/2001, which dealt with the abusive and illegal character of a number of general terms found in credit card contracts, as well as the Athens Court of Appeal Decision No. 5253/2003 (the "**Interim Class Action Decision**") and the Supreme Court Decision 430/2005 (the "**Final Class Action Decision**"), which dealt with the abusive and illegal character of a number of general terms of loan contracts. Among the terms in consumer credit agreements found to be unfair and, consequently, null and void by the Final Class Action Decision were terms imposing additional payments (not representing principal repayable on or interest accrued in respect of the relevant loan) required to be made by borrowers upon prepayment or other redemption of such loan prior to its due date; the calculation of interest accruing on a loan on the basis of a 360 day year but charged on the basis of a 365 day years; and the payment of commissions or other charges by borrowers in respect of an application for the making of a loan.

Moreover, the Greek Supreme Court in plenary session and in its decision No. 15/2007 (the "**Second Supreme Court Decision**"), held in litigation with an individual borrower (not a class action) that prepayment charges in pre-agreed amounts (in that case 6 months interest on the amount prepaid) were valid for fixed interest loans. In connection with this decision it should be noted that, while in Greece (as in most continental European civil law

countries) court decisions even of the highest courts have no force of binding precedent, decisions of the Supreme Court in plenary sessions are considered as authorities of the highest value.

Further, in a class action brought by a consumer association regarding the validity of several general terms of (amongst others) credit card agreements of a major Greek bank, the Athens Court of First Instance in its Decision No. 961/2007, which has subsequently been confirmed by Decision No. 3499/2008 of the Athens Court of Appeal, held that a term granting the bank the right to adjust the floating rate of interest at its sole discretion by up to 200% of the variation of the index rate is abusive and, therefore, invalid under the consumer protection law (L.2251/1994 as in force) due to its vague character (the conditions for an adjustment up to the maximum percentage not being specified, nor any reference to specific reasons justifying such adjustment) and due to the significant interference with the balance of rights and obligations between the bank and the consumer, to the detriment of the consumer. The above mentioned judgment also covered the bank's discretion not to adjust downwards the floating interest in case of a decrease of the index rate. It should be noted that in respect of the above Decision No. 3499/2008, an appeal has been submitted before the Supreme Court and a decision is still pending.

Taking into account the applicable legislation regarding transparency requirements, namely the Act of the Governor of the Bank of Greece No. 2501/2002 on the information to be provided by credit institutions to their customers concerning their transactions, together with related Circulars and Decisions No. 178/2004 and 234/2006 of the Committee of Banking and Credit Issues of the Bank of Greece, the contractual documentation for certain Loans in the Initial Portfolio contains terms that may be found by Greek courts to be "unfair" (and, consequently, null and void) within the meaning of Law 2251/1994 as interpreted in a series of recent judicial precedents. The terms are:

- (i) the right of the Seller to impose fees or other charges for prepayment or other redemption of any Loan prior to its due date;
- (ii) the right of the Seller to request refund of discount on future interest calculated for the entire tenor of the Loan upon prepayment or other redemption of such Loan;
- (iii) the payment of commissions or other charges in respect of an application for the making of a Loan the amount of which is determined by reference to and pursuant to the principal amount of the Loan;
- (iv) the right of the Seller to adjust upwards the floating interest rate either based on non-transparent criteria or at a percentage that is higher than the percentage increase in one-month EURIBOR;
- (v) the right of the Seller not to adjust downwards the floating interest rate in the event of a decrease in one month EURIBOR;
- (vi) the waiver of a guarantor's rights under articles 862-868 of the Greek Civil Code; and
- (vii) the exclusion of the Borrower's right to rescind from the Loan granted for the financing of distance selling of goods/services.

If a Borrower pays any amounts due under contractual terms that are subsequently found to be unfair, then such a Borrower would be entitled to ask the Seller to refund the relevant amounts or, alternatively, to exercise a right of set-off of any such amounts so paid against such Borrower's payment obligations under the Loans. In either case, the funds available to the Issuer to make payments in respect of the Notes could be reduced, as might be the yield on the Portfolio.

In particular:

- (a) in the case of Loans in the Initial Portfolio which are linked to the Base Rate and grant to the Seller the right to adjust the interest rate based on the profile variation of one month EURIBOR plus/minus 50 basis points, to the extent that the Seller has actually charged interest that has been calculated on the basis of a percentage that is higher than the increase of one month EURIBOR or has charged interest without taking into account any one month EURIBOR decrease pursuant to such interest readjustment

term, then a Borrower may be permitted to claim back such amounts and set these off against the Issuer's claims under the Loan.

- (b) in the case of Loans in the Initial Portfolio which are linked to the Base Rate and grant to the Seller the right to adjust the interest rate based on a variety of objective factors (such as changes in the money exchange and/or capital markets, the financial condition and competitive environment of the banking sector, changes in the risk profile of the Bank, the consumer prices index and the particular financial conditions of the internal market), such interest readjustment term may be found non-transparent (and, consequently, null and void) by the Greek courts; in this case the Greek court, according to recent court precedent, is anticipated to calculate the adjustment of the interest rate based on equitable judgement by reference to a widely known and accessible index rate such as the European Central Bank Rate (the "ECB Rate") or EURIBOR; to the extent that, pursuant to such interest readjustment term, the Seller has actually charged interest on the basis of a percentage that is higher than the increase of ECB Rate or EURIBOR or has charged interest without taking into account any decrease thereof, then a Borrower may be permitted to claim back such amounts and set these off against the Issuer's claims under the Loan.

In this respect, it should be noted that the average adjustment of the floating interest rate under the Loans actually effected by the Seller follows the variation (upwards or downwards) of one-month EURIBOR for the same interest period. Taking this into account, normally there should not exist any interest payments to be claimed back by Borrowers based on the grounds referred to above. Additionally, even if such amounts had been actually charged by the Seller, once it is taken into account that the average size of the Loans does not exceed €10,659, and such reclaimable amounts claimable would therefore be negligible, it is not anticipated that a significant number of Borrowers would reclaim such payments due to the high judicial costs that are likely to be incurred relative to the value of the alleged claim.

- (c) the Loan Documentation for some of the Loans contained in the Portfolio provides a "preferential" fixed interest rate for an initial period of 3, 6 or 9 months, respectively. Such preferential rate is lower than the "prevailing" fixed rate which the Seller would provide for loans with the same initial fixed rate period. After this initial period during which the preferential fixed rate applies, the loan reverts to a floating rate on the basis of the Base Rate plus a margin. There is an early repayment premium chargeable if the Borrower makes partial or total prepayment during the preferential fixed interest rate period and a subsequent period of same duration (i.e. during the first 6 or 12 or 18 months from the disbursement of the Loan, respectively). This premium reflects the "preferential" rate of interest that the Borrower had during the fixed rate period and is calculated based on the difference between the "preferential" interest rate and the "prevailing" fixed interest rate that the Seller would provide for loans with the same duration of initial fixed interest period. This difference is explicitly stated in the contract that the Borrower signs with the Seller.
- (d) the Loan Documentation for some of the Loans contained in the Portfolio provides that the Seller pays to the Borrower upon drawdown of the Loan, an amount equal to a percentage of the total principal amount of the Loan in the form of discount on the future interest amount calculated for the entire term of such Loan; in case of full or partial prepayment or early termination of the Loan, the Borrower is obliged to repay to the Seller such amount. Under the Circular No 1170/14.7.2008 of the Department of the Supervision of Credit System of the Bank of Greece, in order to ensure the transparency requirements, the banks have been recommended to refrain from such loan products. However, there is no precedent or authority on the validity of such provision.
- (e) the Loan Documentation for all Loans contained in the Portfolio provides the charge for loan pre-approval and loan request review expenses in the form of a fixed fee; however, for these Loans where, even though such fixed fee has not been explicitly stipulated as a percentage of the principal amount of the Loan, the same has been actually determined on a *pro rata* or on an escalation basis depending on the principal amount of the Loan (such calculation capable of being evidenced with reference to the Seller's released price list applicable at the time the fixed fee was charged), a Borrower may be permitted to claim back the amount of such fee and set it off against the Issuer's claims under the Loan.

As a result of the litigation described above, if any Borrower paid any Reclaimable Payments or any other amounts due under contractual terms that were held to be unfair, any such Borrower would be entitled to request a refund of such amount from the Issuer. Furthermore, the Issuer would be liable to return to the Borrowers any Reclaimable Payments made to the Issuer after the Closing Date. As a result, the Issuer's ability to make payments of amounts due under the Notes would be reduced. See also "*Risk Factors – Set-off*" above.

A recent legislative development in Greece is the issuance of Ministerial Decision No. Z1 – 798/25.6.2008 (the "**Ministerial Decision**"). The Ministerial Decision prohibits credit institutions from including general terms and conditions that have been judged by courts to be abusive in consumer contracts. Following the filing of a class action suit and upon the issuance of a court decision that has been rendered final, it is not possible to further appeal or challenge these rulings.

Pursuant to the Ministerial Decision, the following general terms and condition are deemed abusive and should not be included in mortgage loans subject to floating rate interest provisions:

- (a) the collection of financing fees, loan pre-approval fees or loan request review fees the amount of which is determined by reference to and pursuant to the principal amount of the loan;
- (b) the collection of any commission or file fees;
- (c) the right of the credit institution to terminate the loan and request full repayment (plus default interest) where the debtor has failed to pay any instalment of principal (full or partially), interest or costs when they fall due;
- (d) the right to require, as additional collateral, an assignment to the credit institution of the rents received in respect of a residence, in a case where such residence has been secured by mortgage for an amount exceeding the principal amount of the loan and such residence is insured by an insurance contract under which the credit institution is deemed to be the beneficiary of the insurance proceeds;
- (e) the waiver of a guarantor's rights under articles 862-868 of the Greek Civil Code;
- (f) the calculation of interest on the basis of a 360 day year instead of the actual 365/366 day year; and
- (g) a prepayment charge in an amount equal to a percentage of the prepaid capital or an amount equal to a number of interest payments, to the extent that the debtor has not been late in respect of any payments due from it under the relevant loan where the debtor fully or partially prepays the principal amount of the loan within the first year of the term of the loan.

Other Greek Statutory Consumer Protections

Liability for supplier's breach of contract

According to the Greek Ministerial Decision No. F-983/1991, as currently in force, which implements Directives 87/102/EEC and 90/88/EEC, a consumer can have recourse against a lending bank if his/her complaint against the supplier is judicially recognized but not satisfied (subsidiary liability - Article 11 par. 2 of the Decision). Furthermore, in order for the consumer to be entitled to have recourse against the bank for reasons pertaining to his relationship with the supplier, there must be in place, *inter alia*, a pre-existing contractual relationship between the bank and the supplier for the granting of credit to consumers exclusively by the bank for the supply of goods or services by such supplier. In the particular case of the loan agreements relating to Loans in the Initial Portfolio, the exclusivity criterion does not exist and, therefore, it may be argued that Article 11 of the above Ministerial Decision does not apply. Unless the relevant contracts are amended (which is prohibited under the terms of the Servicing Agreement and the terms of the relevant Eligibility Criteria), this will also apply to Replacement Loans and Subsequent Loans. If, nevertheless, a Greek court holds that such provision is applicable a Borrower could refuse to pay amounts due under a Loan for reasons pertaining to his/her relationship with a supplier.

Unfair terms

The Greek courts, based on the provisions of Law 2251/1994 on consumer protection, pursuant to which general terms and conditions that create an imbalance between rights and obligations of the parties to the detriment of consumers are deemed to be abusive and therefore null and void, are showing an increased tendency to hear cases for the nullification of banks' general terms and conditions in relation to loans and other credit facilities. As a result, if a term in a loan agreement is successfully challenged as being unfair, the relevant term would be struck out from such agreement and to the extent that such term obliges the borrower to make a payment, the borrower may not be liable to make such payment or, to the extent that he/she has already made it, he/she may be able to claim restitution of such amount or set off the amount of such claim.

Other than the provisions described in "*Risk Factors - Consumer Protection Litigation*" above, no term or provision contained in the documentation for the loan agreements, under which Loans to be included in the Initial Portfolio arise, that obliges the relevant Borrowers to make such payments has been adjudicated by the Greek courts as abusive or illegal.

Interest rate setting

According to the Act of the Governor of the Bank of Greece No. 2501/2002 and as required by the related Decision No 178/2004 of the Committee of Banking and Credit Issues of the Bank of Greece, interest rates for loans and other credit facilities should be set according to objective criteria and the relevant agreement should contain adequate information regarding the base reference for the interest rate and its calculation period and the factors having an effect on the determination of the interest rate. Provisions that are not compliant with these requirements have been found by Greek courts to be unfair and, therefore, null and void. If a lender is found to have applied a non-compliant interest rate in calculating interest due under a loan or other credit facility, such rate could be held as null and void, a replacement objective rate would be assessed and the amount of interest paid by the borrower in excess of the objective rate interest amount would be reclaimable.

Further, the adjustment of a floating rate of interest: (i) must be linked to one or more index rates (i.e. ECB, EURIBOR etc.) and, where one or more index rates are applied, the percentage level of each one to the overall adjustment shall be stated and specified; and (ii) must be determined either as a maximum multiple of each variation of the index rate or as the aggregate of the index rates in force from time to time and a maximum spread above such rate. Furthermore, in accordance with article 2 paragraph 7(e) of Law 2251/1994 on consumer protection as currently in force, any clause permitting a unilateral change of the amount payable to the lender must be based on reasonable and specified criteria made know to the customer in a transparent manner prior to the transaction (i.e. the granting of the loan or other credit facility).

The documentation for the loan agreements relating to Loans in the Initial Portfolio contains interest rate setting procedures to ensure that it is in compliance with the requirements of the Act of the Governor of the Bank of Greece No. 2501/2002 and relevant court precedents. Nevertheless, as described in "*Risk Factors - Consumer Protection Litigation*" above, the documentation used for Loans related to the Base Rate include provisions for the adjustment of the contractual interest rate by the Seller, which may be found by the courts to be unfair and illegal under Law 2251/1994 on consumer protection.

EU Consumer Protection Law incorporated into Greek law

The European Union has adopted a number of directives aiming to the protection of consumers, which have been transposed into Greek law. These include Directive 87/102/EEC on consumer credit (transposed through ministerial decision 983/1991, as in force), Directive 93/12/EEC on unfair terms in consumer contracts (transposed through Law 2251/1994, as in force), Directive 2005/29/EC on unfair commercial practices (transposed through Law 2251/1994, as amended by Law 3587/2007), Directive 85/577/EEC on contracts negotiated away from business premises (transposed through Law 2251/1994, as in force), Directive 2002/65/EC on distance marketing of consumer financial services (transposed through Law 2251/1994) and Directive 2000/31/EC on e-commerce (transposed through Presidential Decree 131/2003). On the basis of the above directives and their transposition into Greek law, a number of consumer contract terms previously used by banks have been considered void and a number of banking practices have been considered abusive (see above under "*Risk Factors - Consumer Protection Litigation*"). In view of the fact that a number of the provisions of

the directives and the Greek implementation of these directives are phrased in a general manner, it is possible that further terms of the Loans or of Piraeus' banking practices could be found in the future to be illegal.

In addition, in April 2008, the European Parliament and the Council adopted Directive 2008/48/EC on consumer credit, which repeals and replaces Directive 87/102/EEC. Member states are obliged to implement the directive by 12 May 2010. Until the implementation of Directive 2008/48/EC by Greece is finalised, it is not certain what effect such implementation will have on the Seller, the Issuer, the Servicer and their respective businesses and operations. This may adversely affect the Issuer's ability to make payments in full on the Notes when due.

The Levy

The Levy is a form of tax imposed upon a bank as lender and collected by the Bank of Greece on a monthly basis. Banks are allowed to pass on to their customers the Levy and the validity of such a provision has been confirmed by the Supreme Court of Greece in its Final Class Action Decision. The Levy is paid together with the interest payment under the Loans.

In the case of securitisations, the Levy is still imposed and the Issuer and the Servicer are jointly and severally liable for the payment thereof under Ministerial Decision issued as of 2003.

The data system used by Piraeus Bank is capable of segregating from the payments under each Loan the amount corresponding to the interest payment and the Levy payment to be paid to the Bank of Greece.

Greek Securitisation Law

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

Greek insolvency proceedings relating to the Issuer and Piraeus

The effect of Regulation 1346/2000 of the EU Council on Insolvency Proceedings is not yet clear since the legislation and its implementation across the various European Union member states is still relatively recent. It can not be excluded that insolvency proceedings may be commenced against the Issuer in Greece, in accordance with this regulation, notwithstanding that the Issuer is incorporated in England and does not have any establishment in Greece. Although a receiver would be appointed over the Issuer in Greece, and the Servicer might cease to be capable of servicing the Loans in Greece on behalf of the Issuer, this would not affect the ability of the Trustee to enforce its rights and claims secured by a statutory pledge under Paragraph 18 of Article 10 of the Law, since in accordance with Greek Law, the Trustee, as the pledgee under Paragraph 18 of Article 10 of the Law, would be entitled to receive any claims out of the Loans and Ancillary Rights in accordance with Article 1254 of Greek Civil Code.

In relation to a winding up of Piraeus, in its capacity as the Servicer, the Seller and in various other capacities under the Transaction Documents, Greek law 3458/2006 incorporated Directive 2001/24/EC of the European Parliament and of the Council of April 2001 on the reorganisation and winding up of credit institutions (the "**Credit Institutions Insolvency Directive**") into Greek law in May 2006. The Credit Institutions Insolvency Directive applies to credit institutions and their branches set up in member states other than those in which they have their head offices, as defined in Directive 2000/12/EC, subject to the conditions and exemptions laid down in the Credit Institutions Insolvency Directive. Only the administrative or judicial authorities of the home member state which are responsible for winding up are empowered to decide on the opening of winding-up proceedings concerning a credit institution, including in relation to branches established in other member states.

In addition, under the Credit Institutions Insolvency Directive, a decision to open winding-up proceedings taken by the administrative or judicial authority of the home member state is required to be recognised, without further formality, within the territory of all other member states and to be effective there when the decision is effective in the member state in which the proceedings are opened. A credit institution is required to be wound up in accordance with the laws, regulations and procedures applicable in its home member state insofar as the Credit Institutions Insolvency Directive does not provide otherwise.

Enforcing Security in Greece

Once a loan agreement is in default and terminated, a notice of termination is served on the borrower and on the guarantors, if any, informing them of this fact and requesting them to pay all amounts due. Following service of the notice of termination of the loan on the borrower and the guarantors and in the case of continued non-payment, an order for payment is obtained from the judge of the competent court of first instance ("**Court of First Instance**"). The order for payment and a demand to pay is served on the borrower and on the guarantors which permits enforcement against the borrower and the guarantors. Service of a demand to pay is the first action of enforcement proceedings. Three working days after serving the demand to pay, the borrower's and/or guarantors' property can be seized and the auction process is started. If there is a positive outcome from the property search conducted at the competent Land Registry ("*ypothikofylakeio*") or the cadastre ("*ktimatologiko grafeio*", where such cadastres are in operation), the ultimate goal is to collect the proceeds from the property's auction. These proceedings, which in the case of any Loans in the Portfolio, will be commenced and pursued by the Servicer, acting in the name and on behalf of the Issuer with the ultimate purpose being the collection of the Borrower's due and payable obligations under the Loans from the proceeds of an auction involving all of the Borrower's assets.

However, a borrower may delay enforcement against the relevant property by contesting the order for payment and/or the procedure of enforcement, which in turn will delay the receipt of proceeds from an enforcement against any relevant property by the Issuer after the relevant Loan has been terminated.

A borrower can file a petition of annulment against the order for payment pursuant to articles 632-633 of the Greek Civil Procedure Code (an "**Article 632-633 Annulment Petition**") with the relevant Court of First Instance within 15 business days after service of the order for payment, contesting the substantive or procedural validity of the order for payment. If the borrower fails to contest the order for payment, the order may be served again on the borrower and a further 10 business days are available to the borrower to file an Article 632-633 Annulment Petition.

An order for payment is final either if both periods of 15 and 10 business days elapse or if the Court of Appeal rejects the Article 632-633 Annulment Petition.

The filing of an Article 632-633 Annulment Petition entitles the borrower to file a petition for suspension of enforcement against the relevant property pursuant to article 632 of the Greek Civil Procedure Code (an "**Article 632 Suspension Petition**"). Upon filing an Article 632 Suspension Petition, enforcement procedures may be suspended until the hearing of the Article 632 Suspension Petition, which takes place approximately one to two months after the Article 632 Suspension Petition has been filed.

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

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

The borrower may also file with the relevant Court of First Instance a petition for the annulment of certain actions under the foreclosure proceedings based on reasons pertaining to either or both of the validity of the order for payment and to procedural irregularities pursuant to article 933 of the Greek Civil Procedure Code (each an "**Article 933 Annulment Petition**"). Both Article 632-633 and 933 Annulment Petitions may be filed either concurrently or consecutively, but it should be noted that an Article 933 Annulment Petition may not be based on reasons pertaining to the validity of the order for payment, should the order for payment have become final as described above. The time for the filing of such Article 933 Annulment Petition varies depending on the action that is so contested.

The filing of an Article 933 Annulment Petition entitles the borrower to file a petition for the suspension of the enforcement until the decision of the Court of First Instance on the annulment motion is issued pursuant to article 938 of the Greek Civil Procedure Code (an "**Article 938 Suspension Petition**"). Again, foreclosure proceedings may be suspended until the hearing of this Article 938 Suspension Petition, which, in the normal case where the borrower seeks the suspension of the auction, is heard 5 days prior to the auction and the relevant decision is issued 2 days prior to the auction. It should nevertheless be noted that such suspension is more difficult to obtain than the suspension under the Article 632 Suspension Petition, since the Court has to assess not only the likelihood that the corresponding Article 933 Annulment Petition would be proved successful, but also that there is a danger of irreversible damage to the borrower, should the foreclosure continue.

The borrower may seek the postponement of the auction by alleging that the value of the property has been underestimated by the enforcing party or that the fixed first offer is too low. Furthermore, suspension of the auction for up to six months may be sought by the borrower, on the grounds that there is a good chance of the borrower being able to satisfy the enforcing party or that, following the suspension period, a better offer would be received at auction.

Once the allocation of proceeds amongst the creditors of the borrower has been determined pursuant to a deed issued by a notary public, the creditors of the borrower may dispute the allocation and file a petition contesting the deed. The Court of First Instance adjudicates the matter but the relevant creditor is entitled to appeal against the decision to the Court of Appeal. This procedure may delay the collection of proceeds for up to two and a half years. This can further delay the time at which the Issuer finally receives the proceeds of the enforcement of the relevant property. However, the law provides that a bank is entitled to the payment of its claim even if its allocation priority is subject to a challenge, provided that the bank provides a guarantee securing repayment of the money in the event that such challenge is upheld.

In addition, there is a period of mandatory suspension for all enforcement procedures between 1st and 31st August of each year, except for auctions, which cannot be conducted between 1st August and 15th September of each year.

Pursuant to paragraph 14 of Article 11 of the Greek law 2251/1994 on consumer protection, as amended by law 3587/2007 and more recently by law 3714/2008 there are other legal limitations on the ability of a lender to enforce claims under a loan. For example, consumer lenders and assignees of their claims are statutorily prohibited from enforcing against the property of a debtor when this property is the sole residence of the debtor and when the debt arises from consumer loans or credit cards.

The conditions for such law's application are that:

- (i) the debtor must, within 15 days from the first enforcement action following the service of the payment order, challenge such payment order pursuant to article 933 et seq. of the Greek Civil Procedure Code;
- (ii) the debt must not exceed €20,000;
- (iii) the debtor must not have granted any mortgage or a pre-notation of mortgage in respect of the same property in favour of the credit institution; and
- (iv) the debtor must prove a justifiable inability to fulfil its financial obligations.

If the challenge mentioned under item (i) above is not exercised or if it is rejected by a final and non-appealable court decision, the enforcement will be permitted.

Recently, additional formalities on the ability of consumer lenders to enforce their claims were introduced by the consumer protection law 3714/2008. The following are the main provisions of such law:

(a) *Auction of property and movables*

A public auction will occur at the District Court within the competent territory where the enforcement has occurred. At the first stage of the auction, the bids are submitted in closed envelopes. The bids must be guaranteed either by a letter of credit of monthly duration or by a bank's cheque. At the second step in the auction, the bids are made orally.

(b) *Property's first price at public auction*

The first price of a land property sold at a public auction should be at least equal to the price (the "**Objective Value**") set by the tax law set forth in Article 41 of law 1249/1982 and related secondary legislation from time to time (the "**Tax Law** "). While at present the Objective Values of properties are on average lower than their commercial values, there can be no assurance that in the future this will continue to be the case. Where the Objective Values are higher than the commercial values, it may become impossible for creditors to successfully enforce their claims because there may be no bidders at the amount of the Objective Value.

The actual auction process is started with seizure of the property, which takes place three working days after the order for payment is served on the borrower. The seizure statement that is issued by the bailiff who performs it contains the auction date (a Wednesday which is also a business day with the auction terminating not earlier than 17.30 hours), the place and the notary public who will act as the auction clerk. At this point all mortgagees (including those holding a pre-notation of mortgage) are informed of the upcoming auction.

The minimum auction price is determined within the statement of the bailiff and can be contested by the borrower or any other lender if supported by evidence that the property value is significantly higher or lower than the proposed auction value. In such case, the auction is postponed until a date not exceeding six months from the initial auction date and for a new reserve price, both as determined by the judge.

In the auction, the property is sold to the highest bidder who then has 15 days to pay. Once the price of the property is paid, the notary public prepares a special deed listing all the creditors and allocating the proceeds of the auction. Each creditor must announce its claim to the notary public within 15 days of the auction, if not, the notary public does not take his claim into account.

Once the allocation of proceeds amongst the creditors of the borrower has been determined pursuant to a deed issued by a notary public, the creditors of the borrower may dispute the allocation and file a petition contesting the deed. The Court of First Instance adjudicates the matter but the relevant creditor is entitled to appeal against the decision to the Court of Appeal. This procedure may delay the collection of proceeds for up to two and a half years. This can further delay the time at which the lender finally receives the proceeds of the enforcement of the relevant property. However, the law provides that a bank is entitled to the payment of its claim even if its allocation priority is subject to a challenge, provided that the bank provides a guarantee securing repayment of the money in the event that such challenge is upheld.

Auction proceeds

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

- (i) claims for hospitalisation and funeral costs of the borrower and his family arising in the previous 12 months;
- (ii) costs of feeding the borrower and his family arising in the previous six months;
- (iii) claims by farmers or farming partnerships arising from sale of agricultural goods arising in the previous 24 months;
- (iv) claims of the Greek state and municipal authorities that have been assessed to be due and payable prior to the auction;
- (v) claims of social security funds arising prior to the day of the auction; and
- (vi) claims by the collective guarantees fund (if the borrower is or was an investment services company under the meaning of Greek law 3606/2007) arising in the previous 24 months (this should not be relevant for any Borrower in relation to any Loans in the Portfolio).

The remaining two-thirds of the proceeds is allocated, first, to secured creditors in order of ranking and date of creation of security and any subsequently remaining amounts are allocated to unsecured creditors. Accordingly:

- (a) in the case of Loans in the Portfolio that are secured with a pre-notation: the Issuer as beneficiary of a first ranking pre-notation could be limited to receiving approximately two-thirds (or less, in case of second ranking pre-notation) of the proceeds raised by an auction of the mortgaged property if a claim under Article 975 exists; in such case, the proceeds may not be sufficient to meet the Borrower's total debt obligations under the relevant Loan and thus the Issuer's ability to meet its obligations in respect of the Notes.
- (b) In the case of Loans where no security has been granted by the relevant Borrowers: subject to the amounts to be satisfied in priority of the claims of the Issuer following the completion of the auction process in accordance with Articles 975 and 976 of the Greek Civil Procedure Code in respect of an enforcement proceeding against a Borrower, the remaining proceeds may be insufficient to discharge the amount owed by the Borrower to the Issuer as an unsecured creditor under the relevant Loan, which may have an adverse effect on the ability of the Issuer to meet its obligations in respect of the Notes.

The length, complexity and uncertainty of success of enforcement procedures in Greece means that in relation to any defaulted or delinquent Loan in the Portfolio there may be a substantial delay in recovering any amounts due under the relevant Loan and Ancillary Rights which may adversely affect the Issuer's ability to meet its obligations under the Notes.

Security over Issuer Greek Bank Accounts

Under the Greek Account Pledge Agreement the Issuer will grant security, in favour of the Trustee for the benefit of the Trustee and the Secured Parties, over all amount that may from time to time be deposited in and stand to the credit of the Issuer Greek Bank Accounts, as well as over any related or accessory claim of the Issuer, including, without limitation, interest accrued or accruing thereon.

So long as the indebtedness secured pursuant to the Greek Account Pledge Agreement has not become due and payable in whole, the Issuer (or the Greek Account Bank, as instructed by the Issuer) will be entitled to withdraw any funds from the Issuer Greek Bank Accounts without any prior authorization, approval or consent of the Trustee. Upon the secured indebtedness becoming due and payable in whole or in part, the Trustee, without the need of any court proceedings, will be entitled to collect all amounts deposited in the Issuer Greek Bank Accounts, which it will keep and set-off against the indebtedness secured by the relevant pledge.

Bank deposits held in Greece are also subject to attachment. The attachment procedure consists of the service of a copy of an executory title under Greek procedural law with a notice of attachment by the creditor upon the debtor and the third party-payee of the receivable. This type of enforced execution is called "attachment in the hands of a third party". In the case of pledged accounts, such an attachment does not affect the rights of the

pledgee as described above. Thus the Trustee may continue exercising the aforementioned rights, as Trustee for the Secured Parties notwithstanding the making of such attachment.

ENGLISH LAW SECURITY AND INSOLVENCY CONSIDERATIONS

Deed of Charge

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

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

Fixed charges may take effect under English law as floating charges

Pursuant to the terms of the Deed of Charge, the Issuer has purported to grant fixed charges over, amongst other things, the Transaction Documents to which it is a party, the Issuer Transaction Account and any Authorised Investments it holds in favour of the Trustee (for itself on behalf of the other Secured Creditors).

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

In addition, any administrative receiver, administrator or liquidator appointed in respect of the Issuer will be required to set aside the prescribed percentage or percentages of the floating charge realisations in respect of the floating charges contained in the Deed of Charge (as described in more detail below under "*Risk Factors - Share of floating charge assets for unsecured creditors*").

Liquidation expenses

On 6 April 2008, a provision in the Insolvency Act 1986 came into force which effectively reversed by statute the House of Lords' decision in the case of *Leyland Daf* in 2004. Accordingly, it is now the case that the costs and expenses of a liquidation (including certain tax charges) will be payable out of floating charge assets in priority to the claims of the floating charge-holder. In respect of certain litigation expenses of the liquidator only, this is subject to approval of the amount of such expenses by the floating charge-holder (or, in certain circumstances, the court) pursuant to provisions set out in the Insolvency Rules 1986.

As a result of the changes described above, upon the enforcement of the floating charge security granted by the Issuer pursuant to the Deed of Charge, floating charge realisations which would otherwise be available to satisfy the claims of the Noteholders under the Deed of Charge will be reduced by at least a significant proportion of any liquidation expenses. There can be no assurance that the Noteholders will not be adversely affected by such a reduction in floating charge realisations.

Small companies moratorium

The Insolvency Act 2000 (the "**Insolvency Act**") introduced significant changes to the UK insolvency regime including provisions which allow certain "small" companies to obtain protection from their creditors for a period of 28 days for the purposes of putting together a company voluntary arrangement with the option for the creditors to extend the protection period for a further two months.

During this period, no insolvency procedures may be commenced in relation to the company, any security created by the company over its property cannot be enforced and no other legal process can be taken in relation to the company except with the consent of the Court.

A company may continue to make payments in respect of its debts in existence before the beginning of the moratorium only if there are reasonable grounds for believing such payments will benefit the company and the payment is approved by either the moratorium committee of the creditors of the company or, if none, by a nominee of the company appointed under the provisions of the Insolvency Act 2000.

For the purposes of the Insolvency Act 2000, a "small company" is defined as one which satisfies two or more of the following criteria: (i) its turnover is not more than £5.6 million; (ii) its balance sheet total is not more than £2.8 million; and (iii) the number of its employees is not more than 50.

For as long as the turnover of the Issuer is greater than £5.6 million and its balance sheet total is greater than £2.8 million, the Issuer will not be regarded as a "small company" under the law as it currently stands. The Secretary of State for Trade and Industry may by regulation in the future modify the eligibility requirements for the applicability of the Insolvency Act 2000 and the definition of a "small company".

