

FOURTH AMENDMENT AGREEMENT

Relating to the

**MASTER FINANCIAL ASSISTANCE
FACILITY AGREEMENT**

**(as amended by a First Amendment Agreement
dated 12 December 2012, by a Second
Amendment Agreement dated 19 December 2014
and by a Third Amendment Agreement dated
27 February 2015)**

between

**EUROPEAN FINANCIAL STABILITY
FACILITY**

**THE HELLENIC REPUBLIC
as Beneficiary Member State**

**THE HELLENIC FINANCIAL
STABILITY FUND
as Guarantor**

and

THE BANK OF GREECE

21 DECEMBER 2018

THIS FOURTH AMENDMENT AGREEMENT (the “**Fourth Amendment Agreement**”) is made by and between:

- (A) The **European Financial Stability Facility** (“**EFSF**”), a *société anonyme* incorporated in Luxembourg with its registered office at 6a, Circuit de la Foire Internationale, L-1347 Luxembourg (R.C.S. Luxembourg B153.414), represented by Klaus Regling, CEO and David Eatough, Member of the Management Board, General Counsel;
- (B) The **Hellenic Republic** (hereinafter referred to as “**Greece**”), represented by the Minister of Finance;
- (C) The **Bank of Greece** (hereinafter referred to as the “**Bank of Greece**”), represented by the Governor of the Bank of Greece; and
- (D) The **Hellenic Financial Stability Fund**, created pursuant to the Law on the Establishment of a Hellenic Financial Stability Fund (3864/2010), as guarantor under the Master Facility Agreement defined below (“**HFSF**”), represented by Martin Czurda, Chief Executive Officer and Ilias Xirouhakis, Member of the Executive Board.

Herein jointly referred to as the “**Parties**” and each of them a “**Party**”.

PREAMBLE

Whereas:

- (1) A Master Financial Assistance Facility Agreement was made between the Parties hereto on 15 March 2012.
- (2) The Master Financial Assistance Facility Agreement was amended by the First Amendment Agreement dated 12 December 2012, a Second Amendment Agreement dated 19 December 2014, and a Third Amendment Agreement dated 27 February 2015 (the “**Master Facility Agreement**”).
- (3) Following the Eurogroup statement on Greece dated 22 June 2018, the Parties have agreed to further amend the Master Facility Agreement, to, among other things, amend the manner in which the Margin is applied, to provide for a further deferral of interest payments, and to extend the Average Maturity.
- (4) The Parties have agreed that the amendments to the Master Facility Agreement shall be implemented on the terms of and subject to the conditions of this Fourth Amendment Agreement.

Now, therefore, the Parties hereto have agreed as follows:

1. MARGIN APPLICABLE TO THE DBB INSTALMENT

The definition of “Margin” in Clause 1 (DEFINITIONS) in Schedule 1 to the Master Facility Agreement (Loan Facility: Facility Specific Terms) is hereby deleted and replaced with the following definition:

“**Margin**” means, generally in relation to the Loan Facility, zero, **provided** that:

- a. the Margin applicable to the DBB Instalment (“**DBB Margin**”) shall be 200 bps (two hundred basis points) *per annum* with effect from 1 January 2017, and (subject to confirmation by the board of directors of EFSF and the Guarantors) shall be reduced to zero with effect on and from 1 January 2023.
- b. The level of the Margin applicable to the Loan Facility or the DBB Instalment may be changed from time to time by the board of directors of EFSF and approved by the Guarantors. In particular, the level of the DBB Margin in respect of (approximately) half-year periods (until the end of 2022) may, by decision of the board of directors of EFSF and approval by the Guarantors on or around the time that each such period begins (including after it has begun), be reduced to zero in respect of such period.
- c. The reductions of the DBB Margin to zero described in each of paragraph (a) and (b) above shall be decided on the basis of a positive assessment of the Beneficiary Member State’s continued implementation of key reforms adopted under the ESM Programme and compliance by the Beneficiary Member State with the agreed reform measures and policy commitments during the post-programme surveillance period.”

2. EXTENSION OF THE INTEREST DEFERRAL

Schedule 1 to the Master Facility Agreement (Loan Facility: Facility Specific Terms) is hereby amended as follows.