Whether or not the Issuer is a "small company" within the provisions of the Insolvency Act 2000 will be an accounting matter determined on a financial year by financial year basis for the Issuer.

Pursuant to Regulations made by the Secretary of State which came into force on 1 January 2003, companies which are party to an agreement which is or forms part of a capital market arrangement, under which a party incurs or when the agreement was entered into was expected to incur a debt of at least £10 million and which involves the issue of a capital market investment, are excluded from being eligible for the moratorium. The definitions of "capital market arrangement" and "capital market investment" are broad, such that, in general terms, any company which is a party to an arrangement which involves at least £10 million of debt, the granting of security to a trustee, and the issue of a rated, listed or traded debt instrument, may be ineligible to seek the benefit of the small companies moratorium.

In addition, there is an exclusion from the moratorium provisions for any company which has incurred a liability (including a present, future or contingent liability) of at least £10 million. While the Issuer should fall within this exception, there is no guidance as to how the legislation will be interpreted and the Secretary of State for Trade and Industry may by regulation modify the exceptions. No assurance may be given that any modification of the eligibility requirements for "small companies" and/or the exceptions will not be detrimental to the interests of the Noteholders.

The moratorium provisions may serve to limit the Trustee's ability to enforce the security granted by the Issuer if, first, the Issuer falls within the eligibility criteria for a moratorium at the relevant time; secondly, if the directors of the Issuer seek a moratorium in advance of a company voluntary arrangement; and, thirdly, if the Issuer is considered not to fall within an exception: in those circumstances, the enforcement of the security by the Trustee may, for a period, be prohibited by the imposition of the moratorium.

Even if a moratorium could delay enforcement proceedings against the Issuer, this would be for a maximum period of only three months as described above (subject to the Secretary of State increasing, by order, the period for which a moratorium may be obtained). In addition, even if a protection period were granted in relation to it, it could obtain approval to continue to make payments in accordance with the Trust Deed and the Conditions.

Share of floating charge assets for unsecured creditors

The Enterprise Act 2002, which received royal assent on 7 November 2002 and was brought into force on 15 September 2003 (the "**Enterprise Act**"), also inserted a new Section 176A into the Insolvency Act, which provides that where a company has gone into liquidation or administration, or where there is a provisional liquidator or receiver, a "prescribed part" of the company's net property is to be applied in satisfaction of unsecured debts in priority over floating charge holders.

By virtue of the relevant prescribing order, the ring fencing of the "prescribed part" applies to floating charges which are created on or after 15 September 2003. The amount available for unsecured creditors will depend upon the value of the chargor's "**net property**", being the amount of the chargor's property which would otherwise be available for satisfaction of the claims of floating charge holders or holders of a debenture secured by a floating charge. As at the date of this Prospectus, the "**prescribed part**" has been set as 50% of the first £10,000 of a company's net property and 20% of the net property that exceeds £10,000; provided that such amount may not exceed £600,000. Where the company's net property is less than a prescribed minimum of £10,000, the liquidator, administrator or receiver may disapply this rule without application to the Court in respect of a company if it thinks that the cost of making a distribution to unsecured creditors would outweigh the benefits. If the company's net property is more than the prescribed minimum, the liquidator, administrator or receiver may apply to the Court for an order that the rule may be disappplied on the same ground.

Accordingly, any floating charge realisations upon the enforcement of the Security will be reduced by the operation of the ring fencing provisions. A receiver appointed by the Trustee would also be obliged to pay preferential creditors out of floating charge realisations in priority to payments to the Secured Creditors (including the Noteholders), respectively. Following the amendments to the Insolvency Act introduced by the Enterprise Act, the categories of preferential debts are certain amounts payable in respect of occupational pension schemes, employee remuneration and levies on coal and steel production. It should be noted, however, that pursuant to the covenants contained in the relevant Transaction Documents, the Issuer is not permitted to have any employees and its activities are otherwise restricted. Accordingly, if the Issuer complies with the covenants contained in the Transaction Documents it is unlikely that the Issuer will have any preferential creditors.

Appointment of administrative receiver in respect of Issuer

As a result of the amendments made to the Insolvency Act by the Enterprise Act, the holder of a qualifying floating charge created on or after 15 September 2003 is prohibited from appointing an administrative receiver and, consequently, is unable to prevent the chargor entering into administration, unless the floating charge falls within one of the exceptions set out in sections 72A to 72GA of the Insolvency Act.

The Trustee will not be entitled to appoint an administrative receiver over the assets of the Issuer unless the floating charges in its favour fall within at least one of the exceptions.

The exceptions include a capital markets exception in respect of, in certain circumstances, the appointment of an administrative receiver pursuant to an agreement which is or forms part of a "**capital market arrangement**" (as defined in the Insolvency Act). This exception will apply if a party incurs or, when the agreement in question was entered into, was expected to incur a debt of at least £50 million and if the arrangement involves the issue of a capital market investment (also defined in the Insolvency Act but, generally, a rated, traded or listed bond).

Although there is yet no case law on how this exception will be interpreted, the exception should be applicable to the transactions described in this Prospectus so far as it concerns the floating charge created by the Issuer under the Deed of Charge. However, the Secretary of State may, by secondary legislation, modify the exceptions to the prohibition on appointing an administrative receiver and/or provide that the exception shall

cease to have effect. No assurance can be made that any such modification or provisions in respect of the capital market exception will not be detrimental to the interests of the Noteholders.

Financial Collateral Arrangements (No. 2) Regulations

The Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "**Regulations**") (which implement the Financial Collateral Directive (Directive 2002/47/EC)) set out certain rules governing the provision of financial instruments and cash as collateral. The Regulations apply to financial collateral provided by way of an outright transfer and to security interests. The effect of the Regulations on the security interests to be created in connection with the transactions contemplated in this Prospectus may be to disapply key pieces of insolvency law such as the restrictions on the enforcement of security, which are contained in the Insolvency Act 1986 and which would otherwise apply to security taken over financial collateral.

Because there is no English case law interpreting the Regulations, the exact scope and effect of the Regulations is unclear. Any further interpretation of the Regulations that would have the effect of restricting the enforcement of security interests in financial collateral could be detrimental to the interests of the Noteholders.

Banking Act 2009

Under the Banking Act 2009 (the "**Act**"), which came into force on 21 February 2009, the UK Treasury, the Bank of England and the FSA (the "**Tripartite Authorities**") have wide powers to make certain orders in respect of a UK authorised deposit-taking institution (such as Citibank N.A., London Branch) and, in certain circumstances, certain related corporate undertakings. The orders which may be made under the Act in respect of relevant deposit-taking institutions (and/or, in certain circumstances, certain related corporate undertakings) relate to (amongst other things) (i) transfers of securities issued by relevant entities (and/or securing that rights of holders of securities cease to be exercisable by such holders, discontinuing the listing of securities and/or varying or nullifying the terms of securities and/or other documents by which the relevant entity is bound), (ii) transfers of property, rights and liabilities of relevant entities notwithstanding any restrictions, requirements or interest (and/or modifying related interests, rights or liabilities of third parties), (iii) the disapplication or modification of laws, (iv) the imposition of a moratorium on the commencement or continuation of any legal process in relation to any body or property and/or (v) the dissolution of any relevant entity. Orders may have retrospective effect and may make provision for nullifying the effect of transactions or events taking place after the time in question.

In general, transfer orders under the Act may be made by the UK Treasury only in certain circumstances for the purposes of maintaining the stability of the UK financial system and/or protecting the public interest in circumstances where financial assistance has been provided by the UK Treasury to the deposit-taking institution. The Act includes provisions related to compensation in respect of any transfer orders made.

If the UK Treasury were to make an order in respect of Citibank N.A., London Branch and/or certain related corporate undertakings, such order may (amongst other things) impact on various aspects of the transaction (including the enforceability of certain Transaction Documents and/or the ability of certain parties to perform their obligations under such documents) which may negatively affect the ability of the Issuer to meet its obligations in respect of the Notes. The UK Treasury has only made one order under the Act to date in relation to the transfer of the business of Dunfermline Building Society to Nationwide Building Society (both UK deposit taking institutions). It has made no order in relation to Citibank, N.A., London Branch specifically nor otherwise and it is too early to judge what actions the Tripartite Authorities might take under the Act generally or specifically, especially with respect to UK registered branches of foreign banks. It appears that each situation will be assessed on its particular merits and fact patterns, but there can be no assurance that this approach will not change and/or that Noteholders will not be adversely affected by any such order which may be made or other provision of the Act invoked in relation to Citibank, N.A., London Branch.

TAXATION MATTERS

EU Savings Directive on the Taxation of Savings Income

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**Directive**"), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual, or certain other types of person, resident in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg are instead required to apply (unless during that period they elect otherwise) a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent.. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non- EU countries to the exchange of information relating to such payments.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have also 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 collected by such a person for, an individual, or certain other types of person, resident in a Member State (for example, a withholding system in the case of Switzerland).

The European Commission has published proposals for amendments to the Directive, which, if implemented, would amend and broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State or dependent or associated territory which has opted for a withholding system and as a consequence of such a system, an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer, the Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If such a withholding tax would be imposed on a payment made by the Paying Agent, the Issuer will be required to maintain the Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive (if there is any such Member State). See further the section entitled "*Taxation – United Kingdom Taxation*" below.

UK Taxation Position of the Issuer

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

Greek Taxation of the Issuer

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

However, if the Issuer were deemed to have a permanent establishment in Greece, the Issuer would be taxed on its income generated in Greece as well as on its income generated in the UK, and may need to establish a branch or fulfil certain administrative requirements in Greece. If this were to occur, the Issuer would be liable for income tax (currently calculated at the rate of 25 per cent.) on its net profits generated in Greece. The net profits in such instance would be calculated at the discretion of the Greek tax authorities since the Issuer does not maintain tax records in Greece. If the Issuer were to maintain such records, the net profits would likely include the aggregate of the amounts set out in item (v) of the Pre-Enforcement Priority of Payments, the Set-Off (Reclaimable Payments) Reserve Account (less an amount equal to the Set-Off (Reclaimable Payments) Facility), the Set-Off (Deposits) Reserve Account (less an amount equal to the Set-Off (Deposits) Loan) and the Reserve Account (less an amount equal to the Subordinated Reserve Loan) held by it at the end of each fiscal

year. The Issuer may also be liable to fines. However, this situation has not arisen before. Consequently, if this situation were to arise, the exact tax liabilities of the Issuer cannot be predicted with certainty and may in fact be higher than as described above.

GENERAL

Social, Legal, Political and Economic Factors

Changes in the use of credit by, and the payment patterns of, Borrowers and in the level of yield of the Portfolio generally may result from a variety of social, legal, political and economic factors. Economic factors include the rate of inflation, unemployment levels, relative interest rates, changes in macro and/or micro economic factors impacting consumer lending in Greece. Political factors include lobbying from interest groups such as consumers and small businesses and government initiatives in consumer and related affairs. Social factors include the changes in family circumstances such as divorce, illness, retirement, loss of earnings and other similar factors affecting a Borrower's ability to pay. It is not possible to predict whether, or to what extent, social, legal, political or economic factors will affect future use of credit, Borrower repayment patterns or levels of portfolio yield generally and, according to the effect of such factors on the interests of the Noteholders.

Recent finance market developments

In late 2006, the sub-prime mortgage loan market in the United States commenced a period characterised by a large number of borrower defaults. Prior to the commencement of such period, a significant volume of sub-prime mortgage loans had been securitised and, in turn, sub-prime mortgage backed securities had been sold to various investors. As a result of the deterioration of the U.S. sub-prime mortgage loan market, funds and institutions that invested in U.S. sub-prime mortgage-backed securities began experiencing significant losses which has triggered a series of events that resulted in a severe liquidity crisis in the global credit markets beginning in the summer of 2007 and which remains as at the date of this Prospectus.

There exist significant additional risks for potential investors in the Notes as a result of the current liquidity crisis, including a lack of liquidity in the secondary market for instruments similar to the Notes. These risks may affect the returns on the Notes to investors and/or the ability of investors to realise their investment in the Notes prior to their stated maturity.

In addition, following the collapse of Lehman Brothers in September 2008, the current liquidity crisis has stalled the primary market for a number of financial products. As a result, there exists a large volume of financial products that remain on the books of the relevant arranging banks, that have not yet been sold to investors. While it is possible that the current liquidity crisis may soon alleviate for certain sectors of the global credit markets, there can be no assurance that the market for securities similar to the Notes will, notwithstanding various schemes put in place by governments and central banks across the world to assist in creating liquidity, recover at the same time or to the same degree as such other recovering global credit market sectors.

Greek social measures in view of current financial crisis

The Greek Minister of Finance has recently indicated that as a response to the current financial crisis he is examining the introduction of legislation that would freeze loan payments in relation to certain vulnerable social groups. Certain Greek banks have already voluntarily taken such measures. No such legislative measures have been enacted to date however. If the Greek Minister of Finance decides to introduce such legislation, Piraeus, in its capacity as Seller, may be obliged to apply the legislation and repurchase those Loans that consequently do not fulfil the Eligibility Criteria in accordance with the terms of the Loan Sale Agreement. To date, however, the number of Piraeus customers who have applied for a payment freeze has been negligible, and represents less than 0.2% of Piraeus' total consumer portfolio.

Change of Law

The structure of the issue of the Notes is based on English law and the laws of the Hellenic Republic in effect as at the date of this document. No assurance can be given as to the impact on the interests of the Noteholders of

any possible change to English law or the laws of the Hellenic Republic (or the laws of any other jurisdiction) or change in administrative practice in the United Kingdom or the Hellenic Republic after the date of this document.

The Issuer believes that the risks described above are certain of the principal risks inherent in the transaction for Noteholders, but the inability of the Issuer to pay interest or repay principal on the Notes may occur for other reasons and, accordingly, the Issuer does not represent that the above statements of the risks of holding the Notes are comprehensive. While the various structural elements described in this Prospectus are intended to mitigate some of these risks for Noteholders, there can be no assurance that these measures will be sufficient or effective to ensure payment to the Noteholders of interest or principal on the Notes on a timely basis or at all.

USE OF PROCEEDS

The aggregate net and gross proceeds from the issue of the Notes will amount to €725,000,000 and will be applied towards paying the Closing Date Portfolio Consideration on the Closing Date.

THE ISSUER

Introduction

The Issuer was incorporated in England and Wales on 24 February 2009 (registered number 06828528) as a public limited company under the name of Praxis I Finance plc. The registered office of the Issuer is at c/o Wilmington Trust SP Services (London) Limited, Fifth Floor, 6 Broad Street Place, London EC2M 7JH and its telephone number is 0207 614 1111. The Issuer has no subsidiaries or affiliates. The Issuer has been established as a special purpose vehicle for the purpose of issuing asset backed securities.

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

Principal Activities

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

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

There is no intention to accumulate surpluses in the Issuer.

No surpluses will be accumulated in the Issuer (other than amounts standing to the credit of the Reserve Account, the Set-Off (Reclaimable Payments) Reserve Account, the Set-Off (Deposits) Reserve Account or any amounts held as Issuer Retained Profit).

The Issuer will covenant to observe certain restrictions on its activities which are described in Condition 4 (*Covenants*). The Issuer will also covenant that it will maintain an independent director at all times.

Directors and Secretary

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

Name	Business Address	Other Principal Activities
Mark Filer	Wilmington Trust SP Services (London) Limited Fifth Floor, 6 Broad Street Place, London EC2M 7JH	Company Director
Ruth Samson	Wilmington Trust SP Services (London) Limited Fifth Floor, 6 Broad Street Place, London EC2M 7JH	Company Director

Name	Business Address	Other Principal Activities
Sunil Masson	Wilmington Trust SP Services (London) Limited Fifth Floor, 6 Broad Street Place, London EC2M 7JH	Company Director
Wilmington Trust SP Services (London) Limited	Fifth Floor, 6 Broad Street Place, London EC2M 7JH	Company Director

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

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

Capital and Shares

The authorised share capital of the Issuer is £50,000 divided into 50,000 ordinary shares of £1 each. There are no warrants or convertible notes in issue or outstanding.

The Issuer has issued 50,000 ordinary shares with a nominal value of £1 each, 2 of which are fully paid and 49,998 of which are partly paid up. The issued shares are all held by Wilmington Trust SP Services (London) Limited which holds the entire authorised and issued share capital on trust for certain charitable purposes in its capacity as share trustee ("**Share Trustee**"). The paid up share capital of the Issuer is £12,501.50.

Employees

The Issuer has no employees. The directors are employees of the Corporate Services Provider. The Secretary of the Issuer is the Corporate Services Provider with offices at the same address as the Corporate Services Provider.

Corporate Services

The Issuer will appoint the Corporate Services Provider to provide corporate secretarial and administrative services pursuant to a corporate services agreement dated the Closing Date between the Issuer, the Corporate Services Provider and the Trustee. The register of members is maintained by the Corporate Services Provider at its office.

Indebtedness

The Issuer has no indebtedness as at the date of this Prospectus other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein.

Material Contracts

Apart from the Transaction Documents to which it is a party, the Issuer has not entered into any material contracts other than in the ordinary course of its business.

No Material Adverse Change

Since the date of the Issuer's incorporation, there has been no material adverse change, or any development reasonably likely to involve any material adverse change, in the condition (financial or otherwise) of the Issuer.

Financial Information

From the date of incorporation to the date of this Prospectus the Issuer has not commenced operations and at the date of this Prospectus, no financial statements of the Issuer have been prepared. The Issuer intends to publish

its first financial statements in respect of the period ending on 31 December 2009. The Issuer will not prepare interim financial statements.

The Issuer must hold its first annual general meeting within 18 months of the date of its incorporation and thereafter the gap between its annual general meetings must not exceed 15 months.

THE ISSUER ACCOUNT BANK

CITIBANK, N.A., LONDON BRANCH

Citibank, N.A. is a company incorporated with limited liability in the United States of America under the laws of the City and State of New York on 14 June 1812 and reorganised as a national banking association formed under the laws of the United States of America on 17 July 1865 with Charter number 1461 and having its principal office at 399 Park Avenue, New York, NY 10043, USA and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with company number BR001018.

**PIRAEUS: THE SELLER, THE SERVICER, THE SET-OFF (DEPOSITS) FACILITY PROVIDER,
THE SET-OFF (RECLAIMABLE PAYMENTS) FACILITY PROVIDER, GREEK ACCOUNT BANK,
THE SUBORDINATED RESERVE LOAN PROVIDER**

PIRAEUS BANK S.A.

A. BUSINESS OF PIRAEUS BANK S.A. AND THE PIRAEUS GROUP

Overview of Piraeus Bank S.A.

Founded in 1916, Piraeus was initially headquartered in the city of Piraeus, port of Athens. Piraeus was nationalised in 1975 and reverted to private ownership in 1991. Today, Piraeus is the flagship company of the Piraeus Group of companies and the direct parent of the majority of the subsidiaries comprising the Piraeus Group.

Piraeus is a public bank under Greek Law and has been listed on the Athens Exchange ("**ATHEX**") since 1918. Piraeus is subject to regulation and supervision by the Bank of Greece as well as the Hellenic Capital Market Commission. Piraeus's registered office is at 4 Amerikis Street, 105 64 Athens, Greece.

Both Piraeus and the Piraeus Group as a whole, have developed rapidly over the last 17 years, through organic growth and acquisitions, and the Piraeus Group is now the fourth largest banking group in Greece. At 30 September, 2008 the Piraeus Group's assets totalled €52.9 billion with a 12.7 per cent. market share of loans provided by all banks in Greece. The Piraeus Group contains a number of companies covering a wide spectrum of retail and commercial banking services in the Greek market, including small and medium-sized enterprises, corporate and investment banking, shipping, mutual funds management, equity brokerage, leasing, financial consulting and bancassurance. These services are offered through Piraeus's branch network and its subsidiaries and through the electronic banking network of Winbank.

In addition to organic growth, the Piraeus Bank Group has made a series of strategic acquisitions with the intention of establishing a strong presence in the developing Greek banking market. Piraeus acquired and absorbed the Greek operations of Chase Manhattan Bank, Credit Lyonnais Hellas and National Westminster Bank in 1997, 1998 and 1999, respectively. In June 2000, through an exchange of shares, Piraeus merged with two of its banking subsidiaries, Macedonia-Thrace Bank and Chios Bank, in which it had held controlling interests since April 1998 and February 1999, respectively. In early 2002, Piraeus acquired the Hellenic Industrial Development Bank ("**ETBA Bank**"), thus enhancing the Group's capital base and increasing its market share in banking activities, leasing and asset management. ETBA Bank was absorbed by Piraeus in December 2003. In 2004, the acquisition of Interbank New York and its absorption by Marathon Bank took place. In December 2004, the merger with Devletoglou Securities formed Piraeus Sigma-Devletoglou Securities SA (renamed Piraeus Securities SA). In 2005, Bulgarian Eurobank (renamed Piraeus Bank Bulgaria AD), Serbian Atlas Bank (renamed Piraeus Bank Beograd) and Egyptian Commercial Bank (renamed Piraeus Bank Egypt SAE) were incorporated into Piraeus Bank Group. In the same year, the merger by absorption of Hellenic Investment Company was also completed. In September 2007, Piraeus Bank completed the acquisition of the 99.6% of the share capital of the Ukrainian Bank 'International Commerce Bank' (renamed OJSC Piraeus Bank ICB). In January 2008, Piraeus Bank Cyprus LTD acquired the Cypriot branch network of Arab Bank.

At 30 September, 2008 Piraeus Bank Group had a network of 868 branches (of which 513 were outside of Greece), 1,303 ATMs and employed 14,376 people (7,007 of whom were employed in Greece).

The Greek financial services sector has historically been characterised by the presence of specialised companies established around a principal bank. In a similar manner, the Piraeus Bank Group is comprised of Piraeus Bank S.A. and its subsidiaries. Piraeus Bank S.A. is not dependent upon any other entities within the Group. The following table summarises the divisional structure of the principal subsidiaries of the Piraeus Bank Group as at 30 September, 2008.

Piraeus Bank Group

Commercial Banking	Investment Banking	Asset Management	Bancassurance	Non-Financial Companies
Italian (Italy) Tirana Bank I.B.C (90.72%)	Piraeus Securities (100%)	Piraeus Asset Management Mutual Funds (100%)	Piraeus Insurance and Reinsurance Brokerage S.A. (100%)	Piraeus Direct Services S.A.(100%)
Marathon Banking Corporation (87.91%)	Euroinvestment & Finance (90.79%)	Piraeus Asset Management Europe S.A. (100%)	Piraeus Insurance – Agency (100%)	Piraeus Card Services S.A. (100%) Exodus (50.1%)
Piraeus Bank Romania S.A. (100%)	Piraeus Egypt Brokerage Co. (94.98%)	Piraeus Group Capital LTD (100%)	Piraeus Insurance – Reinsurance Broker Romania S.R.I. (100%)	Picar (100%)
Piraeus Bank Beograd A.D. (100%)	SSIF Piraeus Securities Romania S.A. (99.33%)	Piraeus Group Finance PLC (100%)	Piraeus Insurance Brokerage EOOD (99.98%)	Piraeus Real Estate Investment Property (100%)
Piraeus Bank Bulgaria A.D. (99.98%)		Piraeus Egypt Asset Management S.A.E.(85.71%)	Piraeus Insurance Consultant (93.35%)	ETBA Industrial Estates S.A. (65.0%)
Piraeus Bank Egypt S.A.E. (95.36%)				Piraeus Real Estate Consultants S.R.L (100%)
OJSC Piraeus Bank ICB (99.95%)				Spanish (Spain-Modern Sort) Piraeus Real Estate Bulgaria EOOD (100%)
Piraeus Bank Cyprus (100%)				Piraeus Real Estate Consultants Doo (100%)
Piraeus Leasing S.A. (90.78%)				Piraeus Real Estate Egypt LLC (99.80%)
Piraeus Best Leasing (43.65%)				
Piraeus Multifin S.A. (100%)				
Piraeus Factoring S.A. (100%)				

Commercial Banking	Investment Banking	Asset Management	Bancassurance	Non-Financial Companies
Multicollection S.A. (51%)				
Piraeus Leasing Romania S.R.L. (100%)				
Tirana Leasing S.A. (100%)				
Piraeus Leasing Bulgaria EAD (100%)				
Piraeus Auto Leasing Bulgaria (100%)				
Piraeus Egypt Leasing Co (95.30%)				

In September 2007, Piraeus Bank completed a €35 billion share capital increase by way of a cash contribution, significantly enhancing its capital base, so as to continue the growth of its operations and volumes, both in the domestic and international markets.

As of 30 September 2008, Piraeus Bank's share capital consisted of 329,543,528 common registered shares listed on the Athens Exchange and the total number of shareholders stood at 145,366. No individual shareholder owns an interest in excess of 5.0 per cent.. No shareholder has a controlling interest in Piraeus Bank.

Ownership (%)	Shareholder Identity
36.2%	Foreign institutional investors
11.6%	Greek institutional investors
13.4%	Corporates
2.1%	Treasury Stock
2.5%	Greek State (ex-ETBA Bank's shareholder)
34.2%	Individual Shareholders

Description of the Business of the Piraeus Group

The Piraeus Group, either through Piraeus or its subsidiaries, provides a wide variety of banking products and services to retail customers and corporate clients. The Piraeus Group is active in retail banking, corporate banking, shipping, investment banking and e-banking. It provides services in equity brokerage, asset management and bancassurance.

(a) Retail Banking and Branch Network

Retail banking is mainly conducted through Piraeus's branch network in Greece and abroad. Piraeus offers a variety of products in retail banking and is focused on developing specialised products for the Greek market. Facilitated by Piraeus's branch network and alternative distribution channels, mortgage and consumer credit totals have grown significantly over the last few years and are expected to continue, although at a slower pace, particularly as the Greek loan market itself has significant room for development.

(i) Personal Deposit Products

Piraeus offers a wide range of deposit and investment products suited for individual clients in all major foreign currencies. Total deposits have been increasing, supported by the bank's expanding branch network.

(ii) Personal Investment and Mutual Funds

Investment opportunities in mutual funds are provided by Piraeus Asset Management S.A (Greece) and Piraeus Asset Management Europe S.A.

(iii) Consumer Credit

Please see section B below.

(iv) Other Retail Banking Services

(A) Bancassurance

Under the framework of the Bancassurance Agreement (October 2007) between ING Group and Piraeus Bank, for a ten-year co-operation period, Piraeus Bank has transferred to ING its stake in their joint venture (ING Piraeus Life Insurance SA). The new distribution partnership covers the exclusive distribution of ING life, employee benefits and pension insurance products through the Piraeus Bank network in Greece and, respectively, the promotion of Piraeus Bank retail banking products from ING's agent network in Greece.

(B) e-banking - Winbank

Electronic banking provision was enhanced through the expansion of the ATM network to 1,303 terminals (800 on-site and 503 off-site) and the introduction of internet banking services through Winbank. Winbank, which handles a significant volume of tax and payment orders, has received an ISO 9001: 2000 Certification - the first electronic financial services unit so certified in Greece. This e-banking unit had more than 205,000 customers as at 30th September 2008.

The Piraeus Group is continually developing its electronic banking capacity to complement its traditional distribution networks. The standards of service of Winbank have attracted a number of awards and distinctions.

(b) Corporate Banking

The Piraeus Group offers financing services to businesses that operate in all sectors of the economy through its branch network, corporate banking division, shipping banking division, project finance and subsidiary leasing and factoring companies.

The needs of small and medium enterprises are met through the branch network, where specialised products are offered as well as loans targeted to specific market segments. The product range encompasses all types of working capital, trade finance, fixed assets and equipment loans, leasing, factoring, documentary, letters of guarantee, foreign exchange, capital markets and advisory services.

Piraeus provides a wide range of modern bank services and products, including syndicated loans and bond issues to medium-large corporations. Piraeus manages its larger corporate relationships, including some of Greece's biggest corporate names centrally, through its Corporate Banking Division. Additionally the project finance division operates in areas such as infrastructure, energy and real estate.

Finally, Piraeus has established a specialised shipping centre providing the full range of banking products and services needed by shipping companies.

(c) **Investment Banking**

Piraeus has a significant presence in the developing capital markets of Greece and has acquired a large share in the securities underwriting market. The Piraeus Group is one of the leading IPO advisory institutions and is among the major underwriters in the Greek market. The Piraeus Group has also developed in the areas of syndicated loan arrangement, bond issuance and offers consulting services for capital restructuring, company valuation, mergers and acquisitions and special financing for corporate clients. The Piraeus Group additionally provides stock brokerage and custodian services.

(d) **Other activities**

Other activities of the Piraeus Group relate to the real estate and information technology sectors, with the aim of exploiting investment opportunities and synergies in the real estate market, as well as implementing new technologies in the banking sector.

B. CONSUMER BANKING BUSINESS OF PIRAEUS BANK

Piraeus offers a full range of consumer loan products to its retail customers. The Bank is among the leading banks in the Greek consumer lending market (currently 5th position) with a 9 per cent. market share in Greece.

As at 20th September 2008 the Piraeus Bank Group consumer loan portfolio constituted 13.8 per cent. of total loans outstanding in Greece with an outstanding principal balance of €5.4 billion.

Consumer Lending Products

Piraeus Bank offers a wide range of consumer loan products, which are annuity type loans, mainly with monthly instalments. The products fall into the following groups, depending on the interest rate charging basis:

- (a) a range of either floating or fixed rates for the entire period of the loan; and
- (b) a range of fixed rate products which convert into floating rate loans at some point during the period of the loan.

The floating rates may be set according to either one-month Euribor or the Piraeus Base Rate, an index that is set by Piraeus Bank and which has one-month Euribor as its benchmark. Also, Piraeus Bank offers a combination of fixed rates for initial loan periods of two, three, six, nine or twelve months or three or five years and floating rates for the rest of the period of the loan, in each case based on Piraeus Base Rate. All of the floating rates have a margin depending on the pricing policy of Piraeus Bank at the relevant time.

Additionally, the consumer loan products have the following general characteristics.

Consumer loans are offered:

- (a) **Without collateral:** with loan durations from 6 up to 120 months, with or without grace periods; or
- (b) **With collateral:** with loan durations from 6 up to 180 months.

UNDERWRITING AND LENDING CRITERIA

Underwriting and Lending Criteria

Consumer loans are products provided to new and existing customers of Piraeus Bank. The underwriting process is handled centrally through Piraeus's credit approval and underwriting divisions, located in Athens and Thessalonica, in order to ensure uniformity in Piraeus's underwriting policies.

The underwriting process is divided into four steps:

1. Origination

Piraeus Bank's loan origination channels are listed below:

- Branch network
- Piraeus Bank Group Call Centre (inbound/outbound)
- Alternative sales channels (including independent financial advisors, outsourced points of sale etc.)
- Merchants (appliance loans, etc.)
- Internet-Winbank (Piraeus Bank's loan software)

The amount of the loan to be advanced to a borrower will additionally depend on the application of the Lending Criteria. Further details are described in the next section that categorises the "*Lending Criteria*", below.

The relevant origination channel gathers all of the necessary documentation for approval including all required data from the borrower and sends the application through the on-line loan system to the credit department.

2. Approval process and underwriting

Credit policy parameters and the main lending criteria (the "**Lending Criteria**") are as follows:

Terms of the loan

A. Loan purpose

The provision of consumer loans by Piraeus is to cover an applicant's consumer needs, such as the purchase of consumable and utility goods such as kitchen or similar appliances, furniture and the like. Other reasons may include balance transfers of consumer loans and credit cards from another bank or the refinancing of existing loans with Piraeus Bank.

B. Loan Security

Piraeus does not generally take security in respect of its consumer loans. The position is, of course different with loans for house or other property purchase. However, many of the consumer loans in the Portfolio do require the provision of security over a borrower's real estate as part of their lending criteria.

C. Insurance

- (i) Payment Protection Insurance Program is optional for the borrower.
- (ii) In relation to property insurance, fire and earthquake insurance is obligatory for certain loans and is based generally on the value (using the Cost Approach) of the property estimated in the appraiser's report. Properties constructed before the year 1960 are insured only for fire. The sum insured is based upon the contractual balance of the loan (if the loan was originated prior to 1st January 2002) or the

reinstatement cost of the property at the appraisal date (if the loan was originated on or after 1st January 2002).

In addition certain borrowers, and guarantors (if any) must obtain life and permanent disability insurance, although such requirement may be waived by Piraeus if it is not available to the particular borrower and/or guarantors as is customary in the Greek mortgage market. The sum insured will be an amount equal to the principal outstanding balance of the relevant Loan.

D. Loan To Value ("LTV")

Some of the Loans in the Portfolio are secured by residential Pre-Notations. With respect to such secured loans, the LTV of each loan, calculated by dividing (x) the total principal amount advanced under such loan, taken together with all loans secured on the same property, by (y) the sum of the market values of all properties securing such loan(s), does not generally exceed 70 per cent.. Since January 2004, on an exceptional basis, a maximum LTV of 80 per cent., could be acceptable in relation to the purchase of a completed residence. However the Portfolio, to the extent it includes such secured Loans, will, in accordance with the Eligibility Criteria, consist solely of Loans with a maximum LTV of 100 per cent..

Where relevant, valuations are carried out on properties prior to the advancement of funds to the borrower. The valuations are conducted either through appraisers approved by Piraeus or by one of approximately 200 outsourced professionals working throughout Greece. A commissioned appraiser must have a higher education degree in civil engineering. Commissioned appraisers are additionally provided with a detailed training manual setting out, amongst other things, the valuation techniques to be applied. Each commissioned appraiser is paid a fixed amount per valuation report irrespective of the size of the loan or value of the property.

Piraeus uses two approaches to estimate the value of a property: the Cost Approach and the Sales Comparison (Market Value) Approach.

The Cost Approach assesses the value of a property based on the construction cost for rebuilding the property. Piraeus uses this value for the insurance policy on the property.

The Sales Comparison (Market Value) Approach estimates the value of the property by comparing the relevant property with similar properties sold recently in the relevant area. Piraeus uses the market value in order to determine the LTV of the loan. The appraiser includes both approaches in the valuation report it prepares.

With respect to those properties under construction, valuations will be conducted at various stages of construction. The release of additional funds to the Borrower under the loan will be conditional on such valuations. A valuation in respect of such property will be based on the Sales Comparison (Market Value) Approach, estimating the market value of the property at the estimated time of completion and the release of additional funds on the then current market value of the property at the date of such valuations.

Legal due diligence includes an inspection in the Public Books of the Registry of Transcription and the archives of the Register of Mortgages and the Register of Revendications (both kept at the Mortgage Office of the district where the property is situated) to confirm the ownership and the non-existence of any encumbrances or legal actions that are pending in relation to the property in question. If the relevant lawyers confirm the legal good standing of the property, a pre-notation is obtained. All appropriate building licences, certificates and plans are also obtained and checked, and finally a number of certificates relating to the pre-notation are obtained from the Registry of Transcription.

E. Tenor

The maximum tenor for loans without collateral is 10 years, while for loans with collateral it is 15 years.

F. Grace Periods

Grace period is optional and it depends on whether it is a characteristic of each specific product. To date, Loans with a grace period form a small percentage of our Initial Portfolio.

G. Loan Repayment Method

Loans are either repaid by fixed monthly instalments, paid by direct debit, or against monthly statements, depending on the product.

Borrowers profile

A. Age

A borrower must be at least 18 years of age and, in addition, the sum of the borrower's age and loan tenor must not exceed 70 years (at the date of maturity of the loan).

B. Profession

Piraeus Bank provides loans to private and public sector employees, self-employed and others with stable, proven and declared income.

C. Minimum Income

Monthly Net Disposable Income ("MNDI") must be greater than the monthly instalment payable under the loan. MNDI is calculated as monthly net income multiplied by a maximum of 40 per cent., subtracting all other loan obligations (such as consumer loans, etc.). The 40 per cent. ratio has been imposed by Bank of Greece Circular No. 1635/21.10.2005. The income of co-borrowers or guarantors may be included in the determination of monthly net income. The minimum proof of income required is the provision of a borrower's last tax return and, in the case of employees, their most recent salary slips. For self employed borrowers, the borrower's last tax return and its official income statement (code E3) is considered sufficient.

D. Residency

Potential borrowers are required to be Greek citizens or foreigners who reside in Greece.

E. Credit history profile

With regards to the credit history profile of a potential borrower, a good previous payment history for other loans made to that borrower by Piraeus Bank demonstrated by the behavioural scoring process described below, as well as a borrower's previous payment history with other Greek banks. Moreover, a customer's deposits and payrolls, amongst other matters, are of key concern and strongly influence the final lending decision.

F. Guarantor Policy

Guarantors and co-borrowers are accepted. In particular in cases where there is house pre-notation, they are required if they are the co-owner of the relevant property. All participants are subject to the same credit approval process.

The collateral

Piraeus Bank may have the benefit of additional security. Piraeus gives different weightings to such security depending on the amount of money to be advanced under a loan. The weightings used in respect of the relevant security are set out in the table below.

Product Weight (% of Loan Amount)
Savings Account 105%
Repos/Bank 105%
Mutual Funds 105% - 200%
Athens Stock Exchange FTSE 20 stocks 200%
Piraeus Stocks 150%

The credit scoring models

Presently, there are three (3) types of credit scoring models:

A. Application Score

A range of eleven (11) custom application scorecards has been deployed for each product, assessing credit risk based on the applicant's information (LTV, purpose of loan and the like), as well as the demographic profile of the applicant (such as age and marital status).

B. Behavioural Score

A range of eight (8) bespoke behavioural scorecards assess a borrower's payment history and transactions across different products and summarise the overall credit risk profile in terms of probability of default across any product at customer level. These behavioural scorecards have been deployed throughout the credit-cycle.

C. Bureau Score

A custom score includes characteristics reflecting the borrower's payment history on loans with other banks based on the information gathered from the White Bureau search. The Bureau scorecard is deployed at the application stage. Furthermore, a range of attrition and response scorecards has been deployed in order to retain and develop relationships with certain customer segments.

All potential borrowers' applications are subject to the same credit controls, as summarised below.

a. Internal Credit Approval Checks:

- Customer relation and repayment history
- History of previous applications to the bank
- Verification of the genuineness of the application documents
- Standard lending indicators (debt to income and LTV ratios (if relevant))
- Fraud check through internal data base
- Call verification

b. External Credit Check:

- Teiresias Credit Behaviour System
- Teiresias Risk Consolidation System
- Teiresias Lost or stolen Identity Card and Passport System
- Internet site phone database www.whitepages.gr
- Internet site www.gsis.gr (Hellenic Republic Ministry of Economy & Finance-General Secretariat for info systems for official income document verification)

3. Completion and drawdown

The disbursement procedure is completed either by the relevant branch or by the relevant Approval Centre, according to the product type.

The Loans in the Portfolio have a maximum disbursement amount of €150,000 and an average amount of €10,659.

The approval of the submitted application lies within the "four eyes" principle, which requires each credit limit to be evaluated by more than one individual, reporting to separate departments.

4. After Sales Servicing

Administration and loan servicing is provided by the Consumer Credit Department of Piraeus Bank and the key actions and procedures they use are described further under "*Servicing of the Portfolio*" below.

DESCRIPTION OF THE PROVISIONAL LOAN PORTFOLIO

The statistical and other information contained in this section *Description of the Portfolio* has been compiled by reference to Loans in the Provisional Portfolio as at the Cut-Off Date that the Seller anticipates that it will sell to the Issuer on or about the Closing Date (the "**Initial Portfolio**"). Because the future composition of the Initial Portfolio will change over time, the statistical and other information provided is not necessarily indicative of the composition of the Initial Portfolio at any time subsequent to the Cut-Off Date.

Initial Portfolio

On the Closing Date, the Issuer will purchase the Initial Portfolio from the Seller pursuant to the terms of the Loan Sale Agreement and the Greek Assignment Agreement. The Initial Portfolio will consist of Initial Loans purchased by the Issuer from the Seller on the Closing Date.

The Initial Portfolio will be selected so that each Loan in it complies with the Eligibility Criteria.

The Initial Portfolio shall not exceed and will be as close as possible to the initial aggregate Principal Amount Outstanding of the Notes on the Closing Date and will be selected (in accordance with the criteria summarised below) from a provisional portfolio of loans (the "**Provisional Portfolio**") which will substantially comprise a pool of loans owned by the Seller which have the characteristics indicated in Tables 1 to 13 below, as at the Cut-Off Date. The Loans comprised in the Initial Portfolio will be amortising loans.

Prior to the Closing Date, in forming the Initial Portfolio, the Seller will remove from the Provisional Portfolio all Loans which:

- (a) are fully redeemed;
- (b) do not comply with the representations and warranties set out in the Loan Sale Agreement; or
- (c) need to be removed to ensure that the aggregate Contractual Balance of Loans comprised in the Initial Portfolio is as close as possible to, but in any event not less than the aggregate principal amount of, the Notes on the Closing Date.

The Issuer has not made or caused to be made on its behalf all of the enquiries, searches or investigations which a prudent purchaser of the relevant assets would make and the Trustee has made no such enquiries, searches or investigations either and will not be liable for failing to do so. Each of them will rely for all purposes and in all circumstances on the representations and warranties to be made by the Seller and contained in the Loan Sale Agreement.

Characteristics of the Provisional Portfolio

1. Summary Data

Number of Loans	99,322
Total Disbursed Amount (€)	1,058,721,695
Avg Disbursed Amount (€)	10,659
Max Disbursed Amount (€)	150,000
Min Disbursed Amount (€)	500
Total Contractual Balance (€)	818,662,566
Avg Contractual Balance (€)	8,243
Max Contractual Balance (€)	127,000
Min Contractual Balance (€)	103
Weighted Avg Original Life to Maturity (months)	83
Weighted Avg Seasoning (months)	16
Weighted Avg Remaining Life to Maturity (months)	71
Weighted Avg Current Applicable Rate (%)	10.3%

2. Disbursed Amount

Disbursed Amount	Disbursed Amount	% of Total Disbursed Amount	No. of Loans	% of Total No. of Loans
0 < x <= 2,000	14,251,626	1.3%	10,881	11.0%
2,000 < x <= 3,500	34,509,613	3.3%	11,784	11.9%
3,500 < x <= 5,000	52,510,070	5.0%	11,728	11.8%
5,000 < x <= 7,500	86,424,513	8.2%	13,863	14.0%
7,500 < x <= 10,000	146,257,882	13.8%	15,717	15.8%
10,000 < x <= 15,000	189,421,900	17.9%	14,594	14.7%
15,000 < x <= 22,000	186,744,015	17.6%	10,084	10.2%
22,000 < x <= 100,000	347,859,643	32.9%	10,665	10.7%
100,000 < x <= 570,000	742,433	0.1%	6	0.0%
Total	1,058,721,695	100.0%	99,322	100.0%

3. Contractual Balance

Contractual Amount	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
0 <= x <= 1,000	6,876,150	0.8%	11,377	11.5%
1,000 < x <= 2,000	16,336,080	2.0%	11,085	11.2%
2,000 < x <= 3,500	37,673,534	4.6%	13,840	13.9%
3,500 < x <= 5,000	48,022,385	5.9%	11,354	11.4%
5,000 < x <= 7,500	77,166,242	9.4%	12,575	12.7%
7,500 < x <= 10,000	103,689,048	12.7%	11,792	11.9%
10,000 < x <= 15,000	145,772,459	17.8%	11,659	11.7%
15,000 < x <= 22,000	141,878,468	17.3%	7,835	7.9%
22,000 < x <= 100,000	240,766,229	29.4%	7,801	7.9%
100,000 < x <= 570,000	481,968	0.1%	4	0.0%
Total	818,662,566	100.0%	99,322	100.0%

4. Original Life to Maturity (months)

Original Life to Maturity (months)	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
0.0 <= x <= 12.0	2,790,455	0.3%	2,757	2.8%
12.0 < x <= 36.0	56,822,677	6.9%	23,980	24.1%
36.0 < x <= 60.0	151,438,044	18.5%	28,965	29.2%
60.0 < x <= 84.0	234,369,027	28.6%	24,389	24.6%
84.0 < x <= 108.0	70,644,345	8.6%	4,718	4.8%
108.0 < x <= 132.0	302,318,297	36.9%	14,506	14.6%
132.0 < x <= 156.0	92,074	0.0%	1	0.0%
156.0 < x <= 180.0	187,648	0.0%	6	0.0%
Total	818,662,566	100.0%	99,322	100.0%

5. Seasoning (months)

Seasoning (months)	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
0 <= x < 7	171,172,888	20.9%	20,479	20.6%
7 <= x < 13	196,462,410	24.0%	21,827	22.0%
13 <= x < 19	148,010,327	18.1%	16,828	16.9%
19 <= x < 25	130,003,601	15.9%	14,921	15.0%
25 <= x < 31	82,525,622	10.1%	10,775	10.8%
31 <= x < 37	41,358,523	5.1%	5,689	5.7%
37 <= x < 49	37,386,248	4.6%	6,393	6.4%
49 <= x < 61	11,398,279	1.4%	2,339	2.4%
61 <= x < 117	344,667	0.0%	71	0.1%
Total	818,662,566	100.0%	99,322	100.0%

6. Remaining Life to Maturity (months)

Remaining Life to Maturity (months)	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
0.0 <= x < 12.0	15,983,722	2.0%	13,814	13.9%
12.0 < x <= 36.0	122,181,910	14.9%	32,117	32.3%
36.0 < x <= 60.0	165,930,552	20.3%	20,908	21.1%
60.0 < x <= 84.0	196,146,150	24.0%	16,971	17.1%
84.0 < x <= 108.0	205,686,858	25.1%	10,202	10.3%
108.0 < x <= 132.0	112,733,374	13.8%	5,310	5.3%
Total	818,662,566	100.0%	99,322	100.0%

7. Geographical Breakdown

Geographical Breakdown	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
Attica	354,023,116	43.2%	37,106	37.4%
Thessaloniki	123,638,001	15.1%	15,913	16.0%
North East Greece	84,169,102	10.3%	13,401	13.5%
North West Greece	36,218,828	4.4%	5,528	5.6%
C.Greece	73,939,281	9.0%	10,044	10.1%
Peloponnissos	45,327,569	5.5%	6,134	6.2%
Aegean Islands	35,634,420	4.4%	3,952	4.0%
Crète	48,896,120	6.0%	5,048	5.1%
Eptanissa	9,792,240	1.2%	1,367	1.4%
Missing	7,023,888	0.9%	829	0.8%
Total	818,662,566	100.0%	99,322	100.0%

8. Year of Origination

Year of Origination	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
2003	344,667	0.0%	71	0.1%
2004	11,398,279	1.4%	2,339	2.4%
2005	37,386,248	4.6%	6,393	6.4%
2006	123,884,145	15.1%	16,464	16.6%
2007	278,013,928	34.0%	31,749	32.0%
2008	351,721,950	43.0%	40,269	40.5%
2009	15,913,349	1.9%	2,037	2.1%
Total	818,662,566	100.0%	99,322	100.0%

9. Interest Rate Type

Interest Rate Type	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
Euribor	1,971,605	0.2%	115	0.1%
Fixed	214,325,345	26.2%	23,569	23.7%
Piraeus Base Rate	602,365,616	73.6%	75,638	76.2%
Total	818,662,566	100.0%	99,322	100.0%

10. Product Type

Product Type	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
Fifty-Fifty	242,769,170	29.7%	21,855	22.0%
Standard products	575,893,396	70.3%	77,467	78.0%
Total	818,662,566	100.0%	99,322	100.0%

11. Loan Purpose

Loan Purpose	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
Balance Transfer	304,513,121	37.0%	24,286	24.0%
Consumer Needs	514,149,445	63.0%	75,036	76.0%
Total	818,662,566	100.0%	99,322	100.0%

12. Collateral

Collateral	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
No Collateral	817,250,822	99.8%	99,271	99.9%
Collateral	1,411,744	0.2%	51	0.1%
Total	818,662,566	100.0%	99,322	100.0%

13. Guarantor Indicator

Guarantor Indicator	Contractual Balance	% of Total Contractual Balance	No. of Loans	% of Total No. of Loans
Yes	229,601,138	28.0%	21,294	21.4%
No	589,061,428	72.0%	78,028	78.6%
Total	818,662,566	100.0%	99,322	100.0%

SUMMARY OF THE GREEK SECURITISATION LAW

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

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

- (a) the assignment of the receivables is to be governed by assignment provisions of the Greek Civil Code which provides that additional rights relating to the receivables including guarantees, loans, mortgage pre-notations and other security interests will be transferred by the Transferor to the SPV along with the transfer of the receivables;
- (b) the transfer of the receivables pursuant to the Securitisation Law does not change the nature of the receivables, and all privileges which attach to the receivables for the benefit of the Transferor are also transferred to the SPV;
- (c) a summary of the receivables sale agreement must be registered with the competent Pledge Registry, in accordance with the procedure set out under article 3 of the Greek law 2844/00 on registered pledge, following which the sale of the receivables is effected and perfected and the underlying obligors of the receivables will be deemed to have received notice that there has been a sale of the receivables;
- (d) following the registration of the summary of the receivables sale agreement, the validity of the sale of the receivables is not affected by any insolvency proceedings concerning the Transferor or the SPV;
- (e) following the transfer of the receivables and the registration of the summary of the receivables sale agreement, no security interest or encumbrance can be created over the receivables other than the interest that is created pursuant to the Securitisation Law which comprises a pledge operating by law over the receivables in favour of the holders if the bonds issued in connection with the securitisation of the receivables and also the other creditors of the SPV;
- (f) the claims of the holders of the bonds issued in connection with the securitisation of the receivables and also the other creditors of the SPV from the enforcement of the pledge operating by law will rank ahead of the claims of any statutory preferential creditors;
- (g) the servicing and making collections with respect to the receivables can be carried out by:
 - (i) a credit institution or financial institution in the European Economic Area;
 - (ii) the Transferor; or
 - (iii) a third party that had guaranteed or serviced the receivables prior to the time of transfer to the SPV;
- (h) if the SPV is not resident in Greece, the person responsible for servicing and making collections under the receivables must be resident in Greece if the receivables are payable by consumers in Greece;
- (i) amounts collected in respect of the receivables and security created over the receivables are not available to the creditors of the person making such collections and will not form part of its estate on its liquidation;

- (j) the proceeds of the collections made in respect of the receivables must immediately upon receipt be deposited by the person making such collections in a separate bank account held with a credit institution or financial institution in the European Economic Area or with such person, if it is a credit institution;
- (k) amounts standing to the credit of the separate bank account into which collections are deposited are also secured in favour of the holders of the bonds issued in connection with the securitisation of the receivables and the other creditors of the SPV by virtue of a pledge operating by law;
- (l) the laws relating to bank confidentiality do not apply for the purposes of the sale of the receivables by the Transferor to the SPV or for the purposes of the agreements between the SPV and its creditors, but the SPV and its creditors are obliged to comply with the provisions of Greek law relating to confidentiality; and
- (m) the Transferor can make available data relating to the obligors under the receivables to the SPV and the SPV can make such data available to its creditors, to the extent that it is necessary for the purposes of the securitisation, without having to obtain the consent of the obligors or of the Data Protection Authority of Law 2472/1997.

The Bank of Greece, the Greek bank regulator, has issued its act No 2593/2007 and its circular No. 9/30.10.2003 (the "**Securitisation Secondary Legislation**") on the weighting of securitisation notes held by a banking institution and establishing rules on the regulatory supervision of securitisations by local banks. The Securitisation Secondary Legislation provides that each securitisation programme must be notified to the Bank of Greece at least 30 days prior to the commencement of its implementation. It is not required under the Law or the Securitisation Secondary Legislation that the Bank of Greece confirms in writing that the transactions contemplated in each securitisation are in compliance with the Law.

SERVICING OF THE PORTFOLIO

All Loans will be serviced by Piraeus in its capacity as Servicer under and in accordance with the terms of the Servicing Agreement. The Servicer will also service loans which will not be included in the Portfolio.

Under the Servicing Agreement, the Servicer will agree to service the Loans and their Ancillary Rights on behalf of the Issuer and, following the service of an Acceleration Notice or the Security otherwise becoming enforceable, the Trustee. The Servicer will provide services (the "**Services**") to the Issuer in relation to the Loans and Ancillary Rights which include the Servicer being obliged to:

- (a) service the Loans and the Ancillary Rights with the same level of care and diligence as would a Prudent Lender if it were the owner of the Loans and the Ancillary Rights and in accordance with its then most current internal operating procedures and guidelines;
- (b) keep in force all licences, approvals, authorisations and consents which may be necessary in connection with the performance of the Services and prepare and submit all necessary applications and requests for any further approval, authorisation, consent or licence required in connection with the performance of the Servicer or other obligations under the Servicing Agreement or the Transaction Documents to which it is a party;
- (c) not to fail to comply with any Greek legal or regulatory requirements or (without assuming or accepting any obligation to inform itself or to keep itself informed of any applicable English law or regulatory requirements) knowingly fail to comply with any English legal or regulatory requirements of which it is aware in the performance of the Services or other obligations under the Servicing Agreement or the Transaction Documents to which it is a party;
- (d) make the necessary calculations and determinations to prepare a monthly report (the "**Servicer Report**") to be delivered to the Issuer, the Trustee, the Rating Agency and the Cash Manager setting out information in relation to the Portfolio and the total Receipts for the period from the immediately preceding Collection Date until the day preceding the date of such monthly report;
- (e) calculate at the end of each Collection Period (and provide such calculation to the Issuer, the Trustee and the Cash Manager) the Expected Weighted Average Interest Rate of all Loans (excluding Defaulted Loans) in the Portfolio for the immediately following Collection Period
- (f) promptly notify the Issuer, the Cash Manager, Seller and the Trustee of a material breach of: (a) any of the representations, warranties and undertakings of the Seller contained in the Loan Sale Agreement; (b) any Loan that is in breach of the Eligibility Criteria set out in Schedule 2 of the Loan Sale Agreement; or (c) the representations, warranties and undertakings of the Servicer contained in the Servicing Agreement and of any event which could result in the termination of its appointment as Servicer;
- (g) take all such action within its control as may be required from time to time to maintain and/or preserve any and all of the Ancillary Rights and its priority as a Prudent Lender would take as if the Loan(s) had not been transferred to the Issuer pursuant to the Loan Sale Agreement;
- (h) procure payment of all applicable stamp duties (if applicable in the future), registration and other documentary taxes in respect of the Loans and/or the Ancillary Rights to the extent the same has not been paid by the Seller on or prior to the assignment of the Seller's rights, title, interest and benefit in, to and under the Loans and their Ancillary Rights pursuant to the terms of the Loan Sale Agreement;
- (i) pay, on behalf of the Issuer, any Levy which is payable by the Issuer, provided that if at any time there is a change in the law with respect to the payment of such Levy, the Servicer shall only be required to pay such amounts of Levy for so long as the Servicer is the Seller under the Loan Sale Agreement or a member of the Piraeus Group;

- (j) collect scheduled insurance premium payments from Borrowers and forward them to the relevant insurance providers;
- (k) if there is a default or delay in the making of any payment when due in respect of the Loans, take all such action in respect thereof as would a Prudent Lender, including without limitation, enforcing Loans in accordance with the Enforcement Procedures;
- (l) where a Loan is secured by way of a Pre-Notation in respect of a property, take out (in respect to properties constructed prior to 1st January 1960) fire insurance and (in respect of properties constructed on or after 1st January 1960), fire and earthquake insurance policies and (where applicable) life and permanent disability insurance policy (if any) on behalf of Borrowers that have failed to maintain such policies and to pay for the premium for such insurance policy;
- (m) collect from Borrowers any legal costs incurred in the administration or enforcement of a Loan or, where applicable, net-off such costs from any relevant recoveries;
- (n) keep in safe custody the Loan Documentation for all the Loans;
- (o) for as long as the Servicer is Piraeus or an affiliate of Piraeus, ensure that the Seller offers to purchase on behalf of and in the name of the Issuer from the Seller, Replacement Loans in accordance with and subject to the terms of the Loan Sale Agreement;
- (p) provide the Cash Manager with information relating to Receipts, Replacement Loans and Retired Loans in respect of each Collection Period;
- (q) segregate collections representing interest which accrued on the Loans prior to the Closing Date and remit such amounts to the Seller;
- (r) provide information to the Borrower in respect of the Loans in accordance with the Transparency Regulations including but not limited to, information in respect of Contractual Balance of a Loan, the Monthly Instalment Amount and, where applicable, a breakdown of such Monthly Instalment Amount.

The Servicer (for so long as the Servicer is Piraeus) will be entitled to agree a change to the terms and conditions of a Loan which relates to a change in:

- (1) the terms of either the type or tenor of the base rate of interest;
- (2) a change in the terms of the interest margin over the base rate of interest;
- (3) a change in any term relating to dates for prepayment;
- (4) a change in any applicable prepayment penalties;
- (5) a change in any terms relating to an extension or reduction of the maturity of the relevant loans (a "**Flexible Option Variation**"); or
- (6) in relation to a secured Loan, a change to the terms of the Ancillary Rights or the value of Ancillary Rights, including the full discharge of such Ancillary Rights,

provided that such change:

- (i) does not cause the Loan to cease to comply with the Eligibility Criteria or, in the event of a Subsequent Loan or a Replacement Loan, the Eligibility Criteria, and either of the Subsequent Loan Criteria or the Replacement Loan Criteria, respectively;
- (ii) does not cause the Loan to have an Applicable Rate that is, at such date, less than the Minimum Applicable Rate;

- (iii) would not cause any of the Loan Warranties to be untrue if given on the effective date of the relevant variation;
- (iv) would not result in the maturity of any Loan being extended beyond the date which falls five years prior to the Final Maturity Date and provided further that not more than 5 per cent. (by Contractual Balance) of the Portfolio may be subject to an extension or reduction of the maturity of the relevant Loans by more than 25 per cent. of the then remaining term to maturity of the relevant Loan;
- (v) would not result in the decrease of the Contractual Balance of such Loan;
- (vi) would be approved by a Prudent Lender;
- (vii) would not result in more than 5 per cent. (by Contractual Balance) of the Portfolio being subject to a Flexible Option Variation at any time; and
- (viii) would not result in more than 5 per cent. (by Contractual Balance) of the Portfolio being subject to a Rate Variation at any time,

each such change to the terms and conditions of a Loan being a "**Permitted Variation**".

"**Rate Variation**" means any extension of the initial period under a Loan for which a fixed rate of interest is payable or a variation in the interest rate payable under a Loan, such that the basis for calculating the interest rate changes:

- (a) from a floating rate of interest based on:
 - (i) one-month EURIBOR for euro deposits plus a margin plus the Levy; or
 - (ii) the Base Rate plus, if applicable, a margin plus the Levy;
 to a fixed rate from the date of such change until the maturity of the Loan; or
- (b) from a fixed rate of interest to a floating rate of interest based on:
 - (i) one-month EURIBOR for euro deposits plus a margin plus the Levy; or
 - (ii) the Base Rate plus, if applicable, a margin plus the Levy.

The Servicer will by 5:00 p.m. Athens time or, if the Servicer suffers a First Ratings Downgrade, by 2.00 p.m. Athens time, in each case on the Athens Business Day immediately following the date of receipt or collection of all amounts paid by the Borrowers under or in respect of their Loans, the Loan Documentation and Ancillary Rights, other than non-securitised amounts including:

- (i) amounts representing interest accrued on the Loans prior to the Closing Date;
- (ii) interest accrued on the Servicer Collection Account; and
- (iii) insurance premium amounts owed to the Servicer (to the extent that the Servicer has paid such amounts on behalf of the relevant Borrower) or any insurance provider, which amounts relate to Asset insurance or (where applicable) life and permanent disability insurance relating to the Loans and their Ancillary Rights),

credit such amounts, less deductions in respect of certain legal expenses and insurance premium payments associated with the ongoing servicing of the Loans on a per Loan basis and the Levy (which does not form part of the calculation of Receipts), to the Servicer Collection Account. The Servicer will also identify and record, among other things, the amount of receipts and collections and the items to which they relate including, but not

limited to, principal, interest, fees, levies, legal costs and insurance premiums. All amounts standing to the credit of the Servicer Collection Account will be held with the Servicer but for the benefit of the Secured Parties pursuant to paragraph 18, article 10 of the Securitisation Law.

The Servicer will transfer all amounts standing to the credit of the Servicer Collection Account to the Issuer Collection Account (or, if the Greek Account Bank ceases to be an Eligible Bank, to the Issuer Transaction Account) at or about 5:00 p.m. Athens time one Athens Business Day after these amounts were transferred to the Servicer Collection Account. If at any time the Servicer suffers a First Ratings Downgrade then the Servicer must, on the First Ratings Downgrade Date, immediately transfer all amounts standing to the credit of the Servicer Collection Account to the Issuer Collection Account (or, if the Greek Account Bank ceases to be an Eligible Bank, to the Issuer Transaction Account) and thereafter immediately on receipt of any amounts into the Servicer Collection Account transfer such amounts to the Issuer Collection Account (or the Issuer Transaction Account, as applicable) and by no later than 5:00 p.m. Athens time on the Athens Business Day on which such amounts were transferred into the Servicer Collection Account, or in each case, if such day is not a Transfer Business Day, on the immediately following Transfer Business Day, and by 4:00 p.m. London time, notify the Cash Manager of the amount transferred.

If at any time the Servicer ceases to have a minimum long-term, unsecured, unguaranteed and unsubordinated debt rating of at least Baa3 by Moody's then the Servicer must, by 4:00 p.m. Athens time on the day of such loss of rating, notify the Cash Manager of such loss of rating and at its own cost (i) notify each Borrower that they should, with immediate effect, make payments in respect of their Loan or Loans into the Issuer Collection Account (or, if the Greek Account Bank ceases to be an Eligible Bank, to the Issuer Transaction Account) rather than the Servicer Collection Account and (ii) appoint an adequately rated Back-up Servicer within 30 days of the date it ceases to have the relevant rating.

The Servicer will also be responsible for setting the interest rate chargeable to Borrowers under the Loans on behalf of the Issuer. Pursuant to the Servicing Agreement, the Servicer will be authorised and required to set and notify the interest rate chargeable to the relevant Borrowers under the Loans based at (in the case of the EURIBOR based Loans) EURIBOR plus the applicable margin and (in the case of the Base Rate based Loans) on the occurrence of a change in the Base Rate.

Following the occurrence of a Rate Event any substitute Servicer will be responsible for setting the Base Rate in relation to the Base Rate Loans in the Portfolio on the last day of each Collection Period at a rate that ensures that the Estimated Weighted Average Interest Rate of all Loans in the Portfolio (excluding Defaulted Loans) is greater than or equal to one-month EURIBOR plus 7 per cent. per annum.

The Servicer shall notify the Borrowers of any such rate changes in a manner contemplated by the terms of the relevant Loans or by virtue of any Greek legal or regulatory requirements. In addition, the Servicer shall, on request by the relevant Borrower or a Borrower's lawyer, provide information regarding the redemption of the relevant Loan.

The Servicer will on the Servicer Report Date and, in respect of the immediately preceding Collection Period, produce the Servicer Report. The Servicer Report will be delivered to the Issuer, the Trustee, the Rating Agency and the Cash Manager. The Servicer Report will set out information on, among other things, the Loans, details of Loan Income Receipts and information on the Receipts for the period from the immediately preceding Collection Date until the date preceding of such Servicer Report.

So long as the Servicer is Piraeus, the Servicer will collect the Levy from the Borrowers and pay it to the Bank of Greece after deducting the respective amount from the loan collections; therefore, the Servicer will not be reimbursed in respect of the Levy payment. If the Servicer is not Piraeus, the Cash Manager will, pursuant to the Cash Management Agreement, pay the Levy directly to the Bank of Greece.

The Servicer will not, without, *inter alia*, the prior written consent of the Issuer and Trustee for a period of 15 days following receipt of the Servicer's relevant written notification, be entitled to sub-contract or to delegate the performance of all or any of the Services, provided that the consent of the Issuer and the Trustee shall not be required for the sub-contracting or delegation of all or any of the Services to a member of the Piraeus Group. In

addition where the sub-delegation or sub-contracting involves the custody of documents and/or the receipt of monies by such sub-contractor or delegate, the sub-contractor or delegate must also execute:

- (i) a declaration in form and substance acceptable to the Issuer and the Trustee that such documents are and will be held to the order of Trustee or as the Trustee may direct and/or that any monies received will be paid into the Servicer Collection Account; and
- (ii) a written waiver of any Security Interest arising in connection with any delegated services to the extent that any Security Interest relates to the Portfolio or any monies received from the Borrower.