- 2.1 In Clause 6(i) (INTEREST, COSTS, FEES AND EXPENSES), by replacing the text “tenth (10th)” with “twentieth (20th)”.
- 2.2 In Clause 6(ii) (INTEREST, COSTS, FEES AND EXPENSES), by replacing the second instance of the text “tenth (10th)” with “twentieth (20th)”.
- 2.3 In Clause 6(iii) (INTEREST, COSTS, FEES AND EXPENSES), by inserting the following text at the end of the paragraph:

“, **provided** that the weighted average duration of all of the payment periods under such amortisation profile (each such period being the period starting on the date of the notice described in paragraph (ii) above and ending on the

relevant payment date), weighted by reference to the amount payable at the end of each such period, shall not exceed 25 years”

- 2.4 In Clause 6 (INTEREST, COSTS, FEES AND EXPENSES), by inserting the following text at the end of the Clause:

“For avoidance of doubt, any reference in this Agreement to “post-programme surveillance period” includes the post-programme surveillance period related to the ESM Programme, and the reference in this Clause 6 to “MoU” includes the memorandum of understanding relating to the ESM Programme.”

- 2.5 In Clause 7(iii) (REPAYMENT, EARLY REPAYMENT, MANDATORY REPAYMENT AND CANCELLATION), by replacing the text “tenth (10th)” with “twentieth (20th)”.

3. **EXTENSION OF THE AVERAGE MATURITY**

The Master Facility Agreement is hereby amended as follows.

- 3.1 In Clause 4(2)(d) (REQUESTS, CONDITIONS TO DISBURSEMENTS, FINANCING AND DISBURSEMENTS) of the Master Facility Agreement, by replacing the text “32.5” with “42.5”.

- 3.2 In Schedule 1 to the Master Facility Agreement (Loan Facility: Facility Specific Terms):

- (a) in Clause 1 (DEFINITIONS), in the definition of “DBB Instalment”, by replacing the text “of up to 30 years” with “in conformity with the Average Maturity”; and
- (b) in Clause 2(d) (THE LOAN FACILITY), by replacing the text “32.5” with “42.5”.

4. **PROGRAMME AUTHORISED AMOUNT**

The Master Facility Agreement is hereby amended as follows.

- 4.1 In Clause 2(6) (THE MASTER FINANCIAL ASSISTANCE FACILITY AND SPECIFIC FACILITIES) of the Master Facility Agreement, by:

- (a) after the text “EFSF shall not be under any obligation to provide any Financial Assistance”, inserting the words “or to continue with the deferral of interest described in Clause 6 of Schedule 1 (*Loan Facility: Facility Specific Terms*) (and may suspend or terminate such deferral of interest in whole or in part)”;
- (b) after the text “at any time if the aggregate principal amount of such Financial Assistance”, inserting the text “, or an increase in the Aggregate Accrued Amounts (as defined in Clause 6(ii) of Schedule 1 (*Loan Facility: Facility Specific Terms*))”; and
- (c) after the text “would cause EFSF”, inserting the text “(or the EFSF determines (acting reasonably) that doing so could in future cause EFSF)”.

5. **EXTENSION OF AMORTISATION**

EFSF may issue supplemental Confirmation Notices, Acceptance Notices or similar instruments varying the terms applicable to Financial Assistance as set out in such documents (including, without limitation, revised Payment Dates), including for the purpose of aggregating loans and/or adjusting the repayment profile of such Financial Assistance (in accordance with the Average Maturity) in the context of the amendments contemplated under this Fourth Amendment Agreement. Such variations may temporarily result in an Interest Period of shorter than twelve (12) months, and any such shortened period shall be considered to be an “Interest Period” for the purposes of the Master Facility Agreement, notwithstanding this shorter duration.

6. **OTHER AMENDMENTS TO THE MASTER FACILITY AGREEMENT**

6.1 The Master Facility Agreement is hereby amended as follows:

- (a) In paragraph 11 of the Preamble, by deleting the text “and” after the text “(**Second Amendment Agreement**)”, and by adding the following text after the text “(**Third Amendment Agreement**)”:

“and on 21 December 2018 by a fourth Amendment Agreement relating to, among other things, a further deferral of interest payments, the extension of the Average Maturity, and the manner in which Margin is applied (**Fourth Amendment Agreement**)”

- (b) In Clause 1 (DEFINITIONS), by inserting the following additional definitions:

“**ESM Facility Agreement**” means the Financial Assistance Facility Agreement dated 19 August 2015 between ESM, the Beneficiary Member State, the Bank of Greece, HFSF and the Hellenic Corporation of Assets and Participations (in accordance with and as amended by the Accession and Amendment Agreement dated 21 June 2018), as amended and in force from time to time.