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

The Servicer will receive a fee for providing the Services pursuant to the Servicing Agreement, payable on each Interest Payment Date or, following enforcement of the Security, on any Business Day in accordance with the Pre-Enforcement Priority of Payments or the Post Enforcement Priority of Payments, as applicable, and the Deed of Charge. The Servicer will also be entitled to be reimbursed for costs and expenses that it incurs in connection with the provision of the Services, including the payment of insurance premiums on behalf of the Borrowers, and the costs of enforcement action against Borrowers, in either case, to the extent that these have not previously been deducted from gross amounts paid by the Borrowers to the Servicer or from recoveries. Whilst Piraeus is the Servicer, the Servicer will be entitled to deduct and retain for itself from all Enforcement Proceeds:

- (i) an amount up to 12 per cent. of such Enforcement Proceeds in respect of amounts due to any third parties;
- (ii) VAT on amounts payable to third parties;
- (iii) Legal Expense Amounts, in each case incurred in connection with such Enforcement Proceeds; and
- (iv) any other expenses actually and properly incurred by the Servicer which have not been collected by it.

The appointment of Piraeus as Servicer (in relation to the provision of the Services) can be terminated on the occurrence of, *inter alia*, (a) the insolvency of Piraeus, (b) there is a material default under the Servicing Agreement; or (c) on the occurrence of a relevant default by the Seller under the Loan Sale Agreement. In the event that the appointment of the Servicer is terminated, the Trustee will not be responsible for performing any of the duties of the Servicer pending the appointment of a substitute servicer. If a substitute Servicer is appointed to service the Loans and their Ancillary Rights, such appointment must comply with Paragraph 14, Article 10 of the Securitisation Law.

SUMMARY OF PRINCIPAL DOCUMENTS

Loan Sale Agreement

Sale of Initial Loans

Under the Loan Sale Agreement, the Seller will agree to sell to the Issuer, and the Issuer will agree to purchase from the Seller, the Initial Portfolio at a price equal to the aggregate of:

- (a) the Closing Date Portfolio Consideration; and
- (b) by way of deferred purchase price, the Deferred Consideration.

On the Closing Date the Issuer will pay to the Seller an amount equal to the Estimated Closing Date Portfolio Consideration and will apply the proceeds of the issue of the Notes towards payment of such amount.

A reconciliation of the Estimated Closing Date Portfolio Consideration and the Closing Date Portfolio Consideration will be performed on the Closing Reconciliation Date and on this date the Seller shall deliver to the Issuer, the Servicer, the Trustee and the Cash Manager the Closing Reconciliation Statement setting out the Contractual Balance of each Loan in the Initial Portfolio as at the Closing Date. The Seller is obliged to ensure that the Issuer and Cash Manager agree as to the contents of the Closing Reconciliation Statement. To the extent the Closing Date Portfolio Consideration exceeds the Estimated Closing Date Portfolio Consideration the Issuer shall pay such excess to the Seller within two Business Days following the date the Closing Reconciliation Statement has been agreed between the Issuer, the Cash Manager and the Seller. Any surplus proceeds from the issuance of the Notes will be repaid on the first Interest Payment Date to the Noteholders so that the aggregate Principal Amount Outstanding of the Notes on the Closing Date equals the aggregate Contractual Balance of the Initial Loans.

Representations, Warranties and Eligibility Criteria

As at the date the Loans are sold to the Issuer, the Loans and their Ancillary Rights forming the Portfolio will be required to comply with the Eligibility Criteria as set out below. The Loan Warranties must also be complied with. The **Loan Warranties** include (but are not limited to) the representations and warranties set out below:

- (a) Immediately prior to the transfer of each Loan under the Loan Sale Agreement, the Seller was the absolute legal and beneficial owner of each Loan and its Ancillary Rights.
- (b) The Seller has not received written notice of any litigation or (to the best of the Seller's knowledge or belief) claim calling into question in any material way its title to any Loan and its Ancillary Rights.
- (c) No Loan or its Ancillary Rights is subject to any Security Interest (other than, after the sale of the Loans, under the Transaction Documents or the Securitisation Law).
- (d) The Seller has no continuing obligations under any Loan to the relevant Borrower and/or Guarantor which could result in a pledge, lien, right of set-off or counterclaim and no pledge, lien, dispute, claim, right of set-off or counterclaim is or has been alleged to have been created or to have arisen under or with respect to such Loan which could affect the relevant Borrower's and/or Guarantor's repayment obligations under such Loan, except, in the case of any potential set-off or counterclaim, where the potential exposure to such set-off or counterclaim is not covered by either the facility limit under the Set-Off (Reclaimable Payments) Facility or the facility limit under the Set-Off (Deposits) Facility.
- (e) In respect of each Loan, the Seller has not (other than pursuant to the Transaction Documents or the Securitisation Law):
 - (i) assigned, novated, transferred, disposed of, participated, sub-participated or otherwise dealt with that Loan, any Ancillary Rights or any interest therein, or entered into any agreement or

arrangement to do the same, in such a manner as to confer rights in them on any third parties;
and/or

- (ii) created or agreed to create, or caused by its operation of its ownership of the relevant Loan and its Ancillary Rights the creation of, any Security Interest in respect of such Loans or Ancillary Rights or any interest in such Loans.
- (f) The sale of each Loan does not and will not constitute a breach by the Seller of the terms of the relevant Loan, including restrictions on disposition, and does not require the consent or approval of any person.
- (g) Each Loan was entered into in the ordinary course of business by the Seller, in accordance with the terms of the Lending Criteria subject only to any deviations which a Prudent Lender would allow.
- (h) The Seller has procured that full and proper accounts, books and records have been kept showing clearly all material transactions, payments, receipts and proceedings relating to each Loan.
- (i) No Loan is in Arrears at the Closing Date or, in respect of a Replacement Loan, as at the relevant Repurchase Date or in respect of a Subsequent Loan, as at the Subsequent Transfer Date on which the Loan is sold and assigned to the Issuer.
- (j) No Loan or any payment thereunder has ever been written off according to the Seller's credit and collection policies as contained in its then most current internal operating procedures and guidelines.
- (k) At least one scheduled payment of principal or interest has been paid by the relevant Borrower in respect of each Loan.
- (l) In respect of each Loan, the Seller has not received any written notice in accordance with the Loan Documentation or otherwise, that any event of default (howsoever described in the relevant Loan Documentation) in respect of the Borrower or Guarantor, if any, has occurred and is continuing and the Seller has not waived any Borrower's or Guarantor's material obligations or any event of default (howsoever described in the relevant Loan Documentation) under any Loans.
- (m) The Seller has not breached any material term under or in respect of any Loan.
- (n) In respect of each Loan, the Seller is not obliged (under the terms of the relevant Loan Documentation or otherwise) to make a further advance to the relevant Borrower(s).
- (o) No Loan contains any provisions which purport to cause the claim of the Seller against the relevant Borrower or any Guarantor under the Loan to rank lower than *pari passu* with other creditors of the same creditor class of such Borrower or Guarantor save where a prior ranking Mortgage or Pre-Notation exists over an Asset .
- (p) The interest rate in respect of each Loan is
 - (i) set with reference to one-month EURIBOR for euro deposits plus a margin or the Base Rate plus, if applicable, a margin;
 - (ii) fixed until the maturity of the Loan;
 - (iii) fixed for a pre-determined period and then set with reference to one-month EURIBOR for euro deposits plus a margin, or the Base Rate plus, if applicable, a margin or Piraeus Preferential Rate plus, if applicable, a margin.
- (q) Each Loan and its Ancillary Rights constitutes a legal, valid and binding obligation of the Borrower, co-Borrower (if any) and Guarantor, (if any), and is duly perfected and enforceable in accordance with the terms of the law and the Loan and Ancillary Rights, as applicable.

- (r) The Seller has confirmed that insurance policies for fire and earthquake insurance (or in respect of any property constructed prior to 1960, fire insurance only) and (where applicable) life and permanent disability insurance have been taken out by, or on behalf of, a Borrower, and name the Seller as the primary sole loss payee under the relevant policy.
- (s) The grantor of each Mortgage, Pre-Notation and pledge (if any) has a good and marketable title to the relevant Asset.
- (t) So far as the Seller at the time of origination is aware, no Asset was or was used as a professional suite as at the time of origination of the relevant Loan.
- (u) The Seller has complied with all relevant data protection laws in relation to the Loans comprising the Portfolio.
- (v) The Seller has complied with all relevant consumer laws:
 - (i) in relation to the Loans comprising the Portfolio other than in respect of the Athens Court of Appeal decisions 5253/03 and 3499/08, Supreme Court decisions No 1219/01 and 430/05 and Athens Multi-membered Court of First Instance decisions No. 711/07 and No. 961/07; and
 - (ii) in respect of provisions of the Loan Documentation, other than those provisions which purport to:
 - (A) waive any rights of the guarantor under Articles 862-868 of the Greek Civil Code;
 - (B) allow the lenders to charge commissions, prepayment penalties; and
 - (C) change the interest rate unilaterally.
- (w) The Seller has properly recalculated interest and/or has charged interest that is due under each Loan in accordance with article 30 of law 2789/00, as amended by paragraph 1 article 42 of law 2912/01 (and the laws for stay of enforcement under article 30 of law 2789/00, as amended by paragraph 1 article 47 of law 2873/00 and law 2912/02, no longer apply thereto) and article 39 of law 3259/04 and no Borrower has requested a recalculation thereof.
- (x) All Loans can be identified and segregated on any day.
- (y) No Loan contains any provision allowing the deferral by the Borrower of scheduled interest payments.
- (z) Each Loan has been administered by the Seller:
 - (i) according to a level of skill, care and diligence which a Prudent Lender would apply if it were the owner of the Loans; and
 - (ii) in accordance with its then most current internal operating procedures and guidelines.
- (aa) Each Loan is substantially in one of the forms set out in the Loan Due Diligence Report.
- (bb) In respect of each Loan, the Seller was at the time when any Reclaimable Payment was made by the Borrower acting in good faith and was not aware that any such Reclaimable Payment(s) were not lawfully charged to the Borrower as at such date.
- (cc) In respect of each Loan, the Seller has not received written notice of any litigation or (to the best of the Seller's knowledge or belief) claim by a Borrower in respect of any Reclaimable Payments.
- (dd) In respect of each Loan, the Seller has since 1 January 2001, calculated interest on the basis of a 365 day year and has charged interest on the same basis.

- (ee) In respect of each Loan, the Seller has complied with the policy of Piraeus Bank in respect of charges which was in force and applied to Loans at the Closing Date.
- (ff) In respect of each Loan, the Seller has not exercised any option it may have pursuant to the Loan Documentation to grant any grace period in the performance of the obligations of the Borrower.
- (gg) Each Loan and its Ancillary Rights comply with the Eligibility Criteria.

The **Eligibility Criteria** include (but are not limited to) the following criteria:

- the Loan has been originated by and is an asset of the Seller;
- the Loan and Loan Documentation are governed by Greek law;
- the Loan is denominated, and all payments are required to be made by the relevant Borrower, in euro;
- the Loan has a Contractual Balance of no more than €127,000 at the Cut-Off Date;
- the Loan matures on or before December 2019;
- the Loan is a personal consumer loan and has been originated by the Seller in accordance with policies and procedures of the consumer loan banking division of the Seller and is in compliance with all applicable legal and regulatory requirements;
- the Loan has been originated by the Seller pursuant to a standard form consumer credit contract;
- the Loan is fully amortising and principal or interest and principal are payable in monthly instalments by direct debit based on an annuity schedule;
- no notice of prepayment of the Loan has been given;
- in relation to Loans secured by a Pre-Notation over Assets the initial outstanding balance of the Loan was less than or equal to one hundred (100) per cent. of the value of the Asset or Assets over which the relevant Pre-Notation is granted;
- in respect of the Loan secured by a Pre-Notation, the relevant Pre-Notation has been registered in the relevant Land Registry or cadastre (where such cadastres are in operation) in favour of the Seller rendering the relevant Pre-Notation a fully valid security interest for the performance of all payment obligations (including the repayment of all principal advances, interest, costs and expenses) under the Loan;
- (where such Loan product is expressed to require obligatory security over an Asset) the Loan is secured in favour of the Seller mainly by a first ranking Pre-Notation over an Asset to which the Loan relates, such Asset being located in Greece;
- the Loan is not subject to any action regarding Greek social measures;
- the Borrower at the time of the drawdown of the Loan was an individual aged over 18 and resident within Greece, unless the Loan benefits from a co-Borrower or Guarantor who is an individual over 18 and resident in Greece, and whose liabilities in respect of the Loan are equal to those of the Borrower;
- all payments and repayments in respect of a Loan will be made by the relevant Borrower and/or Guarantor from an account which is located in Greece;

- all payments and repayments in respect of a Loan will be made by the relevant Borrower and/or Guarantor free from any deduction on the account of Taxes;
- the Borrower is not and has not been in material breach of any term of the Loan Documentation;
- a Teiresias search has been carried out in respect of the Borrower or Guarantors, if any, prior to drawdown of the Loan by the Borrower and no history of attachments, termination of personal/consumer loan agreements, filings for bankruptcy, adjudicated bankruptcies, administrative sanctions against tax legislation violators exist and are continuing and no step has been taken for his/her bankruptcy that has not been cured such as to prevent a Prudent Lender from granting the Loan taking into account all the facts specific for the particular application for the same;
- the Borrower is not an employee of the Piraeus Group;
- the Asset in respect of which security has been given for the Loan has been valued by a certified engineer approved by the Seller or, where appropriate, according to a methodology which would meet the standards of a Prudent Lender and which has been approved by the Seller;
- a search of the relevant Land Registry for investigation of the title certificate in relation to the Asset in respect of which security has been given for the Loan has been carried out prior to drawdown of the Loan by the Borrower in accordance with the Seller's procedures and no adverse entries have been found;
- the Borrower has confirmed that any property in respect of which security has been given for the Loan is covered by insurance against (where the property was constructed on and after 1st January 1960) fire and earthquake or (where the property was constructed prior to 1st January 1960) fire only, in an amount sufficient to cover (in respect of those Loans originated before 1st January 2002) the contractual balance of the Loan or (in respect of those Loans originated on or after 1st January 2002) the reinstatement cost of the Property as it was at the time of the insurance appraisal;
- the application for the Loan was approved by authorised employees of the Seller; and
- in respect of the Loan, the identity of the Borrower was confirmed by the Seller prior to the execution of the Loan Documentation.

(hh) At the beginning of each Collection Period, the Estimated Weighted Average Interest Rate of all Loans (excluding Defaulted Loans) in the Portfolio is equal to or greater than one-month EURIBOR plus 7 per cent. per annum.

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

Pursuant to the terms of the Loan Sale Agreement, the Issuer will grant to the Seller the Seller Call Option to which may be exercised by the Seller on the Seller Call Option Exercise Date. The purchase price the Seller is to pay to the Issuer will be an amount equal to the aggregate Contractual Balance relating to the Portfolio on such Seller Call Option Exercise Date and is to be paid on such Seller Call Option Exercise Date.

The Seller will also undertake to provide information in respect of deposits held by Borrowers (including, without limitation, notifying and determining the amount and withdrawals made) on a monthly basis or at the request of the Issuer or any agent appointed on its behalf. In addition, the Seller will on a monthly basis provide information in respect of the Reclaimable Payments.

Replacement Loans

If a Loan or its Ancillary Rights fails to comply with the Eligibility Criteria or there is a breach of any of the Loan Warranties set out at (a) to (gg) above, given by the Seller, then the Seller will have an obligation to remedy such breach within 21 days of the receipt by the Seller of written notice of such breach from the Issuer or the Trustee. The Seller has an obligation to repurchase the relevant Loan or procure the substitution of a similar loan and security in replacement of such Loan subject to the provisions of the Loan Sale Agreement, in the case of a breach that is capable of being remedied but is not remedied within the 21 day period, on the next Interest Payment Date following the expiry of the 21 day period and, in the case of a breach that is not capable of remedy, no later than the Interest Payment Date following receipt by the Seller of written notice of such breach from the Issuer or the Trustee.

If there is a breach of the Loan Warranty set out at (hh) above, then the Seller will have an obligation to repurchase sufficient Sub-Minimum Rate Loans from the Issuer to remedy the breach or procure the substitution of similar loans and security to replace such Sub-Minimum Rate Loans, subject in each case to the provisions of the Loan Sale Agreement, no later than the Interest Payment Date.

The consideration payable by the Seller in relation to the purchase of a relevant loan (a "**Retired Loan**") will be an amount equal to the aggregate of: (a) the Contractual Balance of the relevant Retired Loan as at the relevant Repurchase Date plus all amounts due in respect of the relevant Retired Loan and the Ancillary Rights as at the relevant Repurchase Date; (b) any amount of principal waived pursuant to the provisions of the Servicing Agreement and/or not recovered on completion of the Enforcement Procedures in relation to the relevant Retired Loan and the Ancillary Rights; and (c) the costs and expenses properly documented and incurred by the Issuer and/or the Trustee in relation to such repurchase.

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

In addition, if a Borrower requests any form of variation under a Loan and the Servicer is unwilling to make such a variation in accordance with the definitions of Permitted Variation, the Seller may repurchase such Retired Loan, provided that the Seller sells to the Issuer one or more Replacement Loans (as defined below), having in aggregate a Contractual Balance of not less than 90 per cent. of the Retired Loan(s).

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

Replacement Loan Criteria

The Seller will, on the relevant Repurchase Date, repeat the Loan Warranties in respect of the relevant Replacement Loan, by reference to the facts and circumstances then subsisting.

In addition, all Replacement Loans must satisfy the following Replacement Loan Criteria (the "**Replacement Loan Criteria**"):

- (a) the Replacement Loan(s) has to meet the Eligibility Criteria;
- (b) the Minimum Applicable Rate must be satisfied;
- (c) the Weighted Average Remaining Life of the Loans in the Portfolio on such Repurchase Date not being greater than the then Weighted Average Remaining Life of the Loans in the Portfolio on the preceding Calculation Date;

- (d) the aggregate of the Contractual Balance of the Replacement Loan(s) being less than or equal to that of the corresponding Retired Loan(s); and
- (e) the Loan Warranties being true in every material respect on the relevant Repurchase Date in respect of the Replacement Loan(s) by reference to the facts and circumstances then subsisting.

If two or more Retired Loans or Replacement Loans are being sold and purchased on the same Repurchase Date then the tests referred to in paragraphs (b) to (e) above will be determined as if there was one Retired Loan or Replacement Loan (as the case may be) and the relevant values and loan balances will be aggregated or averaged by weight of Contractual Balance.

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

- (i) the tests referred to in paragraphs (a) to (e) above being met on the relevant Repurchase Date;
- (ii) no Acceleration Notice in respect of the Notes having been delivered by the Trustee to the Issuer in accordance with the Conditions;
- (iii) the Seller not being in material breach of any of its obligations under the Loan Sale Agreement;
- (iv) the Seller executing and delivering all documents necessary to assign and sell the Replacement Loan and its Ancillary Rights to the Issuer;
- (v) the Seller being in compliance with its obligations under the Set-Off (Reclaimable Payments) Facility Agreement and the Set-Off (Deposits) Facility Agreement; and
- (vi) the registration of a Notification Form in respect of the relevant Replacement Loan(s).

If, as a result of a breach of any other representations and warranties, the Issuer suffers a loss, the Seller has an obligation to pay a compensation payment to the Issuer in respect of such loss.

Subsequent Loans

During the Revolving Period, subject to the terms of the Loan Sale Agreement, it is envisaged that the Issuer will acquire from the Seller, Subsequent Loans which shall have substantially the same characteristics as the Loans in the Initial Portfolio.

As consideration for the acquisition of each portfolio of Subsequent Loans, the Issuer will pay to the Seller the Subsequent Purchase Price equal to:

- (a) the Contractual Balance of all the Subsequent Loans (to be determined on the relevant Subsequent Transfer Date); *less*
- (b) the aggregate of the Contractual Balance of any Loans that do not comply with the Loan Warranties on the Subsequent Transfer Date,

in full on the relevant Subsequent Transfer Date, in accordance with the Pre-Enforcement Priority of Payments.

Subsequent Loans Criteria

The Loan Sale Agreement will provide that the representations and warranties given by the Seller will be deemed to be repeated, *mutatis mutandis*, in connection with every transfer of Subsequent Loans made by the Seller pursuant to the Loan Sale Agreement, in relation to the facts and circumstances at the relevant Subsequent Transfer Date.

In addition, any Subsequent Loans purchased by the Issuer must comply with the following Subsequent Loans Criteria (the "**Subsequent Loans Criteria**"):

- (a) the Subsequent Loan has to meet the Eligibility Criteria;
- (b) the Minimum Applicable Rate must be satisfied;
- (c) the Weighted Average Remaining Life of the Loans in the Portfolio on such Subsequent Transfer Date must not be greater than the then Weighted Average Remaining Life of the Loans in the Portfolio on the preceding Calculation Date;
- (d) the relevant Subsequent Loan is a Standard Loan with no remaining interest grace period; and
- (e) the Loan Warranties being true in every material respect on the relevant Subsequent Transfer Date in respect the Subsequent Loan by reference to the facts and circumstances then subsisting.

Completion of the sale and purchase of any Subsequent Loan(s) on a Subsequent Transfer Date will be conditional on:

- (i) tests referred to in paragraphs (b) to (e) above being met on the relevant Subsequent Transfer Date;
- (ii) no Acceleration Notice in respect of the Notes having been delivered by the Trustee to the Issuer in accordance with the Conditions;
- (iii) the Seller not being in material breach of any of its obligations under the Loan Sale Agreement;
- (iv) the Seller executing and delivering all documents necessary to assign and sell the Replacement Loan and its Ancillary Rights to the Issuer;
- (v) the Seller being in compliance with its obligations under the Set-Off (Reclaimable Payments) Facility Agreement and the Set-Off (Deposits) Facility Agreement;
- (vi) the registration of a Notification Form in respect of the relevant Subsequent Loan(s); and
- (vii) the amount of Available Funds representing Principal Amortisation Amounts available for the purchase of Subsequent Loans calculated in accordance with item (vii) of the Pre-Enforcement Priority of Payments being sufficient to pay the Subsequent Purchase Price for the relevant Subsequent Loan(s).

In this document:

The Loan Sale Agreement will be governed by English law.

Greek Assignment Agreement

The Issuer will enter into the Greek Assignment Agreement with the Seller on the Closing Date pursuant to which the Seller will assign, pursuant to article 455 *et seq.* of the Greek Civil Code, all of its interests in and arising from the Loans and related rights and privileges (including but not limited to, claims arising from the Ancillary Rights) to the Issuer. The Greek Assignment Agreement will be subject to the terms and conditions of

the Loan Sale Agreement. The Seller will also enter into documents in the form of the Greek Assignment Agreement in connection with the assignment of such rights and privileges to the Issuer in connection with the sale and purchase of all Replacement Loans and Subsequent Loans and the Seller will represent and warrant in such documents as to its solvency on the relevant Repurchase Date or Subsequent Transfer Date.

The Greek Assignment Agreement will be governed by Greek law.

Trust Deed

The Notes will be constituted by the Trust Deed. Pursuant to the terms of the Trust Deed, the Trustee may retire at any time on giving not less than three months' prior written notice to the Issuer without giving any reason and without being responsible for any liabilities occasioned by such retirement. The Noteholders will have the power (exercisable by an Extraordinary Resolution of each Class of Notes) to remove any trustee or trustees for the time being under the Trust Deed. The Issuer undertakes that it will use all reasonable endeavours to procure a new trustee to be appointed as soon as reasonably practicable after the Trustee under the Trust Deed retires or is removed. The retirement or removal of any such trustee will not become effective until a successor trustee is appointed. If a successor trustee has not been appointed within three months after the date of the notice of retirement of the Trustee, then the retiring Trustee may appoint its own successor trustee, the appointment of which will not become effective until such appointment is approved by an Extraordinary Resolution of each Class of Notes.

The Trust Deed also provides for the indemnification and exoneration of the Trustee as further described in Condition 13 (*Indemnification and Exoneration of the Trustee*) of the Notes. The Trust Deed also provides that the Trustee will not be responsible or liable for any special, indirect, punitive or consequential loss or damage, whether or not foreseeable in respect of the Security.

The Trust Deed will be governed by English law.

Deed of Charge

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

The Deed of Charge will also provide that (other than in certain limited circumstances) only the Trustee may enforce the security created under the Deed of Charge and Paragraph 18 of Article 10 of the Securitisation Law. The proceeds of any such enforcement of the Deed of Charge and Paragraph 18 of Article 10 of the Securitisation Law will be required to be applied by the Trustee in accordance with the order of priority set out in the Post-Enforcement Priority of Payments.

The Deed of Charge will be governed by English law.

Greek Account Pledge Agreement

The Issuer will enter into the Greek Account Pledge Agreement on or prior to the Closing Date with the Trustee and the Greek Account Bank. Under the Greek Account Pledge Agreement, the Issuer will grant a first-ranking security over the amounts standing from time to time to the credit of the Issuer Greek Bank Accounts (except for the Servicer Collection Account) in favour of the Trustee for the benefit of the Trustee and the Secured Parties.

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

The Greek Account Pledge Agreement will be governed by Greek law.

Cash Management Agreement

The Cash Manager will provide the Cash Management Services pursuant to the terms of the Cash Management Agreement. Among other things, the Cash Manager will be required to determine and record all Receipts, to determine the amounts of any losses suffered in respect of the Portfolio (based entirely on information received from the Servicer), to determine the amounts of any deficiencies relating to the Notes, and to arrange for the making of payments to the Noteholders, the Other Secured Parties and to certain other third parties in accordance with the Priority of Payments.

The Cash Manager will carry out certain services in relation to the Issuer Greek Bank Accounts and the Issuer Transaction Account on behalf of the Issuer, such as:

- (a) operating the Issuer Transaction Account in such a manner as to enable the Issuer to perform its financial obligations pursuant to the Notes and the Transaction Documents;
- (b) providing the Issuer and the Trustee with certain cash management, calculation, notification and reporting information in relation to the Issuer Greek Bank Accounts and the Issuer Transaction Account;
- (c) taking the necessary action, giving the necessary notices or providing the necessary information to the Issuer (where relevant) to ensure that the Issuer Greek Bank Accounts and the Issuer Transaction Account are credited with the appropriate amounts in accordance with the Cash Management Agreement;
- (d) taking all necessary action or providing the necessary information to the Issuer (where relevant) to ensure that all payments are made out of the Issuer Transaction Account and the Issuer Greek Bank Accounts in accordance with the Cash Management Agreement and the Conditions;
- (e) maintaining adequate records to reflect all transactions carried out by or in respect of the Issuer Greek Bank Accounts and the Issuer Transaction Account;
- (f) calculating amounts (based entirely on information received from the Servicer) received in respect of the Levy and transferring such amounts to the Servicer or, following replacement of the Servicer, to the Bank of Greece or other competent authority responsible for its collection;
- (g) following a Rating Downgrade in relation to the Set-Off (Reclaimable Payments) Facility Provider under the Set-Off (Reclaimable Payments) Facility Agreement, drawing all or some of the commitment under the Set-Off (Reclaimable Payments) Facility and depositing it in the Set-Off (Reclaimable Payments) Reserve Account; and
- (h) following a Rating Downgrade in relation to the Set-Off (Deposits) Facility Provider under the Set-Off (Deposits) Facility Agreement drawing all or some of the commitment under the Set-Off (Deposits) Facility, and depositing it in the Set-Off (Deposits) Reserve Account.

On each Calculation Date, the Cash Manager shall, on the basis of the information supplied to it by the Servicer, the Issuer Account Bank and the Greek Account Bank calculate the Income Receipts.

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

- (i) the Servicer Report to be delivered on or before each Servicer Report Date, pertaining to the immediately preceding Collection Period;
- (ii) a report in the English language from the Greek Account Bank, on or before each Servicer Report Date, as to the interest accrued on the Issuer Greek Bank Accounts and income received in respect of Authorised Investments, pertaining to the immediately preceding Collection Period; and

- (iii) a report from the Issuer Account Bank, on or before each Servicer Report Date, as to the interest accrued on the Issuer Transaction Account and income received in respect of Authorised Investments, pertaining to the immediately preceding Collection Period.

In the event that the Cash Manager has not been provided with any of the relevant information it requires to make any calculations required of it, then the Cash Manager shall make the necessary calculations on an estimated basis in respect of the relevant Collection Period. Depending on the nature of the calculation required, such estimates may be based on:

- (i) averages of certain amounts relating to the Loans in respect of preceding Collection Periods;
- (ii) actual figures from preceding Collection Periods (as presented in previous Servicer Reports); or
- (iii) proportional allocations of actual receipts in the preceding Collection Period.

The Cash Manager will apply Available Funds on the corresponding Interest Payment Date in accordance with the Cash Management Agreement and the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable, on the basis of the estimated calculations.

Following the end of each Interest Period, the Cash Manager will prepare and provide certain reports to the Noteholders and the Rating Agency.

The Cash Management Agreement will be governed by English law.

Issuer-ICSDs Agreement

On or about the Closing Date, the Issuer will enter into an Issuer-ICSDs agreement (the Issuer-ICSDs Agreement) with Euroclear and Clearstream, Luxembourg (the ICSDs) in respect of the Notes, which will be issued in new global note form. The Issuer-ICSDs Agreement provides that the ICSDs will, in respect of the Notes, maintain their respective portion of the issue outstanding amount through their records.

The Issuer-ICSDs Agreement will be governed by English law.

Bank Accounts Agreement

The Issuer, the Cash Manager and the Trustee will enter into an account agreement with the Issuer Account Bank and the Greek Account Bank whereby the Issuer Account Bank will open the Issuer Transaction Account in the name of the Issuer and the Greek Account Bank will open the Issuer Greek Bank Accounts in the name of the Issuer. The Greek Account Bank will agree to maintain the Issuer Greek Bank Accounts and provide the Issuer with certain services in connection with account handling and reporting requirements in relation to the monies from time to time standing to the credit of the Issuer Greek Bank Accounts. The Issuer Account Bank will agree to maintain the Issuer Transaction Account and provide the Issuer with certain services in connection with account handling and reporting requirements in relation to the monies from time to time standing to the credit of the Issuer Transaction Account. Amounts standing to the credit of the Issuer Transaction Account will be invested by the Cash Manager, and amounts standing to the credit of the Issuer Greek Bank Accounts will be invested by the Greek Account Bank, on a non-discretionary basis in Authorised Investments and the income from such Authorised Investments will accrue to the Issuer Transaction Account.

The Greek Account Bank will agree to comply with any instructions given by an Authorised Representative of the Issuer (acting on information provided by the Cash Manager), or the Trustee in relation to the management of the Issuer Greek Bank Accounts. The Greek Account Bank will waive all rights of set-off which it may have in respect of the Issuer Greek Bank Accounts.

The Issuer Account Bank will agree to comply with any payment instructions given by an Authorised Representative of the Issuer, the Cash Manager or the Trustee and to manage the Issuer Transaction Account in accordance with the instructions of the Cash Manager. The Issuer Account Bank will waive all rights of set-off which they may have in respect of the Issuer Transaction Account.

If the Greek Account Bank ceases to be an Eligible Bank, and provided that Citibank N.A., London Branch is an Eligible Bank, amounts standing to the credit of each of the Issuer Greek Bank Accounts will be transferred as soon as reasonably practicable to the Back-Up Bank Accounts in the name of the Issuer opened by the Back-Up Account Bank. The Back-Up Account Bank will agree to comply with any payment instructions given by an Authorised Representative of the Issuer, Cash Manager or the Trustee and to manage the Back-Up Bank Accounts in accordance with the instructions of the Cash Manager. If the Back-Up Account Bank ceases to be an Eligible Bank, the Back-Up Bank Accounts will be transferred as soon as reasonably practicable to another bank that will be an Eligible Bank. Similarly, if the Issuer Account Bank ceases to be an Eligible Bank, the Issuer must find a substitute issuer account bank that is an Eligible Bank and move the Issuer Transaction Account (and the balances standing to the credit thereto) to such substitute issuer account bank as soon as reasonably practicable. In any event, a suitable substitute Greek account bank and issuer account bank must be found within 30 calendar days.

The Bank Accounts Agreement will be governed by English law.

Corporate Services Agreement

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

The Corporate Services Provider will provide corporate administration and secretarial services to the Issuer which will include: (a) dispatch of shareholder and board meeting notices; (b) handling enquiries and making appropriate filings (or assisting the Issuer's auditors in so doing) with regulatory bodies; (c) keeping and maintaining books, records and statutory accounts and procuring that the same are distributed to relevant parties; (d) advising on the appointment of company lawyers and auditors and supervising performance of any agents of the relevant companies; and (e) maintaining registrations and licences.

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

The Corporate Services Agreement will be governed by English law.

Subordinated Reserve Loan Agreement

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

The Subordinated Reserve Loan will be in a principal amount of €6,250,000 and will be drawn in full by the Issuer on the Closing Date in order to fund the Reserve Account to the value of the Initial Reserve Fund Amount.

Interest on the Subordinated Reserve Loan will be paid by the Issuer on each Interest Payment Date (or following enforcement of the Security, on any Business Day) subject to, and in accordance with, the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

Amounts drawn down under the Subordinated Reserve Loan will be partially repaid by the Issuer on each Interest Payment Date (or following enforcement of the Security, on any Business Day) from Available Funds or Available Security Funds, as applicable and in accordance with the relevant Priority of Payments.

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

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

Set-Off (Reclaimable Payments) Facility Agreement

The Set-Off (Reclaimable Payments) Facility Provider will, pursuant to the Set-Off (Reclaimable Payments) Facility Agreement, make available to the Issuer the Set-Off (Reclaimable Payments) Facility. It is expected that the Set-Off (Reclaimable Payments) Facility will on the Closing Date have a facility limit of approximately €2,600,000.

After the Closing Date the Set-Off (Reclaimable Payments) Facility Limit will fluctuate so that at any time it will consist of:

- (a) the aggregate Exposure Amount in respect of each Loan,
less:
- (b) the aggregate Exposure Reduction Amounts in respect of each Loan.

The Cash Manager, relying on information from the Servicer, shall notify the Rating Agency in writing of any Exposure Reduction Amounts which arise after a Change in Law Date.

The Issuer will drawdown to 50 per cent. of the amount of the Set-Off (Reclaimable Payments) Facility Limit on the First Ratings Downgrade Date.

The Issuer will drawdown to 100 per cent. of the amount of the Set-Off (Reclaimable Payments) Facility Limit on the Second Ratings Downgrade Date.

Following the First Ratings Downgrade Date and for so long as the First Ratings Downgrade continues but a Second Ratings Downgrade has not occurred, any increase in the Set-Off (Reclaimable Payments) Facility Limit will be followed by an immediate drawing under the Set-Off (Reclaimable Payments) Facility Agreement in the amount of 50 per cent. of such increase and any decrease in the Set-Off (Reclaimable Payments) Facility Limit will result in a repayment of the Set-Off (Reclaimable Payments) Loan in an amount equal to 50 per cent. of such decrease on the following Interest Payment Date.

Following the Second Ratings Downgrade Date and for so long as the Second Ratings Downgrade continues any increase in the Set-Off (Reclaimable Payments) Facility Limit will be followed by an immediate drawing under the Set-Off (Reclaimable Payments) Facility Agreement in the amount of 100 per cent. of such increase and any decrease in the Set-Off (Reclaimable Payments) Facility Limit will result in a repayment of the Set-Off (Reclaimable Payments) Loan in an amount equal to 100 per cent. of such decrease on the following Interest Payment Date.

Reductions in the Set-Off (Reclaimable Payments) Facility Limit and/or, as the case may be, repayments in respect of the Set-Off (Reclaimable Payments) Loan will occur on Interest Payment Dates only.

The amounts drawn under the Set-Off Reserve (Reclaimable Payments) Facility Agreement will constitute a borrowing under it. Once drawn the Set-Off (Reclaimable Payments) Loan will be paid into the Set-Off (Reclaimable Payments) Reserve Account. Interest on the Set-Off (Reclaimable Payments) Loan will be paid by the Issuer on each Interest Payment Date from Available Funds (or following enforcement of the Security, on any Business Day from Available Security Funds) in accordance with the relevant Priority of Payments. Interest earned by the Issuer on the amounts standing to the credit of the Set-Off (Reclaimable Payments) Reserve Account will be transferred to the Issuer Collection Account on every Calculation Date and will form part of the Receipts.

Other than Interest paid in respect of the Set-Off (Reclaimable Payments) Loan as stated above, no commitment or other fees will be payable by the Issuer in respect of Set-Off (Reclaimable Payments) Facility Agreement.

Amounts drawn down under the Set-Off (Reclaimable Payments) Loan will be partially repaid by the Issuer from Available Funds or Available Security Funds, as the case may be, on each Interest Payment Date (or

following enforcement of the Security, on any Business Day) in accordance with the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

If the Seller has become obliged to pay any LSA Indemnity Amount(s) to the Issuer in relation to any Reclaimable Payments pursuant to the Loan Sale Agreement and fails to pay such amount(s) in accordance with the terms of the Loan Sale Agreement, the Greek Account Bank on the Issuer's instruction (acting on the information provided by the Cash Manager) will withdraw funds standing to the credit of the Set-Off (Reclaimable Payments) Reserve Account (if any) in an amount equal to the aggregate of such unpaid LSA Indemnity Amount(s) and will deposit those funds, for application as deemed Available Funds, into the Issuer Transaction Account.

The Issuer is entitled to set-off any LSA Indemnity Amount(s) owed to it by the Seller in relation to any Reclaimable Payments, against the Issuer's obligation to repay the Set-Off (Reclaimable Payments) Loan to the Set-Off (Reclaimable Payments) Facility Provider. Any such set-off shall constitute good discharge of the Issuer's obligation to repay the relevant amount. The Issuer's obligation to repay the Set-Off (Reclaimable Payments) Loan, when such repayment becomes due, will therefore be discharged by an amount equal to the amounts withdrawn from the Set-Off (Reclaimable Payments) Reserve Account in the circumstances described above.

If the Set-Off (Reclaimable Payments) Facility Provider, having suffered a Second Ratings Downgrade, is subsequently upgraded to the Second Rating but still does not have a rating at least as high as the First Rating, the principal amount of the Set-Off (Reclaimable Payments) Loan will be repayable on the following Interest Payment Date in the amount of:

- (a) 100 per cent. of the amount of the Set-Off (Reclaimable Payments) Facility Limit prior to the immediately preceding Calculation Date; less
- (b) 50 per cent. of the amount of the Set-Off (Reclaimable Payments) Facility Limit on the immediately preceding Calculation Date.

PROVIDED THAT, if the calculation results in a negative number, the Set-Off (Reclaimable Payments) Facility Provider will not be repaid on such Interest Payment Date and instead the Issuer will drawdown under the Set-Off (Reclaimable Payments) Facility an amount equal to the positive difference of (b) minus (a) above, on the Calculation Date that such Set-Off (Reclaimable Payments) Facility Limit is calculated.

The principal amount of the Set-Off (Reclaimable Payments) Loan will be repayable in full (but the Set-Off (Reclaimable Payments) Facility Limit will not be affected) on the Interest Payment Date following the date the Set-Off (Reclaimable Payments) Facility Provider regains a rating higher than the First Rating.

The Set-Off (Reclaimable Payments) Facility Limit (or, if drawn the Set-Off (Reclaimable Payments) Loan) will be cancelled (and/or, as the case may be, the principal amount of the Set-Off (Reclaimable Payments) Loan will be repayable) in full on the earlier of:

- (a) the date falling five years after the Final Maturity Date; and
- (b) the date on which:
 - (i) prior to the enforcement of the Security, the Trustee or, if all Notes have been redeemed in full, the Issuer, is satisfied (in each case in its absolute discretion) that the Issuer has no further actual or contingent liabilities in respect of any Reclaimable Payments; or
 - (ii) following the enforcement of Security, the date on which the Trustee or, if all the liabilities owing by the Issuer to the Secured Parties under the Transaction Documents have been discharged in full and the Security released, the Issuer, is satisfied (in each case in its absolute discretion) that no further withdrawals from the Set-Off (Reclaimable Payments) Reserve Account are required to be made in respect of any Exposure Amounts that Borrowers or Guarantors may claim directly from the Issuer, or set-off or deduct from amounts payable

under the Loans in respect of any Exposure Amounts, in accordance with the Cash Management Agreement.

If any of the Notes remain outstanding, the Seller will notify the Rating Agency in writing immediately upon a cancellation of the Set-Off (Reclaimable Payments) Facility Limit in accordance with paragraph (b)(i) above.

The Set-Off Reserve (Reclaimable Payments) Loan Agreement will be governed by English law.

Set-Off (Deposits) Facility Agreement

The Set-Off (Deposits) Facility Provider will, pursuant to the Set-Off (Deposits) Facility Agreement, make available to the Issuer the Set-Off (Deposits) Facility. The Set-Off (Deposits) Facility will on the Closing Date have a Set-Off (Deposits) Facility Limit equal to the aggregate of the Deposit Contributions in respect of all Loans in the Initial Portfolio, being as at the Closing Date, approximately €5,000,000.

After the Closing Date the Set-Off (Deposits) Facility Limit will be adjusted so that at any time it will consist of the aggregate of the Deposit Contributions in respect of all Loans in the Portfolio.

The Issuer will drawdown to 50 per cent. of the amount of the Set-Off (Deposits) Facility Limit on the First Ratings Downgrade Date.

The Issuer will drawdown to 100 per cent. of the amount of the Set-Off (Deposits) Facility Limit on the Second Ratings Downgrade Date.

Following the First Ratings Downgrade Date and for so long as the First Ratings Downgrade continues but a Second Ratings Downgrade has not occurred, any increase in the Set-Off (Deposits) Facility Limit will be followed by an immediate drawing under the Set-Off (Deposit) Facility Agreement in the amount of 50 per cent. of such increase and any decrease in the Set-Off (Deposits) Facility Limit will result in a repayment of the Set-Off (Deposits) Loan in an amount equal to 50 per cent. of such decrease on the following Interest Payment Date.

Following the Second Ratings Downgrade Date and for so long as the Second Ratings Downgrade continues any increase in the Set-Off (Deposits) Facility Limit will be followed by an immediate drawing under the Set-Off (Deposits) Facility Agreement in the amount of 100 per cent. of such increase and any decrease in the Set-Off (Deposits) Facility Limit will result in a repayment of the Set-Off (Deposits) Loan in an amount equal to 100 per cent. of such decrease on the following Interest Payment Date.

The amounts drawn under the Set-Off (Deposits) Facility Agreement will constitute a borrowing under it. Once drawn the Set-Off (Deposits) Loan will be paid into the Set-Off (Deposits) Reserve Account. Interest on the Set-Off (Deposits) Loan will be paid by the Issuer on each Interest Payment Date (or following enforcement of the Security, on any Business Day) in accordance with the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable. Interest earned by the Issuer on the amounts standing to the credit of the Set-Off (Deposits) Reserve Account will be transferred to the Issuer Collection Account on every Calculation Date and will form part of the Receipts.

Other than interest paid in respect of the Set-Off (Deposits) Loan as stated above, no commitment or other fees will be payable by the Issuer in respect of Set-Off (Deposits) Loan Agreement.

Amounts drawn down under the Set-Off (Deposits) Loan will be partially repaid by the Issuer from Available Funds or Available Security Funds, as the case may be, on each Interest Payment Date (or following enforcement of the Security, on any Business Day) in accordance with the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

If the Seller is obliged to pay an LSA Indemnity Amount in respect of any set-off or counterclaim exercised by a Borrower or (in respect of those Loans where any amount has been or is being claimed from a Guarantor only) Guarantor in relation to any Deposit Amount and fails to do so, the Issuer will be entitled to deduct an equal amount from the Set-Off (Deposits) Reserve Fund and set it off against the LSA Indemnity Amount due to it from the Seller.

If the Set-Off (Deposits) Facility Provider, having suffered a Second Ratings Downgrade, is subsequently upgraded to the Second Rating but still does not have a rating at least as high as the First Rating, the principal amount of the Set-Off (Deposits) Loan will be repayable on the following Interest Payment Date in the amount of:

- (a) 100 per cent. of the amount of the Set-Off (Deposits) Facility Limit prior to the immediately preceding Calculation Date; less
- (b) 50 per cent. of the amount of the Set-Off (Deposits) Facility Limit on the immediately preceding Calculation Date.

PROVIDED THAT, if the calculation results in a negative number, the Set-Off (Deposits) Facility Provider will not be repaid on such Interest Payment Date and instead the Issuer will drawdown under the Set-Off (Deposits) Facility and amount equal to the positive difference of (b) minus (a) above, on the Calculation Date that such Set-Off (Deposits) Facility Limit is calculated.

The principal amount of the Set-Off (Deposits) Facility will be repaid in full (but the Set-Off (Deposits) Facility Limit will not be affected) on the Interest Payment Date following the date the Set-Off (Deposits) Facility Provider regains a rating at higher than the First Rating.

The Set-Off (Deposits) Facility (or, if drawn the Set-Off (Deposits) Loan) will be cancelled (and/or, as the case may be, the outstanding principal amount of the Set-Off (Deposits) Loan repaid) in full on the earlier of:

- (a) the date falling five years after the Final Maturity Date; and
- (b) the date on which:
 - (i) prior to the enforcement of the Security, the Trustee or, if all Notes have been redeemed in full, the Issuer, is satisfied (in each case in its absolute discretion) that the Issuer has no further actual or contingent liabilities in respect of any Deposit Amounts; or
 - (ii) following the enforcement of Security, the date on which the Trustee or, if all the liabilities owing by the Issuer to the Secured Parties under the Transaction Documents have been discharged in full and the Security released, the Issuer, is satisfied (in each case in its absolute discretion) that no further withdrawals from the Set-Off (Deposits) Reserve Account are required to be made by the Greek Account Bank (acting on the instructions of the Issuer) in respect of amounts that Borrowers or (in respect of those Loans where any amount has been or is being claimed from a Guarantor) Guarantors may set-off or deduct from amounts payable under the Loans in respect of amounts payable by the Set-Off (Deposits) Facility Provider to the Borrowers and such Guarantors, in accordance with the Cash Management Agreement.

The Set-Off (Deposits) Facility Agreement will be governed by English law.

WEIGHTED AVERAGE LIVES OF THE NOTES

"Weighted Average Lives of the Notes" refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the investor of all amounts to be distributed in repayment of principal of such security (assuming no losses). The weighted average lives of the Notes will be influenced by, amongst other things, the rate at which the principal of the Loans is paid, which may be in the form of scheduled amortisation, prepayments or liquidations. The model used in this Prospectus for the Loans represents an assumed constant per annum rate of prepayment ("**CPR**") each month relative to the then outstanding principal balance of the pool of Loans. CPR does not purport to be either an historical description of the prepayment experience of any pool of loans or a prediction of the expected rate of prepayment of any consumer loans, including the Loans to be included in the Portfolio. The weighted average lives of the Notes cannot be predicted as the rate at which the Loans will be repaid and a number of relevant factors are unknown.

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

- (a) the Portfolio is subject to a constant annual rate of prepayment as set out under "CPR";
- (b) no Borrowers are offered and accept different consumer loan products by Piraeus;
- (c) no Loans are repurchased by the Seller;
- (d) no Loan is sold by the Issuer;
- (e) no Replacement Loans are purchased by the Issuer;
- (f) there are no delinquencies or losses on the Loans;
- (g) the Performance Criteria are met on each Interest Payment Date;
- (h) the Loans are fully performing at all times;
- (i) there are no Flexible Option Variations or Rate Variations;
- (j) the interest rates in respect of the Loans and the Notes remain stable at current levels;
- (k) all Loans comprised in the Provisional Portfolio will, on and after the Closing Date, have the same payment profile, life and duration;
- (l) during the Revolving Period, any funds available for such purpose are used to purchase Subsequent Loans and that the pool of Loans after the Revolving Period has the same characteristics as the Provisional Pool at Cut-Off Date;
- (m) the Closing Date is 30 April 2009;
- (n) each Interest Payment Date will fall on the 28th of the each month with the first Interest Payment Date falling in June 2009;
- (o) the Revolving Period will end on the 28 May 2011.

Please note the following:

- (i) assumption (a) above is stated as an average annualised payment rate since the payment rate for one interest period may be substantially different from that for another. The CPRs shown below are purely illustrative and do not represent the full range of possibilities for constant payment rates;

- (ii) assumption (c) above relates to circumstances which are not predictable;
- (iii) assumption (h) above assumes no default in payments in relation to the Loans occurs, but no assurance can be made that payments in relation to the Loans will always be made; and

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

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

Date	0% CPR	5% CPR	10% CPR	15% CPR	20% CPR	25% CPR
Closing Date	100%	100%	100%	100%	100%	100%
28-Jul-2009	100%	100%	100%	100%	100%	100%
28-Aug-2009	100%	100%	100%	100%	100%	100%
28-Sep-2009	100%	100%	100%	100%	100%	100%
28-Oct-2009	100%	100%	100%	100%	100%	100%
28-Nov-2009	100%	100%	100%	100%	100%	100%
28-Dec-2009	100%	100%	100%	100%	100%	100%
28-Jan-2010	100%	100%	100%	100%	100%	100%
28-Feb-2010	100%	100%	100%	100%	100%	100%
28-Mar-2010	100%	100%	100%	100%	100%	100%
28-Apr-2010	100%	100%	100%	100%	100%	100%
28-May-2010	100%	100%	100%	100%	100%	100%
28-Jun-2010	100%	100%	100%	100%	100%	100%
28-Jul-2010	100%	100%	100%	100%	100%	100%
28-Aug-2010	100%	100%	100%	100%	100%	100%
28-Sep-2010	100%	100%	100%	100%	100%	100%
28-Oct-2010	100%	100%	100%	100%	100%	100%
28-Nov-2010	100%	100%	100%	100%	100%	100%
28-Dec-2010	100%	100%	100%	100%	100%	100%
28-Jan-2011	100%	100%	100%	100%	100%	100%
28-Feb-2011	100%	100%	100%	100%	100%	100%
28-Mar-2011	100%	100%	100%	100%	100%	100%
28-Apr-2011	100%	100%	100%	100%	100%	100%
28-May-2011	100%	100%	100%	100%	100%	100%
28-Jun-2011	100%	100%	100%	100%	100%	100%
28-Jul-2011	97%	97%	96%	96%	95%	94%
28-Aug-2011	95%	94%	92%	91%	90%	88%
28-Sep-2011	92%	91%	89%	87%	85%	83%
28-Oct-2011	90%	88%	85%	83%	80%	77%
28-Nov-2011	87%	85%	82%	79%	76%	72%
28-Dec-2011	85%	82%	78%	75%	71%	67%
28-Jan-2012	83%	79%	75%	71%	67%	63%
28-Feb-2012	80%	76%	72%	67%	63%	58%
28-Mar-2012	78%	73%	68%	63%	59%	54%
28-Apr-2012	75%	70%	65%	60%	55%	49%
28-May-2012	73%	68%	62%	56%	51%	45%
28-Jun-2012	71%	65%	59%	53%	47%	41%
28-Jul-2012	68%	62%	56%	50%	44%	37%
28-Aug-2012	66%	59%	53%	47%	40%	34%
28-Sep-2012	64%	57%	50%	43%	37%	30%
28-Oct-2012	62%	54%	47%	40%	34%	27%
28-Nov-2012	59%	52%	45%	37%	31%	24%
28-Dec-2012	57%	49%	42%	35%	28%	21%
28-Jan-2013	55%	47%	39%	32%	25%	18%
28-Feb-2013	53%	45%	37%	29%	22%	15%
28-Mar-2013	51%	42%	34%	27%	19%	12%
28-Apr-2013	49%	40%	32%	24%	17%	10%
28-May-2013	47%	38%	30%	22%	14%	7%
28-Jun-2013	45%	36%	27%	19%	12%	5%
28-Jul-2013	43%	34%	25%	17%	9%	2%
28-Aug-2013	41%	32%	23%	15%	7%	0%
28-Sep-2013	39%	29%	21%	13%	5%	0%
28-Oct-2013	37%	27%	19%	10%	3%	0%
28-Nov-2013	35%	25%	17%	8%	1%	0%
28-Dec-2013	33%	24%	15%	6%	0%	0%
28-Jan-2014	31%	22%	13%	4%	0%	0%
28-Feb-2014	30%	20%	11%	3%	0%	0%
28-Mar-2014	28%	18%	9%	1%	0%	0%
28-Apr-2014	26%	16%	7%	0%	0%	0%
28-May-2014	24%	14%	5%	0%	0%	0%
28-Jun-2014	23%	13%	4%	0%	0%	0%

28-Jul-2014	21%	11%	2%	0%	0%	0%
28-Aug-2014	19%	9%	0%	0%	0%	0%
28-Sep-2014	18%	8%	0%	0%	0%	0%
28-Oct-2014	16%	6%	0%	0%	0%	0%
28-Nov-2014	14%	5%	0%	0%	0%	0%
28-Dec-2014	13%	3%	0%	0%	0%	0%
28-Jan-2015	11%	2%	0%	0%	0%	0%
28-Feb-2015	10%	0%	0%	0%	0%	0%
28-Mar-2015	8%	0%	0%	0%	0%	0%
28-Apr-2015	7%	0%	0%	0%	0%	0%
28-May-2015	6%	0%	0%	0%	0%	0%
28-Jun-2015	4%	0%	0%	0%	0%	0%
28-Jul-2015	3%	0%	0%	0%	0%	0%
28-Aug-2015	1%	0%	0%	0%	0%	0%
28-Sep-2015	0%	0%	0%	0%	0%	0%
28-Oct-2015	0%	0%	0%	0%	0%	0%
28-Nov-2015	0%	0%	0%	0%	0%	0%
Weighted Average Lives (Years)	4.05	3.75	3.52	3.34	3.18	3.06

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

SUMMARY OF PROVISIONS RELATING TO NOTES IN GLOBAL FORM

Each Class of Notes will initially be in the form of a Temporary Global Note which will be delivered on or around the Closing Date to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable in whole or in part for interests in a related Permanent Global Note not earlier than 40 days after the Closing Date, upon certification as to non-U.S. beneficial ownership. Details of any exchange of a Temporary Global Note for its related Permanent Global Note will be entered in the records of Euroclear and Clearstream, Luxembourg.

The Temporary Global Notes and the Permanent Global Notes will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Temporary Global Notes and the Permanent Global Notes.

The following is a summary of certain of those provisions:

Nominal Amounts: The nominal amount of the Notes represented by each Global Note shall be the aggregate amount from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (together, the "**relevant Clearing Systems**"). The records of the relevant Clearing Systems shall be conclusive evidence of the nominal amount of the Notes and, for these purposes, a statement issued by a relevant Clearing System stating the nominal amount of the Notes at any time (which statement shall be made available to the bearer upon request) shall be conclusive evidence of the records of the relevant Clearing System at that time.

Payments: All payments in respect of the Temporary Global Notes and the Permanent Global Notes will be made against presentation and (in the case of payment of principal in full together with all interest accrued thereon) surrender of a Temporary Global Note or (as the case may be) a Permanent Global Note at the Specified Office of the Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes.

A record of each payment made on a Global Note, distinguishing between any payment of interest and principal will be entered *pro rata* in the records of the relevant Clearing System and, upon any such entry being made, the principal amount of the Notes recorded in the records of the relevant Clearing System and represented by the relevant Global Note shall be reduced by the aggregate nominal amount of such instalment of principal so paid. Any failure to make the entries referred to above shall not affect the discharge of the corresponding liabilities of the Issuer in respect of the Notes.

Notices: Notwithstanding Condition 15 (*Notice to Noteholders*), while any of the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) kept with a common safekeeper for Euroclear and Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 15 (*Notice to Noteholders*) on the date of delivery to Euroclear and Clearstream, Luxembourg.

Transfers: For so long as the Notes are represented by the relevant Global Notes Euroclear and/or Clearstream Banking will be considered, and treated as, the Noteholders and owners of the Global Notes for all purposes under the Trust Deed. For so long as the Notes are represented by the relevant Global Notes, only the Noteholders will have rights under the Trust Deed, including, without limitation, with respect to enforcement and the pursuit of other remedies.

The Noteholders will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries. Participants must rely on the procedures of Euroclear and/or Clearstream, Luxembourg and indirect participants must rely on the procedures of Euroclear, Clearstream, Luxembourg and the participants through which they own interests in the Global Notes, to transfer their interests or to exercise any rights of Noteholders under the Trust Deed. All transfers of interests in the Global Notes between participants in Euroclear or Clearstream, Luxembourg will be effected by Euroclear or Clearstream, Luxembourg pursuant to customary procedures and subject to applicable rules and procedures established by Euroclear or Clearstream, Luxembourg and their respective participants.

For so long as the Notes are represented by the relevant Global Notes, interest in the Notes so represented will be transferable in accordance with the rules and procedures for the time being of Euroclear, or, as the case may be, Clearstream, Luxembourg. The Issuer, the Paying Agent and the Trustee may, but is not obliged, for the purposes of exercising any rights under or in respect of the Trust Deed, to treat each person who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of an interest in a particular principal amount of Class A Notes or Class B Notes (as the case may be) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of the Notes standing to the account of any person shall be conclusive and binding for all purposes) as the holder of such principal amount of such Notes.

Meetings: The holder of each Global Note or Definitive Note (as the case may be) will be treated as having one vote in respect of each €1,000 principal amount of each class of the Notes which the relevant Note represents.

TERMS AND CONDITIONS OF THE NOTES

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

The issue of the €493,000,000 Class A Asset-Backed Fixed Rate Notes due 2026 (the "**Class A Notes**") and the €32,000,000 Class B Asset-Backed Floating Rate Notes due 2026 (the "**Class B Notes**") and, together with the Class A Notes, the "**Notes**") by Praxis I Finance plc (the "**Issuer**") was authorised by a resolution of the board of directors of the Issuer passed on 28 April 2009.

The Notes are issued subject to the provisions, and having the benefit of a trust deed (which expression includes such trust deed as it may be modified in accordance with the provisions thereof and any agreement, deed or other document expressed to be supplemental thereto, as from time to time so modified from the "**Trust Deed**") dated 30 April 2009 (the "**Closing Date**") and entered into between the Issuer and Citicorp Trustee Company Limited (the "**Trustee**", which expression includes its successors or any further or other trustee under the Trust Deed) as Trustee for the holders of the Class A Notes (the "**Class A Noteholders**") and the holders of the Class B Notes (the "**Class B Noteholders**" and, together with the Class A Noteholders, the "**Noteholders**").

References herein to the Notes shall include references to:

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

References herein to interest include references to Deferred Interest and interest thereon, unless the context otherwise requires.

The Noteholders and the holders of the Coupons (as defined below) (the "**Couponholders**") are subject to and have the benefit of an agency agreement (as amended and/or supplemented from time to time, the "**Agency Agreement**") dated the Closing Date between the Issuer, Citibank, N.A., London Branch, as paying agent (the "**Paying Agent**", which expression includes any successor paying agent appointed from time to time in respect of the Notes) and, in a separate capacity under the same agreement, as agent bank (the "**Agent Bank**", which expression includes any successor agent bank appointed from time to time in connection with the Notes) and the Trustee.

The security for the Notes is created pursuant to, and upon the terms set out in, a deed of charge under English law (the "**Deed of Charge**", which expression includes such deed of charge as from time to time modified in accordance with the provisions therein contained and any agreement, deed or other document expressed to be supplemental thereto, as from time to time so modified) dated the Closing Date and made between, among others, the Issuer and the Trustee, and, additionally pursuant to the provisions of Paragraph 18, Article 10 of Greek Law 3156/2003 (published in Government Gazette issue no. 157/A/25.06.03) as the same may be amended or re-enacted from time to time (the "**Securitisation Law**") along with the Greek law pledge agreement dated on the Closing Date and made between, among others, the Issuer and the Trustee (the "**Greek Account Pledge Agreement**").

The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Agency Agreement, the Deed of Charge and the Securitisation Law applicable to them and all the provisions of the other Transaction Documents (including the Loan Sale Agreement, the Greek Assignment Agreement, the Corporate Services Agreement, the Servicing Agreement, the Subordinated Reserve Loan Agreement, the Set-Off (Reclaimable Payments) Facility Agreement, the Set-Off (Deposits) Facility Agreement, the Bank Accounts Agreement, the Greek Account

Pledge Agreement and the Cash Management Agreement (each as defined in the master definitions schedule signed for identification by, among others, the Issuer and the Trustee on or about the Closing Date (the "**Master Definitions Schedule**")) applicable to them.

The provisions of these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Agency Agreement, the Deed of Charge and the other Transaction Documents. Copies of the Transaction Documents are available for inspection by Noteholders at the principal office for the time being of the Trustee, which is currently Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB and at the specified office of the Paying Agent. Capitalised terms used in these Conditions but not otherwise defined have the meanings set out in the Master Definitions Schedule.

As used in these Conditions:

- (a) a reference to a "**Class**" of Notes or Noteholders shall be a reference to any or both of the Class A Notes and the Class B Notes (and, unless the context otherwise requires, shall include in each case any Coupons appertaining thereto and corresponding Talons) or, as the case may be, their respective holders and "**Classes**" shall be construed accordingly; and
- (b) "**Most Senior Class of Notes**" means:
 - (i) the Class A Notes; or
 - (ii) if no Class A Notes are then outstanding (as defined in the Trust Deed), the Class B Notes (if, at any time, any Class B Notes are then outstanding);

1. **GLOBAL NOTES**

(a) *Temporary Global Notes*

The Notes of each Class will initially be represented by a Temporary Global Note of the same Class (each, a "**Temporary Global Note**") in bearer form without Coupons or Talons (as defined below) attached.

The Temporary Global Notes will be delivered on behalf of the subscribers of the Notes with a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank SA/N.V. ("**Euroclear**") and Clearstream Banking, Société Anonyme ("**Clearstream, Luxembourg**") on or around the Closing Date. Upon delivery of the Temporary Global Notes, Euroclear or Clearstream, Luxembourg will credit the account of each Accountholder (as defined below) with the principal amount of Notes for which it has subscribed and paid.

(b) *Permanent Global Notes*

Each Temporary Global Note will be exchangeable in whole or in part for interests in its related Permanent Global Note in bearer form without Coupons or Talons attached not earlier than 40 days after the Closing Date upon certification as to non-U.S. beneficial ownership. Details of any exchange of a Temporary Global Note for a Permanent Global Note will be entered in the records of Euroclear and Clearstream, Luxembourg.

(c) *Form and Title*

Title to the Global Notes will pass by delivery. Notes represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as applicable.

For so long as the Notes of a Class are represented by a Global Note in respect of that Class, the Issuer, the Trustee and all other parties shall (to the fullest extent permitted by applicable laws) deem and treat Euroclear or Clearstream, Luxembourg as the Noteholder(s) and owners of the Global Notes for all

purposes under the Trust Deed. For so long as the Notes are represented by the relevant Global Notes, only the Noteholders will have rights under the Trust Deed, including, without limitation, with respect to enforcement and the pursuit of other remedies. The expressions "Noteholders" and "holder of Notes" and related expressions shall be construed accordingly.

The Noteholders will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. Participants must rely on the procedures of Euroclear and/or Clearstream, Luxembourg and indirect participants must rely on the procedures of Euroclear, Clearstream, Luxembourg and the participants through which they own interests in the Global Notes, to transfer their interests or to exercise any rights of Noteholders under the Trust Deed. All transfers of interests in the Global Notes between participants in Euroclear or Clearstream, Luxembourg will be effected by Euroclear or Clearstream, Luxembourg pursuant to customary procedures and subject to applicable rules and procedures established by Euroclear or Clearstream, Luxembourg and their respective participants.

For so long as the Notes are represented by the relevant Global Notes, interest in the Notes so represented will be transferable in accordance with the rules and procedures for the time being of Euroclear, or, as the case may be, Clearstream, Luxembourg. The Issuer, the Paying Agent and the Trustee may, but is not obliged, for the purposes of exercising any rights under or in respect of the Trust Deed, to treat each person who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of an interest in a particular principal amount of Class A Notes or Class B Notes (as the case may be) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of the Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest or proven error) as the holder of such principal amount of such Notes.

Subject to the preceding paragraph, in determining whether a particular person is entitled to a particular principal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest or proven error, be conclusive and binding on all concerned.

2. DEFINITIVE NOTES

(a) *Issue of Definitive Notes*

The Permanent Global Notes will become exchangeable in whole, but not in part, free of charge, for Notes of the relevant Class in definitive form in the denomination of €100,000 each and any integral multiple of €1,000 in excess thereof, each serially numbered, at the request of the bearer of a Permanent Global Note against presentation and surrender of the Permanent Global Note to the Paying Agent if any of the following events (each, an "**Exchange Event**") occurs:

- (i) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available; or
- (ii) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom or any other jurisdiction or any political sub-division thereof or of any authority therein or thereof having the power to tax, or in the interpretation or administration of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or the Paying Agent is or will be required to make any deduction or withholding for or in respect of tax from any payment in respect of the Notes which would not be required if the Notes were in definitive form.

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached, in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the Specified Office of the Paying Agent within 30 days of the occurrence of the relevant Exchange Event.

The Temporary Global Notes and the Permanent Global Notes will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Temporary Global Notes and the Permanent Global Notes.