“**ESM Programme**” means the macroeconomic adjustment programme accompanying the provision of financial assistance to the Beneficiary Member State under the ESM Facility Agreement.”

- (c) In Clause 9 (EVENTS OF DEFAULT), by inserting the text “; or” at the end of Clause 9(1)(k), and by adding a new paragraph 9(1)(l) as follows:

“EFSF sends the Beneficiary Member State a declaration of default in circumstances where the ESM Facility Agreement is the subject of a declaration of default.”

- (d) In Clause 10 (INFORMATION UNDERTAKINGS), by adding a new paragraph 10(5) as follows:

“The Beneficiary Member State undertakes to promptly provide EFSF with any information reasonably requested by EFSF in connection with EFSF’s early warning system.”

(e) In Clause 12(2) (NOTICES), by inserting, after the text “given by registered mail”, the text “and/or electronic mail”, and by inserting, after the text “receipt of the fax,” the text “the electronic mail, ”.

6.2 Clause 6 (INTEREST, COSTS, FEES AND EXPENSES) of Schedule 1 to the Master Facility Agreement (Loan Facility: Facility Specific Terms) is hereby amended by replacing, in the paragraph following paragraph (iv), the word “conditionally” with “conditionality”.

7. **OTHER CLAUSES UNCHANGED**

Aside from the clauses of the Master Facility Agreement amended by the provisions of Clauses 1 to 6 of this Fourth Amendment Agreement, all other clauses of the Master Facility Agreement remain unchanged.

8. **REPRESENTATIONS AND WARRANTIES**

The representations in Clause 5(1) of the Master Facility Agreement remain true and accurate as of the date hereof (including in relation to this Fourth Amendment Agreement, the Master Facility Agreement and the legal opinions and certificates issued in connection with this Fourth Amendment Agreement) and there is no Event of Default outstanding on the date hereof.

9. **GOVERNING LAW AND JURISDICTION**

9.1 This Fourth Amendment Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and shall be construed in accordance with English law.

9.2 The Parties undertake to submit any dispute which may arise relating to the legality, validity, interpretation or performance of this Fourth Amendment Agreement to the exclusive jurisdiction of the courts of the Grand Duchy of Luxembourg.

9.3 Clause 9.2 is for the benefit of EFSF only. As a result, nothing in Clause 9.2 prevents EFSF from taking proceedings relating to a dispute in the courts of the domicile of Greece or of the governing law of this Fourth Amendment Agreement and Greece hereby irrevocably submits to the jurisdiction of such courts. To the extent allowed by law, EFSF may take concurrent proceedings in any number of such jurisdictions.

9.4 Greece, the Bank of Greece and the HFSF each hereby irrevocably and unconditionally waives all immunity to which it is or may become entitled, in respect of itself or its assets, from legal proceedings in relation to this Fourth Amendment Agreement, including, without limitation, immunity from suit, judgement or other order, from attachment, arrest or injunction prior to judgement, and from execution and enforcement against its assets to the extent not prohibited by mandatory law.

10. **ENTRY INTO FORCE**

Following its signature by all parties, this Fourth Amendment Agreement and all the amendments to the Master Facility Agreement to be effected hereby shall enter into force only on the date when EFSF has received the official notification substantially in the form of the Legal Opinions set out in Annex 1 that this Fourth Amendment

Agreement has been duly executed on behalf of Greece, the Bank of Greece and HFSF and all obligations of Greece, the Bank of Greece and HFSF in relation to this Fourth Amendment Agreement are valid, binding and enforceable in accordance with their terms and nothing further is required to give effect to the same.