(b) *Title to and Transfer of Definitive Notes*

Each Definitive Note shall be issued in bearer form, serially numbered, in the denomination of €100,000 each with (at the date of issue) interest coupons ("**Interest Coupons**") and principal coupons ("**Principal Coupons**") (severally or together "**Coupons**", which expression includes talons for further Coupons ("**Talons**")), except where the context otherwise requires) and Talons attached.

Title to the Definitive Notes and Coupons will pass by delivery.

The Issuer, the Paying Agent and the Trustee may (to the fullest extent permitted by applicable law) deem and treat the holder of any Definitive Note and the holder of any Coupon as the absolute owner for all purposes (whether or not the Definitive Note or the Coupon shall be overdue and notwithstanding any notice of ownership, theft or loss, of any trust or other interest therein or of any writing on the Definitive Note or Coupon) and the Issuer, the Trustee and the Paying Agent shall not be required to obtain any proof thereof or as to the identity of such holder.

3. **STATUS, SECURITY, PRIORITY OF PAYMENTS AND LIMITED RECOURSE**

(a) *Status and Relationship between Classes of Notes*

The Class A Notes and the Class B Notes constitute direct, secured and, in case of the Class B Notes, conditional obligations of the Issuer and are secured by a pledge operating by law (pursuant to the Securitisation Law), the bank accounts pledged pursuant to the Greek Account Pledge Agreement and assignments, pledges and other fixed and floating security interests over all of the assets of the Issuer (as more particularly described in the Deed of Charge) (the "**Charged Assets**") (such pledge, assignments, pledges and fixed and floating security together, the "**Security**"). Notes of each Class rank *pari passu* without preference or priority among themselves.

The Notes are constituted by the Trust Deed. In the event of the security being enforced, the Class A Notes will rank in priority to the Class B Notes in point of security and as to the payment of principal and interest and the Class B Notes will be subordinated in point of security and as to right of payment of principal and interest in respect of the Class A Notes (for so long as any Class A Notes remain outstanding).

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

- (i) except where expressly provided otherwise in these Conditions, the Trust Deed or any other Transaction Document, have regard to the interests of the Class A Noteholders and the Class B Noteholders equally as regards all powers, duties and discretions of the Trustee PROVIDED THAT if, in the opinion of the Trustee (for so long as there are any Class A Notes outstanding), there is a conflict between the interests of the Class A Noteholders on the one hand and the interests of the Class B Noteholders on the other hand, it shall have regard only to the interests of the Class A Noteholders, but so that this proviso shall not apply in the case of such powers, trusts, rights, authorities, duties and discretions:

- (A) in relation to which it is expressly stated that they may be exercised by the Trustee only if in its opinion the interests of the Noteholders of each Class would not be materially prejudiced thereby; or
 - (B) the exercise of which by the Trustee relates to any Basic Terms Modification, in which event the Trustee may exercise such powers, trusts, rights, authorities, duties and discretions if it receives from the Noteholders of any Class, which is or may be affected by such Basic Terms Modification, the relevant consent or sanction;
- (ii) where it is required to have regard to the interests of the Noteholders (or any Class thereof), have regard to the interests of the Noteholders (or such Class) as a class and in particular, but without prejudice to the generality of the foregoing, shall not be obliged to have regard to the consequences thereof for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to, the jurisdiction of any particular territory and the Trustee shall not be entitled to require, nor shall any Noteholders be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders; and
 - (iii) except where expressly provided otherwise, have regard only to the interests of the Noteholders and shall not be required to have regard to the interests of any Other Secured Party or any other person or to act upon or comply with any direction or request of (whilst any amount remains owing to any Noteholder) any Other Secured Party or (at any time) any other person.

The Trust Deed contains provisions limiting the powers of any Class of Noteholders to, *inter alia*, request or direct the Trustee to take any action or to pass an effective Extraordinary Resolution (as defined in Condition 12 (*Meetings of Noteholders, Modification, Waiver, Substitution and Trustee's Discretion*)) according to the effect thereof on the interests of any Class of Noteholders which is senior to such Class of Noteholders. The Trust Deed contains no similar limitation on the powers of the Class A Noteholders, the exercise of whose powers will be binding on the Class B Noteholders, irrespective of the effect thereof on their interests, except in certain specified circumstances. Except in certain specified circumstances, the exercise by any Class of Noteholders of their powers will be binding on each Class of holders which is junior in priority to such Class, irrespective of the effect on their interests of the holders of such junior ranking Classes of Notes.

As used in these Conditions:

"**Other Secured Parties**" means the Trustee, any appointee of the Trustee, the Servicer, the Seller, the Corporate Services Provider, the Set-Off (Deposits) Facility Provider, the Set-Off (Reclaimable Payments) Facility Provider, the Subordinated Reserve Loan Provider, the Issuer Account Bank, the Greek Account Bank, the Cash Manager, the Paying Agent, the Agent Bank and any other agent appointed under the Agency Agreement; and "**Secured Parties**" means the Noteholders, the Couponholders, the Other Secured Parties and any other party so designated by the Issuer and the Trustee.

(b) *Security and Priority of Payments*

The Security in respect of the Notes and Coupons and the payment obligations of the Issuer under the other Transaction Documents is set out in the Deed of Charge, the Greek Account Pledge Agreement and as provided in the Securitisation Law. The Cash Management Agreement contains provisions regulating the priority of application by the Cash Manager of the Charged Assets (and proceeds thereof) among the persons entitled thereto prior to the Security becoming enforceable and the Deed of Charge contains provisions regulating such application by or on behalf of the Trustee after the Security has become enforceable. The Security will become enforceable on the giving of an Acceleration Notice pursuant to Condition 10 (*Events of Default*) or upon any failure by the Issuer to pay the full amount

due and payable on a redemption of the Notes pursuant to or under Condition 6(c) (*Optional Redemption in Full for Taxation and Other Relevant Changes in Law*), 6(d) (*Optional Redemption in Full for Other Reasons*), 6(e) (*Mandatory Redemption of the Notes in Full in Acquisition of the Portfolio by Piraeus*) or 6(f) (*Redemption on Maturity*).

(c) *Extinguishment of claims in respect of the Notes*

Only the Security shall be available to satisfy the obligations of the Issuer under the Notes and the Transaction Documents. Accordingly, recourse against the Issuer in respect of such obligations shall be limited to the Security and the claims of the Secured Parties against the Issuer under the Transaction Documents may only be satisfied to the extent of the Security. Once the Security has been realised:

- (i) neither the Trustee nor any other Secured Party shall be entitled to take any further steps or other action against the Issuer to recover any sums due but unpaid;
- (ii) all claims in respect of any sums due but unpaid shall be extinguished; and
- (iii) neither the Trustee nor any other Secured Party shall be entitled to petition or take any other step for the winding up of, administration or the appointment of a receiver to, the Issuer.

4. **COVENANTS**

(a) *Restrictions*

Save with the prior written consent of the Trustee or as provided in these Conditions or as otherwise provided in the other Transaction Documents, the Issuer shall not, so long as any of the Notes remains outstanding:

- (i) Negative Pledge:

(save for the Security) create or permit to subsist any mortgage, sub-mortgage, charge, sub-charge, assignment, pledge, lien, hypothecation or other security interest whatsoever, howsoever created or arising (unless arising by operation of law) over any of its property, assets or undertakings (including the Charged Assets) present or future (including any uncalled capital), or any interest, estate, right, title or benefit therein or use, invest or dispose of, including by way of sale or the grant of any security interest of whatsoever nature or otherwise deal with, or agree or attempt or purport to sell or otherwise dispose of (in each case whether by one transaction or a series of transactions) or grant any option or right to acquire any such property, assets or undertakings, present or future or any interest, estate, right, title or benefit therein;
- (ii) Restrictions on Activities:
 - (A) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage the Issuer will engage in;
 - (B) open or have an interest in any account (other than the accounts created pursuant to the Bank Accounts Agreement) whatsoever with any bank or other financial institution, save where such account or the Issuer's interest therein is immediately charged in favour of, and to the satisfaction of, the Trustee so as to form part of the Security;
 - (C) have any subsidiaries or employees;
 - (D) own, rent, lease or be in possession of any premises, buildings or equipment;

- (E) amend, supplement or otherwise modify its Memorandum or Articles of Association or other constitutive documents;
 - (F) issue any further shares; or
 - (G) act as a director of any company;
- (iii) Borrowings:
- incur or permit to subsist any other indebtedness in respect of borrowed money whatsoever, except in respect of the Notes, the Subordinated Reserve Loan Agreement, the Set-Off (Deposits) Facility Agreement and the Set-Off (Reclaimable Payments) Facility Agreement or give any guarantee or indemnity in respect of any indebtedness or of any other obligation of any person;
- (iv) Merger:
- except as required or permitted pursuant to Conditions 6(c) (*Optional Redemption in Full for Taxation and Other Relevant Changes in Law*) and 12(c) (*Meetings of Noteholders, Modification, Waiver Substitution and Trustee's Discretion*), consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person unless:
- (A) the person (if other than the Issuer) which is formed pursuant to or survives such consolidation or merger or which acquires by conveyance or transfer the properties and assets of the Issuer substantially as an entirety shall be a person incorporated and existing under the laws of England and Wales, the objects of which include the funding, purchase and administration of consumer loans, and who shall expressly assume, by an instrument supplemental to each of the Transaction Documents, in form and substance satisfactory to the Trustee, the obligation to make due and punctual payment of all moneys owing by the Issuer, including principal and interest on the Notes, and the performance and observance of every covenant in each of the Transaction Documents to be performed or observed on the part of the Issuer;
 - (B) immediately after giving effect to such transaction, no Event of Default (as defined in Condition 10 (*Events of Default*)) shall have occurred and be continuing;
 - (C) immediately after giving effect to such transaction, the Security shall be subsisting, valid and effective in full in accordance with the Deed of Charge, the Greek Account Pledge Agreement and Securitisation Law;
 - (D) such consolidation, merger, conveyance or transfer has been approved by an Extraordinary Resolution of each Class of the Noteholders;
 - (E) all persons required by the Trustee shall have executed and delivered such documentation as the Trustee may require;
 - (F) the Issuer shall have delivered to the Trustee a legal opinion of English lawyers and as the case may be, Greek lawyers, acceptable to the Trustee in a form acceptable to the Trustee to the effect that such consolidation, merger, conveyance or transfer and such supplemental instruments and other documents comply with paragraphs (A) (C) and (E) above and are binding on the Issuer or such other persons; and
 - (G) the Issuer shall have delivered to the Trustee a legal opinion of Greek lawyers in a form acceptable to the Trustee to the effect that the transactions contemplated by the Transaction Documents and the Security continue to comply with applicable provisions of Greek law (including the Securitisation Law).

(v) *Disposal of Assets*

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

(vi) *Dividends or Distributions*

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

(vii) *Assets*

own assets other than those representing its share capital, the funds arising from the issue of the Notes, the property, rights and assets secured by the Security, the benefit of the Transaction Documents and any investments and other rights or interests created or acquired thereunder, as all of the same may vary from time to time;

(viii) *VAT*

apply to become part of any group with any other company or group of companies for the purposes of section 43 of the Value Added Tax Act 1994, or any such act, regulation, order, statutory instrument or directive which may from time to time replace, amend or repeal the Value Added Tax Act 1994;

(ix) *Residence*

take any action (save to the extent necessary for the Issuer to comply with its obligations under the Transaction Documents) which will cause its "centre of main interests" (within the meaning of European Council Regulation No. 1346/2000 on Insolvency Proceedings (the "**Insolvency Regulations**") to be located in any jurisdiction other than England and Wales and will not establish any offices, branches or other permanent establishments (as defined in the Insolvency Regulations) as register as a company in any jurisdiction other than England and Wales; and

(x) *Other:*

cause or permit the validity or effectiveness of any of the Transaction Documents, or the priority of the security interests created thereby, to be amended, terminated, postponed or discharged, or consent to any variation of, or exercise any powers of consent or waiver pursuant to the terms of, the Trust Deed, the Conditions, the Deed of Charge or any of the other Transaction Documents, or permit any party to any of the Transaction Documents or the Security or any other person whose obligations form part of the Security to be released from such obligations or dispose of any part of the Charged Assets.

In giving any consent to the foregoing, the Trustee may require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents or may impose such other conditions or requirements as the Trustee may deem expedient, in its absolute discretion, in the interests of the Noteholders, provided, however, such modification or additions will be notified to Moody's by the Issuer.

(b) *Servicer*

So long as any of the Notes remain outstanding, the Issuer will procure that there will at all times be a servicer for the administration of the Portfolio and the performance of the other administrative duties set out in the Servicing Agreement. Any appointment by the Issuer of a servicer other than Piraeus is subject to the prior written approval of the Trustee. The Issuer will not be permitted to terminate Piraeus's appointment as Servicer without, *inter alia*, the prior written consent of the Trustee. The

appointment of the Servicer may be terminated by the Issuer (with the prior written consent of the Trustee) or the Trustee if, *inter alia* (and subject to any grace periods applicable thereto), the Servicer defaults in any material respect (as determined in the sole discretion of the Trustee) in the observance and performance of any obligation imposed on it under the Servicing Agreement and which default is not remedied within a specified period after written notice of such default has been served on it by the Issuer or the Trustee.

5. INTEREST

(a) *Period of Accrual*

The Notes bear interest from (and including) the Closing Date. Interest shall cease to accrue on any part of the Principal Amount Outstanding (as defined in Condition 6(a) (*Mandatory Redemption of the Notes in Part*)) of any Note from the due date for redemption unless, upon due presentation, payment of principal or any part thereof due is improperly withheld or refused or any other default is made in respect thereof. In such event, interest will continue to accrue as provided in the Trust Deed.

(b) *Interest Payment Dates and Interest Periods*

Interest on the Notes is, subject as provided below in relation to the first payment, payable monthly in arrear on the 28th day of each calendar month in each year or, if any such day is not a Business Day (as defined below), the next succeeding Business Day (each, an "**Interest Payment Date**"). The first such payment is due on the Interest Payment Date falling in June 2009 in respect of the period from (and including) the Closing Date to (but excluding) that Interest Payment Date. Each period from (and including) an Interest Payment Date (or the Closing Date, in the case of the first Interest Period) to (but excluding) the next (or, in the case of the first Interest Period, the first) Interest Payment Date is in these Conditions called an "**Interest Period**".

(c) *Rates of Interest*

The rate of interest payable from time to time in respect of each Class of Notes (each a "**Rate of Interest**") and the Interest Payment (as defined below) in respect of each Class of Notes will be determined on the basis of the following provisions:

- (i) the Class A Notes will bear interest on their then Principal Amount Outstanding at the rate of 2.9 per cent. per annum.;
- (ii) in the case of the Class B Notes, the Agent Bank will, at or as soon as practicable after 11.00 a.m. (Central European Time) on the Business Day that falls two Business Days prior to the first day of each Interest Period (each, an "**Interest Determination Date**"), determine the Rate of Interest applicable to, and calculate the amount of interest payable on each of, the Class B Notes for such Interest Period. The Rate of Interest applicable to the Class B Notes for any Interest Period will be equal to EURIBOR (as determined in accordance with Condition 5(c)(iii) (*Rates of Interest*)).

The amount of interest payable in relation to a Note of a particular Class (each, an "**Interest Payment**") shall be calculated by applying the Rate of Interest applicable to the Notes of that Class to the Principal Amount Outstanding of each Note of that Class, multiplying the product of such calculation by the actual number of days in the relevant Interest Period divided by 360 and rounding the resultant figure to the nearest cent (fractions of a cent being rounded upwards).

For the purposes of these Conditions:

"**Business Day**" means a TARGET Business Day.

"**TARGET Business Day**" means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System settles payments in euro.

(iii) Determination of EURIBOR

For the purposes of determining the Rate of Interest in respect of the Class B Notes under Condition 5(c)(ii), EURIBOR will be determined by the Agent Bank on the basis of the following provisions:

- (A) on each Interest Determination Date, the Agent Bank will determine the interest rate for one-month Euro deposits (or, in respect of the first such Interest Period, a linear interpolation of the rate for one-month and two-month Euro deposits) at a rate equal to the European Interbank Offered Rate for one-month Euro deposits ("**EURIBOR**") calculated, supplied and distributed by Reuters, which is currently published in the EURIBOR01 electronic pages (or in any other page that might replace such page in the future), as determined at 11:00 a.m. (Central European Time) on the relevant Interest Determination Date (the "**Euro Screen Rate**"); or
- (B) if, on any Interest Determination Date, the Euro Screen Rate is unavailable, the Agent Bank will request the Reference Banks (as defined below) to provide the Agent Bank with their offered quotations to leading banks in the Eurozone interbank market for one-month Euro deposits (or, in respect of the first such Interest Period, a linear interpolation of the rate for one-month and two-month Euro deposits) as at 11:00 a.m. (Central European Time) on the relevant Interest Determination Date and, subject as provided below, will determine the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of one per cent.) of such offered quotations. As used herein, "**Reference Banks**" means four leading banks active in the Eurozone interbank market selected by the Agent Bank;
- (C) if, on any Interest Determination Date, less than all but at least two of the Reference Banks provide such offered quotations, the Agent Bank will determine a rate in accordance with paragraph (B) above on the basis of the offered quotations of those Reference Banks providing such quotations (together with (B) above, the "**Euro Reference Rate**"); and
- (D) if, on any Interest Determination Date, only one of the Reference Banks provides the Agent Bank with such offered quotations, the Agent Bank will determine a rate for such Interest Determination Date on the basis of such annual rate of interest as the Agent Bank considers to be representative of the rates at which one-month Euro deposits are offered by leading banks in the Eurozone interbank market as of 11:00 a.m. (Central European Time) on such Interest Determination Date (the "**Euro Reserve Reference Rate**" and, together with the Euro Reference Rate, the "**Euro Rate**");

and the Rate of Interest in respect of the Class B Notes for each Interest Period shall be the Euro Rate determined on the related Interest Determination Date.

There will be no minimum or maximum Rate of Interest in relation to the Class B Notes.

(d) *Publication of Rates of Interest and Interest Payments*

The Agent Bank will cause the Rate of Interest for the next Interest Period and the Interest Payment in each case relating to each Class of Notes for each Interest Period and the Interest Payment Date to be forthwith notified in writing to the Issuer, the Trustee, the Servicer, the Paying Agent, the Cash Manager and the Noteholders in accordance with Condition 15 (*Notice to Noteholders*), each of Euroclear and Clearstream, Luxembourg (so long as the Notes are in global form and, for so long as the Notes are listed on the Irish Stock Exchange Limited (the "**Irish Stock Exchange**"), the Irish Stock Exchange within two Business Days of the relevant Interest Determination Date. The Interest Payments and Interest Payment Date so notified may subsequently be amended (or appropriate alternative

arrangements made by way of adjustment) without notice in the event of a lengthening or shortening of such Interest Period or in the circumstances referred to in Condition 5(i).

(e) *Determination or Calculation by Trustee*

If the Agent Bank at any time for any reason does not determine the Rate of Interest or calculate an Interest Payment in accordance with the foregoing provisions, the Trustee may or an agent appointed on its behalf to do so may (in either case without any liability accruing to the Trustee as a result and at the Issuer's expense) determine the Rate of Interest at such rates as, in its absolute discretion (having such regard as it shall think fit to the procedure described in the foregoing provisions) it shall deem fair and reasonable in all the circumstances and/or, as the case may be, calculate the Interest Payment for each Class of Notes in accordance with paragraph (c) above, and any such determination or calculation shall be deemed to have been made by the Agent Bank.

(f) *Notification to be Final*

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

(g) *Agent Bank*

The Issuer will procure that, so long as any of the Class B Notes remain outstanding, there will at all times be an Agent Bank and four Reference Banks. The Issuer reserves the right at any time with the prior written consent of the Trustee to terminate the appointment of the Agent Bank in accordance with the terms of the Agency Agreement. Notice of any such termination will be given to the Noteholders in accordance with Condition 15 (*Notice to Noteholders*). If any person shall be unable or unwilling to continue to act as the Agent Bank, or as a Reference Bank or if the appointment of the Agent Bank or any Reference Bank shall be terminated, the Issuer will, with the written approval of the Trustee, appoint a successor Agent Bank or Reference Bank, as the case may be, to act as such in its place, provided that neither the resignation nor the removal of the Agent Bank shall take effect until a successor approved by the Trustee has been appointed.

(h) *Eurozone*

"**Eurozone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25th March, 1957), as amended from time to time.

(i) *Deferral of Payment*

Interest on the Notes is payable subject to, and in accordance with the order of priorities set out in, the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable. If, on any Interest Payment Date, the Issuer has insufficient funds to make payment in full of all amounts of interest (including any Deferred Interest and accrued interest thereon) payable in respect of the Class B Notes after having paid or provided for items of higher priority, then the Issuer shall be entitled (whether or not there are then any Class A Notes outstanding) to defer, to the next Interest Payment Date, the payment of interest in respect of the Class B Notes to the extent only of any insufficiency of funds after having paid or provided for all amounts specified as having a higher priority than any amount of interest payable in respect of the Class B Notes.

Any amount of interest (including any Deferred Interest (as defined below) arising on the immediately preceding Interest Payment Date and accrued interest thereon) on the Class B Notes which is not payable on an Interest Payment Date as a result of the provisions of this paragraph (i) is the "**Deferred Interest**" arising on any such Interest Payment Date. Interest will accrue on the amount of any such Deferred Interest at the Rate of Interest from time to time applicable to the Class B Notes and on the same basis as interest on the Class B Notes then applicable. Any Deferred Interest and accrued interest thereon is payable on the next Interest Payment Date unless and to the extent that this paragraph (i) applies. As soon as practicable after becoming aware that any part of a payment of interest on the Class B Notes will be deferred or that a payment previously deferred will be made in accordance with this paragraph (i), the Issuer will give notice thereof to the Class B Noteholders in accordance with Condition 15 (*Notice to Noteholders*). Any deferral of interest in accordance with this paragraph (i) will not constitute an Event of Default. The provisions of this paragraph (i) shall cease to apply on the Final Maturity Date at which time all Deferred Interest and accrued interest thereon shall become due and payable, subject to Condition 3(c).

6. **REDEMPTION**

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

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

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

"**Class A Note Redemption Amount**" means on any Calculation Date:

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

"**Class B Note Redemption Amount**" means:

- (a) on any Calculation Date that there are no Class A Notes outstanding, an amount equal to the lesser of:
 - (i) the Principal Amortisation Amount less any amounts repayable on the Class A Notes on the next following Interest Payment Date; and
 - (ii) the then Principal Amount Outstanding of the Class B Notes; or

(b) on any Calculation Date that there are Class A Notes outstanding, zero.

"**Collection Date**" means the 1st day of each month of each year.

"**Collection Period**" means each period starting on (and including) a Collection Date and ending on (but excluding) the immediately succeeding Collection Date.

"**Contractual Balance**" means, at any time in relation to a Loan, the principal amount outstanding of such Loan at such time excluding:

- (a) accrued interest; and
- (b) costs due but not received from the Borrower,

calculated in accordance with the terms of the relevant Loan Documentation;

"**Default Ratio**" – on any Interest Payment Date the cumulative Contractual Balance of Defaulted Loans and of Written Off Loans divided by the aggregate Contractual Balance of the Initial Loans, expressed as a percentage, calculated as at the beginning of the Collection Period immediately preceding such Interest Payment Date.

"**Defaulted Loan**" means a Loan which is 150 Days in Arrears, or which has been referred to the Servicer's non-performing loans division, whichever occurs earlier.

"**Determination Date**" means the first Business Day following the end of a Collection Period.

"**Expected Amortisation Amount**" means, in relation to each Calculation Date, the aggregate Principal Amount Outstanding of all Notes less the Principal Outstanding Amount of the Loans, in each case as at the end of the Collection Period immediately preceding such Interest Payment Date.

"**Note Redemption Amount**" means the Class A Note Redemption Amount and the Class B Note Redemption Amount or any one of them, as the context may require.

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

- (a) the Available Funds relating to such Interest Payment Date, minus:
 - (A) for so long as any Class A Notes are outstanding, all amounts falling due and payable under items (i) to (vi) (inclusive) of the Pre-Enforcement Priority of Payments on such Interest Payment Date; or
 - (B) following redemption of the Class A Notes in full but for so long as any Class B Notes are outstanding, the aggregate of all amounts falling due and payable under items (i) to (x) (inclusive) of the Pre-Enforcement Priority of Payments on such Interest Payment Date; and
- (b) the greater of (i) zero and (ii) the Expected Amortisation Amount.

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

"**Principal Amount Outstanding**" means in respect of any Note at any time the principal amount thereof as at the Closing Date as reduced by any payment of principal to the holder of the Note up to (and including) that time.

"**Principal Loss**" means in respect of a Loan, the amount required to be deemed as lost under the terms of the Servicing Agreement, being, for Defaulted Loans, an amount equal to 100 per cent. of the Contractual Balance of that Loan.

"Principal Outstanding Amount of the Loans" means, in relation to each Calculation Date, (i) the aggregate of the Contractual Balances of the Loans less (ii) the aggregate Principal Loss, in each case as at the immediately preceding Determination Date.

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

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

The Issuer or the Cash Manager on its behalf will cause each determination of a Note Redemption Amount and Principal Amount Outstanding for each Class of Notes to be notified forthwith upon such determination to the Trustee, the Paying Agent, the Agent Bank and, for so long as any Class of Notes is listed on the Irish Stock Exchange, to the Irish Stock Exchange and to the Noteholders in accordance with Condition 15 (*Notices to Noteholders*).

If the Cash Manager at any time for any reason does not determine a Note Redemption Amount or Principal Amount Outstanding of the Notes of each Class in accordance with the preceding provisions of this paragraph (b), such Note Redemption Amount and Principal Amount Outstanding, as the case may be, for each Class of Notes may be determined by, or by an agent on behalf of, the Trustee (in either case without any liability accruing to the Trustee as a result and at the Issuer's expense) in accordance with this paragraph (b) and paragraph (a) above (but based on such information as it has in its possession) and each such determination or calculation shall be deemed to have been made by the Cash Manager.

(c) *Optional Redemption in Full for Taxation and Other Relevant Changes in Law*

If the Issuer at any time satisfies the Trustee that immediately prior to giving the notice referred to below that either:

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

- (iv) the Issuer incurs a taxation liability in the United Kingdom by reason of a change in law or a binding change in the application, official interpretation or administration thereof, where such a change becomes effective on or after the Closing Date and which taxation liability is materially greater than the taxation liability it would have been subject to had such a change in law or such a change in the application, interpretation or administration thereof not occurred;
- (v) by virtue of a change in the law of the United Kingdom, the Hellenic Republic or any other relevant jurisdiction, or a binding change in the application, official interpretation or administration thereof, from that in effect on the Closing Date, any amounts payable by the Borrowers to the Issuer in relation to the Portfolio is or will be reduced or ceases or will cease to be receivable (whether or not actually received) by the Issuer during the then current Interest Period; or
- (vi) the Issuer is not or ceases to be a "securitisation company" as defined for the purposes of the Taxation of Securitisation Companies Regulations 2006 of the United Kingdom,

then the Issuer shall inform the Trustee accordingly and shall, in the case of (iii) above, in order to avoid the event described therein, use its reasonable endeavours to arrange the substitution of a company incorporated in another jurisdiction approved in writing by the Trustee and on terms acceptable to the Rating Agency and the Trustee as principal debtor under the Notes in accordance with Condition 12(c) (*Meetings of Noteholders, Modification, Waiver Substitution and Trustee's Discretion*), and if the Issuer is unable to arrange such a substitution which would have the result of avoiding the event described in paragraph (iii) above, or in any case on the occurrence of an event described in (i), (ii), (iv),(v) or (vi) above, then the Issuer may, having given not more than 60 nor less than 30 days' notice to the Noteholders in accordance with Condition 15 (*Notices to Noteholders*), the Trustee and the Paying Agent, redeem all (but not some only) of the Notes at their respective Principal Amount Outstanding together with accrued interest on the next Interest Payment Date, provided that, prior to giving any such notice, the Issuer shall have satisfied the Trustee that it will have the funds, not subject to the interest of any other person, required to fulfil its obligations hereunder in respect of the Notes and any amounts required under the Cash Management Agreement or the Deed of Charge to be paid *pari passu* with, or in priority to, the Notes and shall have delivered to the Trustee a certificate signed by two directors of the Issuer stating that the event described above applies (or, in the case of paragraph (iii) above, will apply on the occasion of the next Interest Payment Date and cannot be avoided by the Issuer using its reasonable endeavours to arrange a substitution as aforesaid) and that the Issuer will have the funds referred to above and provided further that on the Interest Payment Date on which the notice expires no Acceleration Notice has been served and the Trustee shall (in the absence of manifest or proven error) accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above and it shall be conclusive and binding on the Noteholders.

After giving notice of redemption pursuant to this sub-paragraph, the Issuer shall not make any further payment of principal on the Notes and no further reduction shall be made to the Principal Amount Outstanding of any Note other than by way of redemption pursuant to this Condition 6(c) (*Optional Redemption in Full for Taxation and Other Relevant Changes in Law*). Once redeemed to the full extent provided in this Condition 6(c) (*Optional Redemption in Full for Taxation and Other Relevant Changes in Law*), the Notes shall cease to bear interest.

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

On any Interest Payment Date on or after:

- (i) the date on which the aggregate Principal Amount Outstanding of the Notes (after taking account of any payment of principal on the Notes which, but for this paragraph (i), would fall to have been made on such Interest Payment Date) would be 10 per cent. or less of their original aggregate Principal Amount Outstanding on the Closing Date; or

- (ii) it becomes unlawful (by reason of a change in any law applicable to or binding on the Issuer or the interpretation or administration thereof since the Closing Date) for the Issuer to perform its obligations under the Notes or any of the Transaction Documents,

the Issuer may, having given not more than 60 nor less than 30 days' notice to the Noteholders in accordance with Condition 15 (*Notice to Noteholders*), the Trustee and the Paying Agents, redeem all (but not some only) of the Notes at their respective Principal Amount Outstanding together with accrued interest provided that, prior to giving any such notice, the Issuer shall have satisfied the Trustee that it will have the funds, not subject to the interest of any other persons, required to fulfil its obligations hereunder in respect of the Notes and any amounts required under the Cash Management Agreement and/or the Deed of Charge to be paid *pari passu* with, or in priority to, the Notes and shall have delivered to the Trustee a certificate signed by two directors of the Issuer stating that the Issuer will have such funds and provided further that on the date on which the notice expires, no Acceleration Notice has been served and the Trustee shall (in the absence of manifest or proven error) accept the certificate as sufficient evidence of the satisfaction of such condition precedent and it shall be conclusive and binding on the Noteholders.

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

- (e) *Mandatory Redemption of the Notes in Full on Acquisition of the Portfolio by Piraeus*

On receipt from Piraeus of notice that it intends to exercise the option granted by the Issuer to the Seller to purchase, and have assigned to it, the Portfolio in full on the next following Interest Payment Date as set out in the Loan Sale Agreement (the "**Seller Call Option**"), the Issuer, having given not more than 60 nor less than 30 days' notice to the Noteholders in accordance with Condition 15 (*Notice to Noteholders*) will redeem all (but not some only) of the Notes on the next Interest Payment Date at their respective Principal Amount Outstanding together with accrued interest (which shall include, for the avoidance of doubt, Deferred Interest (if any)) provided that, prior to giving any such notice, the Issuer shall have delivered to the Trustee a certificate signed by two directors of the Issuer to the effect that, subject to receiving the consideration payable pursuant to exercise of the Seller Call Option, that the Issuer will have the funds, not subject to the interest of any other persons, required to fulfil its obligations hereunder in respect of the Notes and any amounts required under the Cash Management Agreement and/or the Deed of Charge to be paid *pari passu* with, or in priority to, the Notes and the Trustee shall accept the certificate as sufficient evidence of the satisfaction of such condition precedent and it shall be conclusive and binding on the Noteholders.

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

- (f) *Redemption on Maturity*

Save to the extent otherwise redeemed or cancelled in accordance with this Condition 6 (*Redemption*) the Issuer shall redeem the Notes of each Class at their respective aggregate Principal Amount Outstanding plus interest accrued and unpaid on the Interest Payment Date which falls in 2026 (the "**Final Maturity Date**"). The Issuer may not redeem Notes in whole or part prior to that date except as described in this Condition 6 (*Redemption*), but without prejudice to Condition 10 (*Events of Default*)

- (g) *Purchase*

The Issuer may not purchase Notes in the open market or otherwise.

- (h) *Cancellation*

All Notes redeemed in full will be cancelled upon redemption forthwith and may not be resold or reissued.

(i) *Notice of Redemption*

Any such notice of redemption given by the Issuer in connection with a redemption described in any of the Conditions 6(c), (d) or (e) above shall be irrevocable and, upon the expiration of such notice, the Issuer will be bound to redeem the Notes of the related Class in the amounts specified in those Conditions.

7. **PAYMENTS**

- (a) Payments of principal and interest in respect of the Notes will be made in euro against presentation of the relevant Global Notes or Definitive Notes and/or Coupons (as the case may be) at the specified office of the Paying Agent. Payments of principal and interest (except where, after such payment, the unpaid principal amount of the related Note would be reduced to zero (including as a result of any other payment of principal due in respect of such Note, in which case the related payment of principal or interest, as the case maybe, will be made against surrender of such Note)) will in each case be made by euro cheque drawn on a bank in the European Union and posted in London or, at the option of the relevant Noteholder, by transfer to a euro denominated account maintained by the payee with a branch of a bank in the European Union. A record of each payment made, distinguishing, in the case of a Global Note, between any payment of principal and any payment of interest and, in the case of partial payments, of the amount of each partial payment, will be endorsed on the schedule to the relevant Global Note by the Paying Agent to which such Global Note was presented for the purpose of making such payment, and such record shall be *prima facie* evidence that the payment in question has been made. Payments of principal and interest in respect of the Notes will be subject in all cases to any fiscal or other laws and regulations applicable thereto and to normal banking practice. Upon the date on which any Definitive Note becomes due and repayable in full, all unmatured Coupons and Talons appertaining to such Definitive Note (whether or not attached) shall become void and no payment shall be made in respect of such Coupons.
- (b) None of the persons appearing from time to time in the records of Euroclear or Clearstream, Luxembourg as a Noteholder of the relevant Class shall have any claim directly against the Issuer or the Trustee in respect of payments due on such Note whilst such Note is represented by a Global Note and the Issuer or the Trustee, as the case may be, shall be discharged by payment of the relevant amount to the bearer of the relevant Global Note.
- (c) If payment of principal is improperly withheld or refused on or in respect of any Note or part thereof, the interest which continues to accrue in respect of such Note or any part thereof in accordance with Condition 5 (*Interest*) will be paid against presentation of such Note at the specified office of the Paying Agent.
- (d) If the date of presentation (if required) of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day and shall not be entitled to further payments of additional amounts by way of interest, principal or otherwise. In this Condition 7(d) (*Payments*) the expression "**Payment Day**" means any day which is or falls after the relevant due date for payment in respect of a Note or Coupon and is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and the place of presentation and, in the case of payment by transfer to a euro denominated account as referred to above, is a Business Day.
- (e) If the Paying Agent makes a partial payment in respect of any Note presented to it for payment, the Paying Agent shall instruct Euroclear and Clearstream, Luxembourg to make the appropriate entries in their records to reflect such payment.

- (f) The initial Paying Agent and its initial specified office are stated at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of the Paying Agent and the Agent Bank and to appoint additional or other Paying Agents or Agent Bank as the case may be. The Issuer will at all times maintain a Paying Agent or Agent Bank, as the case may be. The Issuer 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 other Directive implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive. The Issuer will cause at least 30 days' notice of any change in or addition to the Paying Agent, the Agent Bank or its or their specified office to be given in accordance with Condition 15 (*Notice to Noteholders*).

8. PRESCRIPTION

Claims for principal in respect of Global Notes shall become void unless presented for payment within a period of ten years from the relevant date (as defined below) in respect thereof. Claims for interest in respect of Global Notes shall become void unless presented for payment within a period of five years from the relevant date in respect thereof. Claims in respect of Definitive Notes and Coupons shall become void unless made within ten years, in the case of principal, and five years, in the case of interest, of the appropriate relevant date. In this Condition, the "**relevant date**" means the date on which a payment first becomes due, but if the full amount of the moneys payable has not been duly received by a Paying Agent or the Trustee on or prior to such date, it means the date on which notice that the full amount of such moneys has been received is duly given to the Noteholders in accordance with Condition 15 (*Notice to Noteholders*).

9. TAXATION

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

10. EVENTS OF DEFAULT

- (a) The Trustee at its absolute discretion may, and if so requested in writing by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in Condition 13 (*Indemnification and Exoneration of the Trustee*)) of the holders of the Most Senior Class of Notes then outstanding shall, (subject in each case to its being secured and/or indemnified to its satisfaction) give notice in writing (an "**Acceleration Notice**") to the Issuer declaring the Notes to be due and repayable (and they shall forthwith become due and repayable) and the Security enforceable at any time after the happening of any of the following events (each, an "**Event of Default**"):

- (i) default by the Issuer being made for a period of three days in the payment of any principal of, or default is made for a period of five days in the payment of any interest on, any Note when and as the same ought to be paid in accordance with these Conditions provided that a deferral of interest in accordance with Condition 5(i) (*Deferral of Payment*) shall not constitute a default in such payment for the purposes of this Condition 10(a)(i) whether or not any Class A Notes are then outstanding; or

- (ii) the Issuer failing duly to perform or observe any representation, warranty or other obligation, condition or provision binding upon it under these Conditions, the Trust Deed or any of the

other Transaction Documents to which it is a party and in any such case (except where the Trustee certifies that, in its opinion, such failure is incapable of remedy, when no notice will be required), such failure continues for a period of 30 days following the service by the Trustee on the Issuer of notice in writing requiring the same to be remedied; or

- (iii) the Issuer, otherwise than for the purposes of such a pre-approved amalgamation or reconstruction as is referred to in sub-paragraph (v) below, ceasing or, through an official action of the board of directors of the Issuer, threatening to cease to carry on business (or a substantial part thereof) or the Issuer being (or being deemed to be) unable to pay its debts as and when they fall due within the meaning of Section 123(1) of the Insolvency Act 1986 (as that section may be amended from time to time) or any equivalent provision in any other jurisdiction whose laws are binding on the Issuer; or
- (iv) an order being made or an effective resolution being passed for the winding-up of the Issuer, except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding; or
- (v) proceedings being initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including, but not limited to an application to the court for an administration order), or an administration order being granted or an administrative receiver or other receiver (including documents being filed with the Court for the appointment of an administrator or notice of intention to appoint an administrator being served), liquidator or other similar official being appointed in relation to the Issuer or in relation to the whole or any part of the undertaking, property or assets of the Issuer or an encumbrancer taking possession of the whole or any substantial part of the undertaking, property or assets of the Issuer, or a distress or execution or other process being levied or enforced upon or sued out against the whole or any substantial part of the undertaking, property or assets of the Issuer, and such proceedings, distress, execution or process (as the case may be) not being discharged or not otherwise ceasing to apply within 15 days, or the Issuer initiating or consenting to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or making a conveyance or assignment for the benefit of its creditors generally,

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

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

11. ENFORCEMENT

- (a) Subject to the provisions of Condition 10 (*Events of Default*) and Condition 13 (*Indemnification and Exoneration of the Trustee*) the Trustee may, at its discretion and without notice at any time and from time to time, take such proceedings or other action it may think fit to enforce the provisions of the Transaction Documents, the Notes and Coupons and, at any time after the Security has become enforceable, take such steps as it may think fit to enforce the Security. The Trustee shall not be bound to take any such proceedings, action or steps unless:
 - (i) it shall have been so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or so requested in writing by the holders of at least 25 per cent. in aggregate Principal Amount Outstanding for the time being of the Most Senior Class of Notes then outstanding; and

- (ii) it shall have been secured and/or indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may become liable and all liabilities, losses costs, damages and expenses (including, without limitation, indemnity claims and legal fees and VAT thereon) which it may incur by so doing.
- (b) Enforcement of the Security shall be the only remedy available for the repayment of the Class A Notes and the Class B Notes and the payment of accrued interest (including any Deferred Interest and accrued interest thereon). No Noteholder shall be entitled to proceed directly against the Issuer or any other party to the Transaction Documents or to enforce the Security unless the Trustee, having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing. No Class B Noteholder (whether or not as any Class A Note is outstanding) shall be entitled to take proceedings for the winding up or administration of the Issuer. The Trustee cannot, while any of the Notes are outstanding, be required to enforce the Security at the request of any of the Other Secured Parties under the Deed of Charge or otherwise.

12. **MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER, SUBSTITUTION AND TRUSTEE'S DISCRETIONS**

- (a) The Trust Deed contains provisions for convening meetings of Noteholders of any Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of, among other things, the removal of the Trustee, a modification of these Conditions or the provisions of any of the Transaction Documents, the Trust Deed or any other documents the rights and benefits of the Issuer in respect of which are comprised in the Security.

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

An Extraordinary Resolution passed at any meeting of the Class A Noteholders shall be binding on all Class B Noteholders irrespective of its effect upon them, except an Extraordinary Resolution to sanction modification of, or a waiver or authorisation of any breach or proposed breach of any of the provisions of these Conditions or any of the Transaction Documents, which shall not take effect unless it shall have been sanctioned by an Extraordinary Resolution of the Class B Noteholders or the Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class B Noteholders.

An Extraordinary Resolution passed at any meeting of the Class B Noteholders (other than a sanctioning Extraordinary Resolution referred to above) shall not be effective unless it shall have been sanctioned by an Extraordinary Resolution of the Class A Noteholders or the Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A Noteholders.

Any Extraordinary Resolution in respect of a Basic Terms Modification that is passed by one Class of Notes shall not be effective unless it is sanctioned by an Extraordinary Resolution of the holders of the other Class of Notes (to the extent that there are Notes outstanding of such Class).

As used in these Conditions and the Trust Deed:

- (i) "**Extraordinary Resolution**" means (a) a resolution passed at a meeting of the Noteholders of any Class duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is

duly demanded by a majority consisting of not less than three-fourths of the votes cast on such poll or (b) a resolution in writing signed by or on behalf of not less than 75 per cent. in aggregate Principal Amount Outstanding of the Noteholders of such Class which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders of such Class and shall be as valid, effective and binding as a resolution duly passed at such a meeting; and

- (ii) "**Basic Terms Modification**" means, in respect of a Class of Notes:
 - (A) a change in the amount payable or, where applicable, modification of the method of calculating the amount payable or modification of the date of payment or, where applicable, of the method of calculating the date of payment in respect of any principal or interest in respect of such Notes;
 - (B) alteration of the currency in which payments under such Notes and the Coupons appertaining thereto are to be made;
 - (C) alteration of the quorum or majority required to pass an Extraordinary Resolution;
 - (D) the sanctioning of any such scheme or proposal in respect of such Notes as is described in paragraphs 20(b) and (c) of Schedule 5 to the Trust Deed;
 - (E) alteration of this definition or the provisions of paragraphs 9, 13, 21, 23 and 25 of Schedule 5 to the Trust Deed;
 - (F) alteration of the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments; and
 - (G) alteration of the Charged Assets or amendment to any of the documents relating to the Charged Assets or any other provision of the Security.
- (b) The Trustee may agree, without the consent of the Noteholders, (i) to any modification other than a Basic Terms Modification of, or to the waiver or authorisation of any breach or proposed breach of, these Conditions, the Trust Deed or any of the other Transaction Documents, which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders, or (ii) to any modification of these Conditions or any of the Transaction Documents, which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest or proven error. The Trustee may also, without the consent of the Noteholders, determine that any Event of Default shall not, or shall not subject to specified conditions, be treated as such provided that it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders to do so. Any such modification, waiver, authorisation or determination shall be binding on the Noteholders and, unless the Trustee agrees otherwise, any such modification shall be notified to the Noteholders in accordance with Condition 15 (*Notice to Noteholders*), the Rating Agency and the Irish Stock Exchange as soon as practicable thereafter.
- (c) The Trustee may agree, without the consent of the Noteholders, to the substitution of another body corporate in place of the Issuer as principal debtor under the Trust Deed and the Notes, subject to (i) the Notes being unconditionally and irrevocably guaranteed by the Issuer (unless all or substantially all of the assets of the Issuer are transferred to such body corporate), (ii) such body corporate being a single purpose vehicle and undertaking itself to be bound by provisions corresponding to those set out in these Conditions, (iii) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced thereby and (iv) certain other conditions set out in the Trust Deed being complied with. In the case of a substitution pursuant to this paragraph (c), the Trustee may in its absolute discretion agree, without the consent of the Noteholders, to a change of the laws governing the Notes and/or any of the Transaction Documents provided that such change would not, in the opinion of the Trustee, be

materially prejudicial to the interests of the Noteholders. No such substitution shall take effect unless it applies to all the Notes then outstanding.

- (d) For the purposes of any resolution, any Notes held by or on behalf of Piraeus or any of its Affiliates have no voting rights and are deemed not to be outstanding unless Piraeus or any of its affiliates holds 100% of the Principal Amount Outstanding of all of the Notes for the purposes of any vote on such resolution.

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

13. **INDEMNIFICATION AND EXONERATION OF THE TRUSTEE**

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

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

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

The Trust Deed and certain of the other Transaction Documents contain other provisions limiting the responsibility, duties and liability of the Trustee. The Trustee will not be obliged to enforce the provisions of the Trust Deed unless it is directed to do so by the Noteholders and unless it is indemnified and/or secured to its satisfaction.

The Trust Deed contains provisions pursuant to which the Noteholders of each Class (acting by Extraordinary Resolutions) shall together have the power to remove any Trustee acting as a trustee or

trustees under the Trust Deed. In the event that the only trustee under the Trust Deed which is a Trust Corporation is removed, the Issuer shall use all reasonable endeavours to procure a new trustee being a Trust Corporation to be appointed as soon as reasonably practicable thereafter. The retirement or removal of any such trustee shall not become effective until a successor trustee being a Trust Corporation is appointed. Any appointment of a new trustee or co-trustee under the Trust Deed shall as soon as practicable thereafter be notified by the Issuer to the Paying Agent, the Reference Banks, the Agent Bank, the Servicer, the Cash Manager, the Noteholders, the Irish Stock Exchange and the Rating Agency, each in accordance with Condition 15 (*Notice to Noteholders*).

"**Trust Corporation**" means a corporation entitled by rules made under the Public Trustee Act 1906 or entitled pursuant to any other comparable legislation applicable to a trustee in any other jurisdiction to carry out the functions of a custodian trustee.

14. **REPLACEMENT OF THE NOTES AND COUPONS**

If any Note or Coupon in definitive form is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Paying Agent subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Trustee may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

15. **NOTICE TO NOTEHOLDERS**

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

Whilst the Notes are represented by Global Notes, notices to Noteholders may be given by delivery of the relevant notice to Clearstream, Luxembourg and/or Euroclear for communication by them to Noteholders rather than by notification as required above, provided that so long as the Notes are listed on the Irish Stock Exchange, the Irish Stock Exchange so agrees. Whilst the Notes are listed on the Irish Stock Exchange copies of all notices given in accordance with this Condition 15 (*Notice to Noteholders*) shall also be sent to Euroclear and Clearstream, Luxembourg. Any notice delivered to Clearstream, Luxembourg and/or Euroclear as aforesaid shall be deemed to have been given on the day on which it was sent.

A copy of each notice given in accordance with this Condition 15 (*Notice to Noteholders*) shall be provided to Moody's Investors Service Limited ("**Moody's**"), which reference in these Conditions shall include any additional or replacement rating agency appointed by the Issuer to provide a credit rating in respect of the Class A Notes). For the avoidance of doubt, and unless the context otherwise requires, all references to "rating" and "ratings" in these Conditions shall be deemed to be references to the then current ratings of the Class A Notes assigned by Moody's.

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

16. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

Neither this Note nor any Coupon or Talon confers any rights on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Trust Deed, the Notes or any such Coupon or Talon, but this does not affect any right or remedy of any person which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.

17. **GOVERNING LAW AND JURISDICTION**

The Notes, the Coupons, the Trust Deed and the other Transaction Documents are governed by English law (other than the Greek Assignment Agreement and the Greek Account Pledge Agreement which are governed by Greek law) and are subject to the non-exclusive jurisdiction of the courts of England and Wales.

18. **SPECIFIED OFFICE OF PAYING AGENT**

The initial specified office of the Paying Agent is at Citibank N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.

PURCHASE AND SALE

Morgan Stanley & Co. International plc ("**Morgan Stanley**") has been appointed as Arranger in respect of the Notes. Morgan Stanley is under no obligation to underwrite or purchase any of the Notes.

The Issuer has agreed to reimburse Morgan Stanley for certain fees and expenses in connection with the issue of the Notes. The Issuer has agreed to indemnify Morgan Stanley against certain liabilities in connection with the offer and sale of the Notes.

Piraeus Bank S.A. (in its capacity as the initial note purchaser the "**Initial Note Purchaser**") has entered into a note purchase agreement dated on or about the date of this Prospectus (the "**Note Purchase Agreement**"), with the Issuer and the Arranger, pursuant to which the Initial Note Purchaser has, upon the terms and subject to certain conditions contained therein, agreed to purchase the Class A Notes and the Class B Notes at their issue price of 100 per cent. of their respective Principal Amount Outstanding. The Initial Note Purchaser intends to hold the Notes following the Closing Date although it may subsequently sell all or some of them at any time at its discretion. The Initial Note Purchaser is entitled in certain circumstances to be released and discharged from its obligations under the Note Purchase Agreement prior to the closing of the issue of the Notes.

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

The Initial Note Purchaser has represented to the Issuer and the Arranger and agreed that:

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

- (a) the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any state securities or "blue sky" law, and may not be offered or sold, directly or indirectly, within the United States except pursuant to an exemption from the registration requirements of the Securities Act and applicable state laws.
- (b) it has offered and sold the Notes, and will offer and sell the Notes to persons who are not US persons until 40 days after the later of the commencement of the offering and the Closing Date (the "**distribution compliance period**"), only outside the United States in accordance with Rule 903 of Regulation S under the Securities Act ("**Regulation S**");

Terms used in this paragraph have the meanings given to them by Regulation S of the Securities Act.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by a dealer, whether or not participating in the offering, may violate the registration requirements of the Securities Act.

The Notes are in bearer form and are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in the preceding sentence have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

(ii) **United Kingdom:**

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**"))

received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom
- (iii) **Hellenic Republic:** It has not directly or indirectly offered or sold and will not directly or indirectly offer or sell any Notes, in the Hellenic Republic to more than 150 institutional or private investors in compliance with Article 10 of law 3156/2003 of the Hellenic Republic.
- (iv) **Ireland:**
 - (a) it has not underwritten the issue of, or placed, the Notes otherwise than in conformity with the provisions of S.I. No. 60 of 2007, European Communities (Markets in Financial Instruments) Regulations 2007 (MiFID Regulations), including, without limitation, Parts 6, 7, and 12 thereof and the provisions of the Investor Compensations Act 1998;
 - (b) it has not underwritten the issue of, or placed, the Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 – 2004 (as amended) and any codes of conduct rules made under Section 117(1) thereof;
 - (c) it has not and will not offer, sell or place any Notes or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005, by the Irish Central Bank and Financial Services Regulatory Authority;
 - (d) it has not underwritten the issue of, placed or otherwise acted in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued under Section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Irish Financial Services Regulatory Authority; and
 - (e) it has only made offers in relation to the Notes if such offers have been consistent with those described in section 33(5) of the Irish Companies Act 1963 (as amended by the Investment Funds, Companies and Miscellaneous Provisions Act 2006).

Other than applying for the admission of the Notes to listing on the Irish Stock Exchange and to trading on its regulated market and approval by the Irish Financial Services Regulatory Authority as competent authority under the Prospectus Directive, no action has been or will be taken in any country or jurisdiction by the Initial Note Purchaser and the Issuer that would permit a public offering of the Notes, or possession or distribution of this Prospectus or any other offering material in relation thereto, in any country or jurisdiction where action for that purpose is required.

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

TAXATION

GREEK TAXATION

The following, which applies only to persons who are the absolute beneficial owners of the Notes, is a summary of the Issuer's understanding of current law and practice in Greece as at the date of this Prospectus relating to certain aspects of Greek taxation of the Notes. Special rules may apply to certain classes of taxpayer (such as dealers). Prospective Noteholders who are in any doubt about their tax position or who may be subject to tax in a jurisdiction other than Greece should seek their own professional advice.

The following summary describes the principal Greek taxation consequences of the subscription, holding, redemption and disposal of the Notes by Greek tax residents or investors otherwise subject to Greek taxation (due to a permanent establishment in Greece), but does not purport to be a comprehensive description of all Greek taxation considerations thereof. As a general remark, Greek tax laws are very volatile and may be amended or interpreted differently from their current interpretation and application anytime and more than once during the life of the Notes. This summary is based on the tax legislation, published case law, ministerial decisions and other regulatory acts of the respective Greek authorities as in force at the date hereof and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect. This summary does not constitute a complete analysis and therefore, potential investors should consult their own tax advisers as to the tax consequences of such purchase, ownership and disposal by reference to the particular characteristics of each investor.

(A) Greek Individuals

According to articles 24 and 12 of the Greek Income Tax Code (ITC), coupon payments on debt securities issued by foreign entities, such as the Notes, shall be treated as income from transferable securities and be subject to a 10% special taxation, irrespective of whether the interest income is re-invested abroad or repatriated in Greece. The payment of the said 10% special tax shall exhaust the tax liability of Greek individuals with respect to such income. It is noted that Greek individuals are not entitled to deduct foreign withholding taxes for income which has been subject to such 10% special tax. Therefore, the 10% special tax shall apply only to the net coupons paid by the Issuer. According to article 12(3)(c) of the ITC, the 10% special tax imposed on interest income from foreign bonds received by Greek residents shall be withheld by the paying agent appointed in Greece within the meaning of the Directive 2003/48/EC.

(B) Greek Corporate Investors

Interest income received by Greek corporate investors is also subject to a 10% special tax to be calculated on the gross coupon payment. As a general rule, the 10% special tax shall be levied by the paying agent in Greece within the meaning of the Directive 2003/48/EC (or by the Investor itself if no such paying agent has been appointed) and be submitted to the Greek tax authorities within the first 15 days of the month following the month of the actual interest payment. Furthermore, according to Greek tax law, the gross interest payments qualify as "foreign bond interest income" and shall therefore be treated as part of the gross annual income of the Greek corporate investors. However, the 10% special tax paid can be offset against the final income tax liability of corporate investors. In the case of Greek credit institutions investing in the Notes, the above-mentioned deductibility shall depend on the holding period of the Notes. In the event that coupon payments on the Notes are subject to foreign withholding tax, such tax shall be deducted from the final income tax in the form of a foreign tax credit, provided that the actual tax withheld is definitely confirmed by a certified auditor or the competent tax authorities and, most importantly, only up to the amount of the tax payable for this type of income in Greece. Special rules might also apply with respect to certain categories of corporate investors such as insurance companies, investment funds, pension funds etc.

(C) Capital Gains Tax

Currently, realized capital gains in relation to foreign debt bonds are not subject to a special taxation or exemption from tax. Therefore, according to circular 1092/27.07.2007 of the Greek Ministry of Finance, capital

gains as a result of the transfer of the Notes shall be taxed pursuant to the general provisions of the ITC (i.e. at the income tax rate applicable to Greek individuals or corporate investors).

(D) Other taxes

The transfer of Notes by or to Greek Investors will not be subject to Greek transfer tax or stamp duty. Inheritance tax is payable in Greece in respect of the Notes on the basis of a progressive system which depends on the degree of relationship between the deceased and the beneficiary.

UK TAXATION

The following is a general description of certain UK tax consequences relating to the Notes and is based on current UK tax law and HM Revenue & Customs ("HMRC") published practice as of the date of this Offering Circular, both of which may be subject to change. It does not purport to be a complete analysis of all UK tax considerations relating to the Notes, relates only to persons who are the absolute beneficial owners of the Notes and who hold the Notes as a capital investment, and does not deal with certain classes of persons (such as dealers in securities and persons connected with the Issuer).

If you are subject to tax in any jurisdiction other than the United Kingdom or if you are in any doubt as to your tax position, you should consult an appropriate professional adviser without delay.

(A) Interest on the Notes

Payment of interest on the Notes

For so long as the Notes are and continue to be both listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 (the "ITA") (the Irish Stock Exchange is such a "recognised stock exchange" for this purpose) and admitted to trading on that exchange, interest payments on the Notes will be treated as a "payment of interest on a quoted Eurobond" within the meaning of section 882 of the ITA. In these circumstances, payments of interest on the Notes may be made without withholding or deduction for or on account of UK tax.

Interest on the Notes may also be paid without withholding or deduction for or on account of UK tax where interest on the Notes is paid to a person who belongs in the United Kingdom for UK tax purposes and, at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) that the beneficial owner is within the charge to UK corporation tax as regards the payment of interest or that the payment is made to one of the persons listed, and in other circumstances specified, in sections 934-937 of the ITA, provided that HMRC has not given a direction, the effect of which is that such payment of interest may not be made without such withholding or deduction.

In all other cases, interest on the Notes may fall to be paid under deduction of UK income tax at the lower rate (currently 20 per cent.) subject to any direction to the contrary by HMRC under an applicable double taxation treaty.

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

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "Directive"), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual, or certain other types of person, resident in that other Member State.

However, for a transitional period, Belgium, Luxembourg and Austria are instead required to apply (unless during that period they elect otherwise) a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

A number of non-EU countries, and certain dependent and associated territories of certain Member States, have adopted similar measures (for example, a withholding system in the case of Switzerland).

The European Commission has published proposals for amendments to the Directive, which, if implemented, would amend and broaden the scope of the requirements described above.

Further UK Income tax Issues

Interest on the Notes constitutes UK source income for tax purposes and, as such, may be subject to UK tax by way of assessment (including self-assessment) even where paid without withholding or deduction.

However, interest with a UK source received without deduction or withholding for or on account of UK tax will not be chargeable to UK tax in the hands of a Noteholder (other than certain trustees) who is not resident for tax purposes in the United Kingdom unless (a) that Noteholder is a company which carries on a trade in the UK through a permanent establishment in the United Kingdom or, if not such a company, carries on a trade, profession or vocation in the United Kingdom through a branch or agency, and (b) the interest is received in connection with, or the Notes are attributable to, that permanent establishment, branch or agency. There are exemptions for interest received by certain categories of agent (such as some brokers and investment managers). The provisions of an applicable double taxation treaty may also be relevant for such Noteholders.

(B) UK Corporation Tax Payers

In general, Noteholders that are within the charge to UK corporation tax will be treated as realising profits or losses (including interest, and profits or losses arising as a result of currency fluctuations) for UK corporation tax purposes in respect of their holding of the Notes (and amounts payable thereunder) broadly in accordance with the statutory accounting treatment applicable to such Noteholder.

(C) Other UK Tax Payers

Accrued Income Profits

On a disposal of Notes by a Noteholder, any interest which has accrued since the last interest payment date may be chargeable to UK tax as income under the rules relating to accrued income profits as set out in Part 12 of the ITA if that Noteholder is resident or ordinarily resident for tax purposes in the United Kingdom or carries on a trade in the United Kingdom through a branch or agency to which the Notes are attributable. By reason of the different methods of calculating EURIBOR in the first Interest Period as compared to subsequent Interest Periods, the Class B Notes may be regarded as "variable rate securities" for the purposes of the "accrued income profits" regime. Noteholders are advised to consult their own professional advisers for further information about the rules relating to the accrued income profits in general, and, in particular, the potentially adverse tax consequences of holding "variable rate securities".

Taxation of chargeable gains

A disposal of Notes by a Noteholder who is resident or ordinarily resident in the United Kingdom or who carries on a trade, profession or vocation in the United Kingdom through a branch or agency to which the Notes are attributable may give rise to a chargeable gain or an allowable loss for the purposes of the UK taxation of chargeable gains, depending on the individual circumstances of the Noteholder.

Special rules may apply to individuals who have ceased to be resident or ordinarily resident in the United Kingdom and who dispose of their Notes before becoming once again resident or ordinarily resident in the United Kingdom. Noteholders are advised to consult their own professional advisers for further information about the relevant rules.

(D) Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

No UK stamp duty or SDRT is payable on the issue of the Notes or on the transfer by delivery of a Note.

GENERAL INFORMATION

1. The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 28 April 2009.
2. It is expected that admission of the Notes to trading on the Irish Stock Exchange's regulated market will be granted on the Closing Date, subject only to the issue of the Global Notes.
3. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN for the Class A Notes is XS0422111335 and the Common Code is 042211133. The ISIN for the Class B Notes is XS0422111681 and the Common Code is 042211168.
4. Transactions will normally be effected for settlement in euro and for delivery on the third working day after the date of the transaction.
5. The Issuer is not, and has not been, involved in any governmental, legal or arbitration proceedings which may have, or have had, since the date of its incorporation, a significant effect on its financial position, nor is the Issuer aware that any such proceedings are pending or threatened.
6. Since the date of its incorporation, the Issuer has not entered into any contracts other than the Note Purchase Agreement, being a contract entered into other than in its ordinary course of business.
7. Since 24 February 2009 (being the date of incorporation of the Issuer), there has been (1) no material adverse change in the financial position or prospects of the Issuer and (2) no significant change in the trading or financial position of the Issuer.
8. It is a condition of the issue of the Notes that the Class A Notes are on issue assigned an Aaa rating by Moody's.

The ratings address the likelihood of timely payment of interest at the applicable rate of interest on each Interest Payment Date on the Class A Notes and the ultimate payment of the Principal Amount Outstanding of the Class A Notes on the Final Maturity Date.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by Moody's. Any such rating should be evaluated independently of any other rating.

9. Save as disclosed in this Prospectus, the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Issuer created any mortgages, charges or given any guarantees.
10. The Issuer will not publish interim accounts. The Issuer will produce non-consolidated audited financial statements in respect of each financial year but will not produce consolidated audited financial statements. The Issuer anticipates that it will publish its first financial statements in approximately April 2010 in respect of the financial year ending 31 December 2009. Copies of the most recently published annual accounts from time to time will, so long as the Notes are admitted to trading on the Irish Stock Exchange's regulated market, be available at the specified office of the Paying Agent within six months of the related year end.
11. The Servicer will produce on behalf of the Issuer monthly reports on the performance of the Portfolio. These monthly reports will be available on Bloomberg and at the offices of the Paying Agent and shall also be made available on a public website (<https://citidirect.com>).
12. The Trust Deed, the Deed of Charge and the Greek Account Pledge Agreement will provide that the Trustee may rely on reports and act on any advice or other information from professional advisors or other experts in accordance with the Trust Deed, the Deed of Charge or, as the case may be, the Greek Account Pledge Agreement, whether or not such advice, report or other information, engagement letter

or other document entered into by the Trustee and the relevant professional advisor or expert in connection therewith contains any limit on the liability of that relevant professional advisor or expert.

13. The address of the Arranger is as follows: Morgan Stanley & Co. International plc, 25 Cabot Square, Canary Wharf, London, E14 4QA.
14. According to Rule 1.6 of the Irish Stock Exchange Listing and Admission to Trading Guidelines for Asset Backed Debt, the Notes of each Class shall be freely transferable.
15. Copies of the following documents may be inspected in electronic/physical form during usual business hours on any weekday (excluding Saturdays, Sundays and public holidays) at the specified office of the Paying Agent and the registered office of the Issuer from the date of this Prospectus so long and as any of the Notes are outstanding:
 - (i) the Memorandum and Articles of Association of the Issuer;
 - (ii) the most recent balance sheet of the Issuer and the accountants' report thereon;
 - (iii) the most recently published annual audited non-consolidated financial statements of the Issuer;
 - (iv) the Agency Agreement;
 - (v) the Note Purchase Agreement;
 - (vi) the Loan Sale Agreement;
 - (vii) the Trust Deed;
 - (viii) the Deed of Charge;
 - (ix) the Greek Account Pledge Agreement;
 - (x) the Subordinated Reserve Loan Agreement;
 - (xi) the Greek Assignment Agreement;
 - (xii) the Cash Management Agreement;
 - (xiii) the Bank Accounts Agreement;
 - (xiv) the Corporate Services Agreement;
 - (xv) the Servicing Agreement;
 - (xvi) the Set-Off (Reclaimable Payments) Facility Agreement;
 - (xvii) the Set-Off (Deposits) Facility Agreement;
 - (xviii) the Master Definitions Schedule; and
 - (xix) the Issuer ICSDs Agreement.
16. The total expenses related to the admission of the Notes to trading is estimated at €4,800.

DEFINITIONS

"**150 Days in Arrears**" means, in respect of any Loan at any time, a classification to be applied to such Loan when it has in existence an amount due and payable equal to or greater than €50 that remains unpaid by the relevant Borrower for more than 150 days in accordance with the terms and conditions of the relevant Loan Documentation.

"**Acceleration Notice**" has the meaning given to that term in Condition 10 (*Events of Default*) of the Notes.