11. EXECUTION OF THE AGREEMENT

- 11.1 This Fourth Amendment Agreement may be executed in any number of counterparts signed by one or more of the parties. The counterparts each form an integral part of the original Fourth Amendment Agreement and the signature of the counterparts shall have the same effect as if the signatures on the counterparts were on a single copy of the Fourth Amendment Agreement.
- 11.2 EFSF shall promptly after the signature of this Fourth Amendment Agreement supply conformed copies of the Fourth Amendment Agreement to each of the parties.

12. INTERPRETATION AND ANNEXES

- 12.1 Unless otherwise defined in this Fourth Amendment Agreement or the context requires otherwise, capitalised terms defined in the Master Facility Agreement shall have the same meaning in this Fourth Amendment Agreement.
13. Except as expressly provided for in this Fourth Amendment Agreement or in the Agreement, a person who is not a party to this this Fourth Amendment Agreement or to the Agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of this this Fourth Amendment Agreement or of the Agreement.
- 13.1 The Annexes to this Fourth Amendment Agreement shall constitute an integral part hereof:

Annex 1. Form of Legal Opinion

Annex 2. List of Contacts

Done on 21 December 2018.

EUROPEAN FINANCIAL STABILITY FACILITY

Represented by Klaus Regling

CEO

Represented by David Eatough

Member of the Management Board

General Counsel

HELLENIC REPUBLIC

Represented by Euclid Tsakalotos

Minister of Finance

BANK OF GREECE

Represented by Yannis Stournaras

The Governor of the Bank of Greece

HELLENIC FINANCIAL STABILITY FUND

Represented by Martin Czurda

Chief Executive Officer

Represented by Ilias Xirouhakis

Member of the Executive Board

ANNEX 1
FORMS OF LEGAL OPINION

PART I: FORM OF LEGAL OPINION FOR BENEFICIARY MEMBER STATE

(official letterhead of the Legal Advisor to the State at the Ministry of Finance)

[place, date]

To: EFSF
[Insert address]

Re: Fourth Amendment Agreement dated 21 December 2018 between European Financial Stability Facility, the Hellenic Republic, the Bank of Greece and the Hellenic Financial Stability Fund - Legal Opinion

Dear Sir or Madam,

In my capacity as the Legal Advisor to the State at the Ministry of Finance, I refer to the above referenced Fourth Amendment Agreement and its Annexes which constitute an integral part thereof (hereinafter together referred to as the "**Fourth Amendment Agreement**") entered into between, among others, EFSF, the Hellenic Republic (hereinafter referred to as the "**Beneficiary Member State**") and the Bank of Greece on 21 December 2018.

I warrant that I am competent to issue this legal opinion in connection with the Fourth Amendment Agreement on behalf of the Beneficiary Member State.

I have examined originals of the Fourth Amendment Agreement. I have also examined the relevant provisions of national and international law applicable to the Beneficiary Member State and the Bank of Greece, the powers of signatories and such other documents as I have deemed necessary or appropriate. Furthermore, I have made such other investigations and reviewed such matters of law as I have considered relevant to the opinion expressed herein.

I have assumed (i) the genuineness of all signatures (except the Beneficiary Member State and the Bank of Greece) and the conformity of all copies to originals, (ii) the capacity and power to enter into the Fourth Amendment Agreement of, and their valid authorisation and signing by, each party other than the Beneficiary Member State and the Bank of Greece; and (iii) the validity, binding effect and enforceability of the Fourth Amendment Agreement on each party under the laws of England.

Terms used and not defined in this opinion shall have the meaning set out in the Fourth Amendment Agreement.

This opinion is limited to Hellenic law as it stands at the date of this opinion.

Subject to the foregoing, I am of the opinion that:

1. With respect to the laws, regulations and legally binding decisions currently in force in the Beneficiary Member State, the Beneficiary Member State is by the execution of the Fourth Amendment Agreement by [*insert name*], Minister of Finance, validly and irrevocably committed to fulfil all of its obligations under it.
2. The Beneficiary Member State's execution, delivery and performance of the Fourth Amendment Agreement: (i) have been duly authorised by all necessary consents, actions, approvals and authorisations; and (ii) have not and will not violate any applicable regulation or ruling of any competent authority or any agreement or Treaty binding on it or any of its agencies.
3. The representations and warranties given by the Beneficiary Member State in the Fourth Amendment Agreement are true and accurate.
4. Nothing in the Fourth Amendment Agreement contravenes or limits the rights of the Beneficiary Member State to make punctual and effective payment of any sum due for the principal, interest or other charges under the Master Facility Agreement as amended by the Fourth Amendment Agreement.
5. The Fourth Amendment Agreement is in proper legal form under Hellenic laws for enforcement against the Beneficiary Member State and the Bank of Greece. The enforcement of the Fourth Amendment Agreement would not be contrary to mandatory provisions of Hellenic law, to the *ordre public* of the Beneficiary Member State, to international treaties or to generally accepted principles of international law binding on the Beneficiary Member State and the Bank of Greece.
6. It is not necessary in order to ensure the legality, validity or enforceability of the Fourth Amendment Agreement that it be filed, recorded, or enrolled with any court or authority in the Beneficiary Member State.
7. No taxes, duties, fees or other charges imposed by the Beneficiary Member State or any taxing authority thereof or therein are payable in connection with the execution and delivery of the Fourth Amendment Agreement and with any payment or transfer of principal, interest, commissions and other sums due under the Master Facility Agreement as amended by the Fourth Amendment Agreement.
8. No exchange control authorisations are required and no fees or other commission are to be paid on the transfer of any sum due under the Master Facility Agreement as amended by the Fourth Amendment Agreement.
9. The signature of the Fourth Amendment Agreement by [*insert name*], Governor of the Bank of Greece legally and validly binds the Bank of Greece.
10. The choice of English law as governing law for the Fourth Amendment Agreement is a valid choice of law binding the Beneficiary Member State and the Bank of Greece in accordance with Hellenic law.
11. The Beneficiary Member State and the Bank of Greece have legally, effectively and irrevocably submitted to the exclusive jurisdiction of the courts of the Grand Duchy of

Luxembourg in connection with the Fourth Amendment Agreement and any judgement of these courts would be conclusive and enforceable in the Beneficiary Member State.

12. Neither the Beneficiary Member State nor the Bank of Greece nor any of their respective properties are immune on the grounds of sovereignty or otherwise from jurisdiction, attachment – whether before or after judgement – or execution in respect of any action or proceeding relating to the Fourth Amendment Agreement.
13. The execution of the Fourth Amendment Agreement has been made upon the provisions of [*insert appropriate reference to Hellenic law*].
14. [Under the Hellenic law no ratification from Parliament is required for the Fourth Amendment Agreement in order to be effective and binding [*insert appropriate reference to Hellenic law*]]/ [The Fourth Amendment Agreement has been validly ratified in accordance with the provisions of Hellenic law].
15. In conclusion, the Fourth Amendment Agreement has been duly executed on behalf of the Beneficiary Member State and the Bank of Greece and all the obligations of the Beneficiary Member State and the Bank of Greece in relation to the Fourth Amendment Agreement and the Master Facility Agreement as amended by the Fourth Amendment Agreement are valid, binding and enforceable in accordance with their terms and nothing further is required to give effect to the same.

Legal Advisor to the State at the Ministry of Finance

PART II: FORM OF LEGAL OPINION FOR GUARANTOR

(official letterhead of the legal counsel to HFSF)

[place, date]

To: EFSF
[Insert address]

Re: Fourth Amendment Agreement dated 21 December 2018 between European Financial Stability Facility, the Hellenic Republic, the Bank of Greece and the Hellenic Financial Stability Fund - Legal Opinion

Dear Sir or Madam,

In my capacity as the special counsel to the Hellenic Financial Stability Fund (the “**Guarantor**”), I refer to the above referenced Fourth Amendment Agreement and its Annexes which constitute an integral part thereof (hereinafter together referred to as the “**Fourth Amendment Agreement**”) entered into between, among others, EFSF, the Hellenic Republic (hereinafter referred to as the “**Beneficiary Member State**”) and the Bank of Greece on 21 December 2018.

I warrant that I am competent to issue this legal opinion in connection with the Fourth Amendment Agreement on behalf of the Guarantor.

I have examined originals of the Fourth Amendment Agreement. I have also examined the relevant provisions of national and international law applicable to the Beneficiary Member State and the Bank of Greece and to the Guarantor, the powers of signatories and such other documents as I have deemed necessary or appropriate. Furthermore, I have made such other investigations and reviewed such matters of law as I have considered relevant to the opinion expressed herein.