"**Ancillary Rights**" means the formative rights that are connected with the assigned Loans and which refer to the substance of the contractual relationship (such formative rights including, *inter alia*, the right to terminate the contract and the right to set interest rates), Pre-Notations related security, Guarantees and all other rights, privileges and security interests given in respect of the Loans.

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

"**Arrears**" means in respect of any Loan, an amount equal to or greater than €50 which has remained unpaid, when due and payable by the relevant Borrower, for more than 30 days in accordance with the terms and conditions of the relevant Loan Documentation.

"**Arrears Ratio**" means on any Calculation Date, the ratio, expressed as a percentage (rounded downwards to two decimal places) of:

- (a) the aggregate Contractual Balance of the Loans in Arrears by more than 60 days (excluding Defaulted and Written Off Loans) as at the beginning of the Collection Period immediately preceding such Calculation Date; over
- (b) the aggregate Contractual Balance of the Loans as at the beginning of the Collection Period immediately preceding such Calculation Date.

"**Asset**" means any asset over which a Security Interest has been granted by the Borrower to secure any Loan including any property that, under the terms of the relevant Loan Documentation is subject to a Pre-Notation in favour of the Seller.

"**Athens Business Day**" means a day other than a Saturday or Sunday on which the commercial banks are open for general business in Athens.

"**Authorised Investment**" means any security, investment or deposit satisfying the Investment Criteria, purchased or made on behalf of the Issuer by the Cash Manager (on a non-discretionary basis) using funds available in any of the Issuer Greek Bank Accounts and the Issuer Transaction Account, which is repayable on or before the Servicer Report Date immediately following the date on which such security or investment is acquired or such deposit is made, or on demand, and where the proceeds receivable in accordance with the terms of such Authorised Investment upon its maturity are no less than the sum so invested or deposited.

"**Authorised Representative**" shall mean the persons set out in Schedule 1 of the Bank Accounts Agreement.

"**Available Funds**" means, as at a Calculation Date, an amount, without double counting, equal to the aggregate of:

- (a) the Receipts standing to the credit of the Issuer Transaction Account at the close of business on such Calculation Date; and
- (b) any other amounts (if any) standing to the credit of the Issuer Greek Bank Accounts (except amounts credited thereto by mistake, where such mistake is known to the Cash Manager as at such Calculation Date) other than any amounts standing to the credit of:

- (i) the Set-Off (Reclaimable Payments) Reserve Account; and
- (ii) the Set-Off (Deposits) Reserve Account.

"**Available Security Funds**" means all monies and receipts in respect of the Security (other than amounts standing to the credit of the Set-Off (Reclaimable Payments) Reserve Account (if any) or the Set-Off (Deposits) Reserve Account (if any) except to the extent such amounts have been transferred to the Issuer Transaction Account following set-off by a Borrower in respect of Reclaimable Payments or Deposit Amounts) (whether of principal or interest or otherwise) (together with any amount of VAT payable thereon).

"**Back-Up Servicer**" means any entity that meets the requirements of Clause 21 (*Substitute Servicer*) of the Servicing Agreement appointed pursuant to Clause 3.13(b)(ii) (*Ratings Downgrade Events*) of the Servicing Agreement.

"**Base Rate**" means:

- (a) when Piraeus is the Servicer, the Piraeus Base Rate; or
- (b) when the Servicer is not Piraeus, the variable base rate set by the Servicer in accordance with Clause 4.2 (*Substitute Servicer to Determine Base Rate*) of the Servicing Agreement.

"**Basic Terms Modifications**" has the meaning given to that term in Condition 12 (*Meetings of Noteholders, Modification, Waiver, Substitution and Trustee's Discretions*) of the Terms and Conditions of the Notes.

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

"**Cash Management Services**" means the services to be provided by the Cash Manager as set in Schedule 1 of the Cash Management Agreement.

"**Change in Law Date**" means the date (if any) on which the Trustee is satisfied (in its absolute discretion) that there is or has been a change in law or jurisprudence in the Hellenic Republic to the effect that the Borrowers will not be able to set-off any amount payable by them in respect of their Loans against any amount payable by the Set-Off (Deposits) Facility Provider or the Issuer to them (whether in respect of Deposit Amounts, Reclaimable Payments or otherwise).

"**Class A Credit Enhancement Ratio**" means, on any Calculation Date, the ratio, expressed as a percentage (rounded downwards to two decimal places) of:

- (a) the aggregate of the Principal Amount Outstanding of the Class B Notes as at such Calculation Date;
- over
- (b) the aggregate of the Principal Amount Outstanding of all the Notes as at such Calculation Date.

"**Class A Note Redemption Amount**" means on any Calculation Date:

- (a) in respect of an Interest Payment Date falling within the Revolving Period, an amount equal to the lesser of the Remaining Principal Amortisation Amount and the then Principal Amount Outstanding of the Class A Notes; otherwise
- (b) the lesser of:
 - (i) the Principal Amortisation Amount; and

- (ii) the then Principal Amount Outstanding of the Class A Notes.

"Class B Note Redemption Amount" means:

- (a) on any Calculation Date that there are no Class A Notes outstanding, an amount equal to the lesser of:
 - (i) the Principal Amortisation Amount less any amounts repayable on the Class A Notes on the next following Interest Payment Date; and
 - (ii) the then Principal Amount Outstanding of the Class B Notes; or
- (b) on any Calculation Date that there are Class A Notes outstanding, zero.

"Closed Deposit Account" means an account of a Borrower with the Seller where Deposit Amounts were, as at the Closing Date (in the case of the Initial Portfolio), the relevant Repurchase Date (in the case of each Replacement Loan or the relevant Subsequent Transfer Date (in the case of each Subsequent Loan)) deposited but which has closed at the Closing Date, the relevant Repurchase Date or the relevant Subsequent Transfer Date, as applicable, and all the relevant Deposit Amounts have been repaid to that Borrower.

"Closed Deposit Amount" means in respect of each Loan a Deposit Amount which has been placed on deposit with the Seller in respect of an account which has subsequently become a Closed Deposit Account.

"Closing Reconciliation Date" means the day falling seven Business Days after the Closing Date.

"Closing Reconciliation Statement" means the statement setting out the Contractual Balance of each Loan in the Initial Portfolio as at the Closing Date, delivered by the Seller to the Issuer, the Servicer, the Trustee and the Cash Manager.

"Collection Account Income" means interest (if any) accrued on Collections standing to the credit of the Servicer Collection Account (provided that no interest shall accrue on Collections standing to the credit of the Servicer Collection Account, for such time as Piraeus is the Servicer).

"Collection Date" means the 1st day of each calendar month of each year.

"Collection Period" means each period starting on (and including) a Collection Date and ending on (but excluding) the immediately succeeding Collection Date.

"Collections" means all amounts (including, without limitation, interest, principal, fees, charges and penalties but excluding amounts representing (a) Pre-Closing Accrued Interest Amounts, and/or any delayed amounts prior to Closing Date, (b) any Levy received in accordance with the Servicing Agreement and (c) insurance premium payments advanced by the Seller directly to the relevant insurance providers, neither of which form part of the Initial Portfolio purchased by the Issuer) received in accordance with the Servicing Agreement in respect of the Portfolio.

"Contractual Balance" means, at any time in relation to a Loan, the principal amount outstanding of such Loan at such time excluding:

- (i) accrued interest; and
- (ii) costs due but not received from the Borrower,

calculated in accordance with the terms of the relevant Loan Documentation.

"Cut-off Date" means 30 January 2009.

"Default Ratio" – on any Interest Payment Date the cumulative Contractual Balance of Defaulted Loans and of Written Off Loans divided by the aggregate Contractual Balance of the Initial Loans, expressed as a percentage, calculated as at the beginning of the Collection Period immediately preceding such Interest Payment Date;

"Defaulted Loan" means a Loan which is 150 Days in Arrears, or which has been referred to the Servicer's non-performing loans division, whichever occurs earlier.

"Deferred Consideration" means by way of deferred purchase price, the aggregate of (i) any excess Available Funds held by the Issuer following the payment of, or provision for, the amounts referred to in paragraphs (i) to (xv) (inclusive) of the Pre-Enforcement Priority of Payments or the amounts referred to in paragraphs (i) to (viii) (inclusive) of the Post-Enforcement Priority of Payments, as appropriate, and (ii) any amounts standing to the credit of the Set-Off (Reclaimable Payments) Reserve Account, the Set-Off (Deposits) Reserve Account and the Reserve Account after: (A) amounts have been withdrawn from the Set-Off (Reclaimable Payments) Reserve Account and the Set-Off (Deposits) Reserve Account in respect of Reclaimable Payments and Deposit Amounts and credited to the Issuer Transaction Account in accordance with the terms of the Cash Management Agreement and the Deed of Charge; and (B) the Issuer has repaid all amounts outstanding under the Set-Off (Reclaimable Payments) Facility or the Set-Off (Deposits) Facility, as applicable which shall be paid by the Issuer on each Interest Payment Date (provided that there are available funds and after the making of any provisions in accordance with normal accounting practice) in accordance with the relevant Priorities of Payments.

"Deposit Amount" means:

- (a) in respect of each Loan in the Initial Portfolio, the aggregate amount of the relevant Borrower's and (in respect of those Loans where any amount has been or is being claimed from a Guarantor) Guarantor's funds placed on deposit with the Seller (the **"Initial Deposit Amount"** and the aggregate of all Initial Deposit Amounts of all Loans in the Initial Portfolio (the **"Initial Deposit Amounts"**) being approximately €5,000,000 as at the Closing Date less the aggregate of any amount withdrawn from the relevant Borrower's or Guarantor's account held with the Seller since the Closing Date);
- (b) in respect of a Replacement Loan, the aggregate amount of the relevant Borrower's and (in respect of those Loans where any amount has been, or is being claimed, from a Guarantor) Guarantor's funds placed on deposit with the Seller, being (as at the relevant Repurchase Date) the amount notified as such by the Seller to the Issuer under the Loan Sale Agreement less the aggregate of any amount withdrawn from the relevant Borrower's or, if applicable, Guarantor's account held with the Seller since the date that the Replacement Loan was transferred to the Issuer; and
- (c) in respect of a Subsequent Loan, the aggregate amount of the relevant Borrower's and (in respect of those Loans where any amount has been, or is being claimed, from a Guarantor) Guarantor's funds placed on deposit with the Seller, being (as at the relevant Subsequent Transfer Date) the amount notified as such by the Seller to the Issuer under the Loan Sale Agreement less the aggregate of any amount withdrawn from the relevant Borrower's or, if applicable, Guarantor's account held with the Seller since the date that the Subsequent Loan was transferred to the Issuer,

and provided that a Deposit Amount which is either a Matured Time Deposit Amount or a Closed Deposit Amount shall be deemed to be zero.

"Deposit Contribution" means, in respect of a Loan at any time, the lower of:

- (a) the Deposit Amount of that Loan at such time; and
- (b) the Contractual Balance of such Loan at such time.

"Dual (Fifty-Fifty) Variable Interest Rate Loan" means a Loan which has a variable interest rate:

- (a) equal to the Base Rate, plus applicable margin, for the first two-thirds of the life of such Loan; and

(b) equal to the Base Rate, minus applicable margin, for the last one-third of the life of such Loan.

"**Eligibility Criteria**" means the criteria set out in Schedule 2 (*Eligibility Criteria*) to the Loan Sale Agreement.

"**Eligible Bank**" means a bank that has a short-term unsecured, unguaranteed and unsubordinated debt rating of no less than P-1 by Moody's.

"**Enforcement Procedures**" means the Servicer's customary and usual servicing procedures for enforcing loans and their related security that are comparable to the Loans and their Ancillary Rights in accordance with its policies and procedures relating to its consumer loan business.

"**Enforcement Proceeds**" means all amounts received in respect of the Loans and their Ancillary Rights arising under or in respect of enforcement action taken against, or against the property or assets of, any Borrower or Guarantor.

"**Estimated Closing Date Portfolio Consideration**" means an amount equal to €725,000,000.

"**EURIBOR**" means the European Interbank Offered Rate for one-month euro deposits.

"**Expected Amortisation Amount**" means, in relation to each Calculation Date, the aggregate Principal Amount Outstanding of all Notes less the Principal Outstanding Amount of the Loans, in each case as at the end of the Collection Period immediately preceding such Interest Payment Date.

"**Expected Weighted Average Interest Rate**" means the average Applicable Rate of all Loans expected to be in the Portfolio (including any Replacement Loans added to the Portfolio during the relevant Collection Period but excluding Defaulted Loans and any Subsequent Loans added to the Portfolio during that Collection Period) weighted by the Contractual Balance of each Loan expected to be in the Portfolio (including any Replacement Loans added to the Portfolio during the relevant Collection Period but excluding Defaulted Loans and any Subsequent Loans added to the Portfolio during that Collection Period) at the beginning of the next following Collection Period.

"**Exposure Amount**" means any of the Pre-Closing Reclaimable Payments and the Post-Closing Reclaimable Payments and the interest calculated at the Official Rate on the Reclaimable Payments of each Loan.

"**Exposure Reduction Amount**" means any of the Exposure Amounts after a Change in Law Date and amounts payable under the Loan Sale Agreement in respect of an amount that a Borrower or Guarantor claims directly, sets off or otherwise deducts from any amount payable by such Borrower or Guarantor under a Loan in respect of claims which that Borrower or Guarantor has against the Seller or the Issuer actually received by the Issuer from the Seller pursuant to the indemnity provisions of the Loan Sale Agreement.

"**Final Maturity Date**" means the Interest Payment Date falling on 28 June 2026.

"**Final Class Action Decision**" means the Supreme Court Decision 430/2005 of 4 March 2005.

"**First Ratings Downgrade**" means the relevant party ceasing to have a minimum short-term, unsecured, unguaranteed and unsubordinated debt rating of at least P-1 by Moody's (the "**First Rating**").

"**First Ratings Downgrade Date**" means the date on which the relevant party suffers a First Ratings Downgrade.

"**Guarantee**" means, in relation to a Loan, an agreement between the Seller and a Guarantor whereby the Guarantor guarantees the payments of a Borrower pursuant to that Loan and "**Guarantor**" means, in relation to a Loan, the individual or individuals assuming an obligation to guarantee repayment of such Loan.

"**IBA Income**" means, in respect of a Collection Period, the aggregate of the interest received from time to time on the balances on the Issuer Greek Bank Accounts and the Issuer Transaction Account during such Collection

Period and income received in respect of Authorised Investments prior to the Servicer Report Date immediately following such Collection Period.

"Income Receipts" means, in respect of a Collection Period, the aggregate of:

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

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

"Initial Loans" means the portfolio of Loans purchased from the Issuer on the Closing Date.

"Initial Portfolio" means the portfolio of Loans sold to the Issuer on or about the Closing Date.

"Initial Reserve Fund Amount" means €6,250,000.

"Interest Payment Date" means the 28th day of each calendar month in each year (subject to adjustment for non-business days).

"Interest Period" has the meaning given to that term in Condition 5(b) (*Interest Payment Dates and Interest Periods*) of the Notes.

"Investment Criteria" means any euro denominated senior, unsubordinated debt security, investment, commercial paper or other debt instrument issued by, or fully and unconditionally guaranteed by, an institution rated at least A1 and P1 by Moody's provided that, in all cases, such investment has a maturity date of 30 days or less (28 days or less in the case of any Interest Period falling in February) and matures on or prior to the next following Interest Payment Date.

"Issuer Greek Bank Accounts" means the Issuer Collection Account, the Reserve Account, the Servicer Collection Account, the Set-Off (Reclaimable Payments) Reserve Account and the Set-Off (Deposits) Reserve Account.

"Legal Expense Amounts" means all legal expenses incurred by the Servicer in connection with the enforcement of any Loan, any Ancillary Rights, or the rights and remedies in relation thereto of the Issuer and/or the Trustee or otherwise in performance of the Services, but does not include Proceeds Guarantee Expenses.

"Levy" means the levy payable under law 128/75 of the Hellenic Republic, as in force.

"Loan Agreement" means, in respect of a Loan, the agreement between the Seller and the relevant Borrower (and, if applicable, a Guarantor) under which that Loan is constituted and any other documents relating to or evidencing that loan.

"Loan Documentation" means, in respect of a Loan, (a) the Loan Agreement and (b) all documents relating to or evidencing the Ancillary Rights for that Loan (including, but not limited to, any other deeds, documents or correspondence, relating to that Loan).

"Loan Due Diligence Report" means the loan due diligence report of Moratis-Passas dated February 2009.

"Loan Income Receipts" means, in respect of a Collection Period ending immediately prior to such Calculation Date the aggregate of:

- (a) payments of interest (which, for the avoidance of doubt, includes amounts representing the Levy) and other fees received in euro from Borrowers or Guarantors under the Loans; and
- (b) recoveries of interest and outstanding fees from defaulting Borrowers or Guarantors under Loans being enforced or Loans which have been enforced,

in each case for that Collection Period and without double-counting,

provided that other than in respect of the Initial Portfolio during the first Collection Period, the following amounts shall be excluded from Loan Income Receipts:

- (i) interest accrued on the Loans prior to the Closing Date;
- (ii) amounts representing capitalised fees and capitalised interest; and
- (iii) amounts representing repayments of insurance premiums advanced directly by the Seller to insurance providers.

"Loan Warranties" means the representations and warranties set out in Schedule 1 (*Loan Warranties*) to the Loan Sale Agreement.

"Loans" means the loans comprised in the Initial Portfolio together with any Replacement Loans and any Subsequent Loans.

"LSA Indemnity Amount" means each amount which the Seller is obliged to pay to the Issuer pursuant to the Loan Sale Agreement in respect of Exposure Amounts and/or Deposit Contributions.

"Matured Time Deposit Amount" means in respect of each Loan, a Deposit Amount which had been placed on deposit with the Seller for a period of an agreed maturity which has matured.

"Minimum Applicable Rate" means, in respect of any Replacement Loan or Subsequent Loan, as the case may be:

- (a) a variable interest rate, at any time equal to one-month EURIBOR plus Levy plus a minimum margin of 7 per cent. per annum over one-month EURIBOR for all Loans whose interest is calculated on a variable basis by reference to (i) the Base Rate, or (ii) on a combined basis in part by reference to the Base Rate, or (iii) to any other floating rate index determined or calculated from time to time by Piraeus Bank; or
- (b) a fixed interest rate equal to 7% for all Loans whose interest is calculated on a fixed basis over the terms of the Loan.

"Monthly Instalment Amount" means, in respect of a Loan, the amount which, under the terms of the relevant Loan Documentation, the relevant Borrower is obliged to pay to the lender on each monthly payment date specified therein.

"Mortgage" means a mortgage under Greek law in respect of a property over which a Security Interest has been granted by a Borrower to secure a Loan.

"Notification Form" means a form under the terms of Article 10, paragraphs 8 and 16 of the Securitisation Law approved by the Greek Ministry of Justice (ministerial decisions nos. 161337 and 161338 of 30th October, 2003).

"Official Rate" means, at any time, the official default interest rate applied by the Greek courts in respect of amounts which have been adjudged to be due to successful litigants.

"Other Secured Parties" means the Trustee, any appointee of the Trustee, the Servicer, the Seller, the Corporate Services Provider, the Set-Off (Deposits) Facility Provider, the Set-Off (Reclaimable Payments) Facility Provider, the Subordinated Reserve Loan Provider, the Issuer Account Bank, the Greek Account Bank, the Cash Manager, the Paying Agent, the Agent Bank and any other agent appointed under the Agency Agreement.

"Performance Criteria" in respect of any Calculation Date are that:

- (a) the Reserve Account is capable of being replenished from Available Funds in an amount such that amounts standing to the credit of the Reserve Account will be equal to the Required Reserve Fund Amount as at the immediately preceding Interest Payment Date;
- (b) the Default Ratio is less than 8.5 per cent.;
- (c) the Class A Credit Enhancement Ratio is equal to or exceeds 2 times the Class A Credit Enhancement Ratio as at the Closing Date; and
- (d) the Arrears Ratio is less than 6 per cent.

"Performance Event" shall occur upon:

- (a) the short-term, unsecured, unsubordinated and unguaranteed debt ratings of the Set-Off (Reclaimable Payments) Facility Provider or the Set-Off (Deposits) Facility Provider being lower than P-1 by Moody's or such other rating as is acceptable to Moody's for the purposes of the Transaction from time to time;
- (b) the Servicer being in default of its obligations under the Servicing Agreement;
- (c) the occurrence of certain insolvency events in respect of Piraeus;
- (d) a failure, refusal or inability by the Set-Off (Reclaimable Payments) Facility Provider or the Set-Off (Deposits) Facility Provider to perform or comply with, for whatever reason, any of its respective obligations under the Set-Off (Reclaimable Payments) Facility Agreement or the Set-Off (Deposits) Facility Agreement (as applicable); or
- (e) a failure, refusal or inability by the Seller to perform or comply with, for whatever reason, any of its indemnity obligations (including, but not limited to, its obligation to repurchase or replace any Loan for a breach of representation or warranty in respect of such Loan) under the Loan Sale Agreement,

in each case for a period in excess of five Business Days.

"Piraeus Base Rate" means the variable base rate set by Piraeus by reference to one-month EURIBOR.

"Piraeus Group" means Piraeus together with its subsidiaries and subsidiary undertakings.

"Piraeus Preferential Rate" means the variable rate established in June 2002 and used when a Loan reverts from its introductory fixed period to floating and which is set by Piraeus by reference to one-month EURIBOR.

"Portfolio" means the Loans and their Ancillary Rights.

"Post-Closing Reclaimable Payments" means, in respect of a Replacement Loan or Subsequent Loan, Reclaimable Payments which have been paid by the relevant Borrower (or Guarantor, if applicable) prior to the relevant Repurchase Date or Subsequent Transfer Date.

"Pre-Closing Reclaimable Payments" means, in respect of a Loan, Reclaimable Payments which have been paid by the relevant Borrower (or Guarantor, if applicable) prior to the Closing Date.

"Pre-Notation" means a judicial mortgage pre-notation under Articles 1274 et seq of the Greek Civil Code granted in respect of a property.

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

- (a) the Available Funds relating to such Interest Payment Date, minus:
 - (A) for so long as any Class A Notes are outstanding, all amounts falling due and payable under items (i) to (vi) (inclusive) of the Pre-Enforcement Priority of Payments on such Interest Payment Date; or
 - (B) following redemption of the Class A Notes in full but for so long as any Class B Notes are outstanding, the aggregate of all amounts falling due and payable under items (i) to (x) (inclusive) of the Pre-Enforcement Priority of Payments on such Interest Payment Date; and
- (b) the greater of (i) zero and (ii) the Expected Amortisation Amount.

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

"Principal Amount Outstanding" has the meaning given to that term in Condition 6(a) (*Mandatory Redemption of the Notes in Part*).

"Proceeds Guarantee Expenses" means expenses incurred by the Servicer in connection with the issuance of a guarantee pursuant to Greek law 4001/1956 of the Hellenic Republic and amounts drawn thereunder.

"Provisional Portfolio" is the pool of Loans from which the Seller will select the Initial Portfolio.

"Prudent Lender" means a prudent lender making consumer loans to borrowers in Greece with features substantially similar to those Loans which constitute the Portfolio.

"Rate Event" means the replacement of the Seller as the Servicer.

"Rating Agency" means Moody's Investor Services Ltd and any replacements/successor.

"Receipts" means in respect of a Collection Period the aggregate of:

- (a) Income Receipts;
- (b) amounts of principal received in respect of the Loans (and similar charges allocated to principal collected and to be collected thereunder);
- (c) recoveries of principal from defaulting Borrowers or Guarantors under Loans being enforced or Loans which have been enforced;
- (d) any proceeds of an insurance policy relating to a Borrower or a Guarantor or a Loan (to the extent not applied in the repair and/or reinstatement of the relevant Property);
- (e) amounts transferred from the Set-Off (Reclaimable Payments) Reserve Account and the Set-Off (Deposits) Reserve Account to the Issuer Transaction Account;
- (f) all proceeds of the repurchase of any Loan by the Seller from the Issuer pursuant to the terms of the Loan Sale Agreement other than any proceeds of a repurchase that are set-off against amounts due from the Issuer to the Seller to purchase Replacement Loans from the Seller and of any other sale of any Loan;
- (g) any indemnity amounts paid by the Seller in respect of any Loan pursuant to the Loan Sale Agreement, other than any proceeds of an indemnity payment that are set-off against amounts due from the Issuer to the Seller to purchase Replacement Loans from the Seller;

- (h) all late payment penalties and similar charges; and
- (i) all other amounts properly payable to the Issuer (if any),

without double-counting. For the avoidance of doubt, the Levy will not form part of Receipts at any time.

"Reclaimable Payments" means, in respect of any loan made by the Seller to a Borrower whose Loan forms part of the Portfolio, any:

- (a) additional payments (not representing principal repayable on or interest accrued in respect of such Loan) required to be made by such Borrower upon prepayment or other redemption of such Loan prior to its due date;
- (b) payments in respect of discount on future interest calculated for the entire tenor of the Loan required to be made by the Borrower upon prepayment or other redemption of such Loan;
- (c) any commission or other charges paid by the Borrower in respect of an application for the making of a Loan; the amount of which is determined by reference to and pursuant to the principle amount of the Loan; and
- (d) any interest which the Borrower is entitled to claim in respect of any amounts described in (a), (b) or (c) above which it has previously paid to the Seller.

"Replacement Loan Criteria" is defined in Schedule 3 (*Criteria for Replacement Loans*) of the Loan Sale Agreement.

"Replacement Loans" means each loan to be sold by the Seller to the Issuer after the Closing Date under Clause 10.2 of the Loan Sale Agreement and shall include any Ancillary Rights in respect of such Replacement Loans.

"Repurchase Date" means the date on which a Retired Loan or Retired Loans or the Portfolio upon exercise of the Seller Call Option are to be repurchased by the Seller from the Issuer.

"Required Reserve Fund Amount" means on the Closing Date €36,250,000 and thereafter on each Calculation Date following the date on which the Performance Criteria have been satisfied (subject to all of the Performance Criteria being met on such Calculation Date), it shall be adjusted to:

- (a) so long as there are Class A Notes outstanding, the greater of:
 - (i) 5 per cent. of the Principal Amount Outstanding of the Notes on such Calculation Date; and
 - (ii) 2.5 per cent. of the Principal Amount Outstanding of the Notes as at the Closing Date; or
- (b) if there are no Class A Notes outstanding, zero,

provided that if any one of the conditions of the Performance Criteria is not satisfied on any Calculation Date, the Required Reserve Fund Amount will remain at the level at which it was on the immediately preceding Interest Payment Date, and provided further that on the Final Maturity Date, the Required Reserve Fund Amount shall be zero.

"Retired Loan" means a Loan that the Seller is required to repurchase from the Issuer in accordance with Clause 9.5(b)(*Remedy for Breach*) of the Loan Sale Agreement.

"Revolving Period" means the Period commencing on the Closing Date and ending on the earlier of:

- (a) the Interest Payment Date following the twenty-fourth Interest Payment Date; or

- (b) the Interest Payment Date following the date on which:
 - (i) Piraeus' long-term, unsecured, unsubordinated and unguaranteed debt rating falls below Baa3 by Moody's;
 - (ii) the Arrears Ratio is higher than 6 per cent.; and
 - (iii) the Default Ratio is higher than 8.5 per cent.; or
- (c) the Interest Payment Date following the date on which the credit balance of the Reserve Account falls below the Required Reserve Fund Amount; or
- (d) the Interest Payment Date following the Interest Payment Date on which the Class A Note is fully repaid.

"Second Ratings Downgrade" means the relevant party ceasing to have a minimum long-term, unguaranteed and unsubordinated debt rating of at least Baa2 by Moody's (the **"Second Rating"**).

"Second Ratings Downgrade Date" means the date on which the relevant party suffers a Second Ratings Downgrade.

"Secured Parties" means the Noteholders, the Couponholders, the Servicer, the Seller, the Corporate Services Provider, the Subordinated Reserve Loan Provider, the Set-Off (Reclaimable Payments) Facility Provider, the Set-Off (Deposits) Facility Provider, the Issuer Account Bank, the Cash Manager, the Paying Agent, the Agent Bank and any other agent appointed under the Agency Agreement.

"Securitisation Law" means law 3156/2003 (published in Government Gazette issue no. 157/A/25.06.03) of the Hellenic Republic (as may be amended from time to time).

"Security" means the security created by the Issuer pursuant to the Deed of Charge, the Greek Account Pledge Agreement and the security created by operation of law under paragraph 18 of Article 10 of the Securitisation Law.

"Security Interest" means any pledge (including any pledge operating by law), lien, charge, assignment, hypothecation or security interest or other agreement or arrangement having the effect of conferring security.

"Seller Call Option" means an option granted by the Issuer to the Seller to purchase and have assigned to it the Portfolio in full as set out in Clause 4 (*Seller Call Option*) of the Loan Sale Agreement.

"Seller Call Option Exercise Date" means the Interest Payment Date following the receipt by the Issuer of notice of the Seller's intention to exercise the Seller Call Option.

"Servicer Report" means a monthly report to be prepared by the Servicer in accordance with Clause 11.2 of the Servicing Agreement substantially in the form of Schedule 4 to the Servicing Agreement or in such other form as may be agreed, from time to time, between the Servicer, the Issuer, the Cash Manager, the Trustee and the Rating Agency.

"Servicer Report Date" means the 12th day of each calendar month of each year, or if such a day is a Saturday or a Sunday, or is not a Business Day, then on the immediately succeeding Business Day.

"Set-Off (Deposits) Facility Limit" means, from time to time, an amount equal to the aggregate of the Deposit Contributions (taking into account the Deposit Amounts of any Guarantors in respect of Loans where any amount has been or is being claimed from a Guarantor) in respect of all Loans in the Portfolio (being as at the Closing Date €95,000,000).

"Set-Off (Deposits) Loan" means a borrowing under the Set-Off (Deposits) Facility Agreement.

"Set-Off (Reclaimable Payments) Facility Limit" means from time to time, an amount equal to the aggregate of the Exposure Amounts in relation to each Loan less the aggregate of the Exposure Reduction Amounts in relation to each Loan.

"Set-Off (Reclaimable Payments) Loan" means a borrowing under the Set-Off (Reclaimable Payments) Facility Agreement.

"Standard Loan" means a Loan other than a Dual (Fifty-Fifty) Variable Interest Rate Loan.

"Sub-Minimum Rate Loans" means all Loans in the Portfolio with an Applicable Rate that is below the relevant Minimum Applicable Rate then applying to that Loan.

"Subordinated Reserve Loan" means the subordinated reserve loan made by the Subordinated Reserve Loan Provider to the Issuer pursuant to the Subordinated Reserve Loan Agreement.

"Subsequent Loans" means Loans which are purchased by the Issuer during the Revolving Period provided that such Loan is not a Replacement Loan.

"Subsequent Loans Criteria" means the criteria as defined in Schedule 4 (*Criteria for Subsequent Loans*) of the Loan Sale Agreement.

"Subsequent Purchase Price" means an amount equal to the Contractual Balance of all the Subsequent Loans to be sold at the relevant Subsequent Transfer Date.

"Subsequent Transfer Date" means 2 days prior to each Interest Payment Date falling within the Revolving Period.

"Transfer Business Day" is a day on which the Servicer is open for business in Athens and banks are generally open for business in London.

"Transaction Documents" means:

- (a) the Agency Agreement;
- (b) the Loan Sale Agreement;
- (c) Greek Assignment Agreement;
- (d) the Trust Deed;
- (e) the Greek Account Pledge Agreement;
- (f) the Deed of Charge;
- (g) the Cash Management Agreement;
- (h) the Note Purchase Agreement;
- (i) the Servicing Agreement;
- (j) the Set-Off (Reclaimable Payments) Facility Agreement;
- (k) the Set-Off (Deposits) Facility Agreement;
- (l) the Subordinated Reserve Loan Agreement;
- (m) the Corporate Services Agreement;

- (n) the Bank Accounts Agreement; and
- (o) the Issuer – ICSDs Agreement.

"Transparency Regulations" means the Act of the Governor of the Bank of Greece no. 2501/2001, as amended and in force from time to time, as well as all other applicable from time to time legislation relating to the obligations of credit institutions for the provision of information to clients of such credit institutions.

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

"Weighted Average Remaining Life of the Loans" means the average period (in months) to the maturity of the Loans in the Portfolio, weighted by the Contractual Balance of each Loan.

"Written Off Loans" means a Loan the Contractual Balance of which has been reduced to zero in the books of the account of the Servicer in accordance with its then current credit policies.

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