I have assumed (i) the genuineness of all signatures (except those on behalf of the Guarantor) and the conformity of all copies to originals, (ii) the capacity and power to enter into the Fourth Amendment Agreement of, and their valid authorisation and signing by, each party other than the Guarantor; and (iii) the validity, binding effect and enforceability of the Fourth Amendment Agreement on each party under the laws of England.

Terms used and not defined in this opinion shall have the meaning set out in the Master Facility Agreement and the Fourth Amendment Agreement.

This opinion is limited to Hellenic law as it stands at the date of this opinion.

Subject to the foregoing, I am of the opinion that:

1. With respect to the laws, regulations and legally binding decisions currently in force in the Beneficiary Member State, the Guarantor is by the execution of the Fourth Amendment Agreement by [*insert name*], validly and irrevocably committed to fulfil all of its obligations under it.
2. The Guarantor's execution, delivery and performance of the Fourth Amendment Agreement: (i) has been duly authorised by all necessary consents, actions, approvals and authorisations; and (ii) has not and will not violate any applicable regulation or ruling of any competent authority or any agreement or Treaty binding on it or any of its agencies.
3. The Fourth Amendment Agreement is in proper legal form under Hellenic laws for enforcement against the Guarantor. The enforcement of the Fourth Amendment Agreement would not be contrary to mandatory provisions of Hellenic law, to the *ordre public* of the Beneficiary Member State, to international treaties or to generally accepted principles of international law binding on the Guarantor.
4. The signature of the Fourth Amendment Agreement by [*insert name(s)*], legally and validly binds the Guarantor.
5. The choice of English law as governing law for the Fourth Amendment Agreement is a valid choice of law binding the Hellenic Financial Stability Fund in accordance with Hellenic law.
6. The Guarantor has legally, effectively and irrevocably submitted to the exclusive jurisdiction of the courts of the Grand Duchy of Luxembourg in connection with the Fourth Amendment Agreement and any judgement of these courts would be conclusive and enforceable in the Beneficiary Member State.
7. Neither the Guarantor nor any of its property is immune on the grounds of sovereignty or otherwise from jurisdiction, attachment – whether before or after judgment – or execution in respect of any action or proceeding relating to the Fourth Amendment Agreement.
8. The execution of the Fourth Amendment Agreement has been made upon the provisions of law 3864/2010 of the Beneficiary Member State, as currently in effect.
9. An enforceable and valid judgment for a sum of money entered against the Guarantor by a court of the Grand Duchy of Luxembourg or any of the other courts referred to in Clause 15(3) of the Master Facility Agreement in connection with the Master Facility Agreement will be recognised and enforced by Greek courts in accordance with the provisions of Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters and/or with Articles 780 and 905 seq. of the Greek Code of Civil Procedure.
10. In conclusion, the Fourth Amendment Agreement has been duly executed on behalf of the Guarantor and all the obligations of the Guarantor in relation to the Fourth Amendment Agreement and the Master Facility Agreement as amended by the Fourth Amendment Agreement are valid, binding and enforceable in accordance with their terms and nothing further is required to give effect to the same.

The opinions set out above are subject to the following reservations and qualifications:

- (a) this opinion is subject to all insolvency, bankruptcy, liquidation, reorganisation, moratorium, resolution of credit institutions and other laws affecting the rights of creditors or secured creditors generally;
- (b) a Greek Court if seized to hear a case based on the Master Facility Agreement may not treat as conclusive those certificates and determinations which the Master Facility Agreement states are to be so treated;
- (c) no opinion is expressed on matters of fact; and
- (d) individual rules of foreign law may be found to be inapplicable in the courts of the Beneficiary Member State if they are contrary to Greek public policy within the meaning of Article 21 of the Rome I Regulation 593/2008 or to Greek Mandatory Rules in the meaning of Article 9 of the Rome I Regulation 593/2008. The choice of foreign law will be recognized and enforced subject to the application of the mandatory provisions of Greek law, within the meaning of Article 9 of the Rome I Regulation 593/2008.

Legal Counsel to the Hellenic Financial Stability Fund

ANNEX 2

LIST OF CONTACTS¹

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