



NATIONAL BANK
OF GREECE

**LISTED DERIVATIVES
DISCLOSURE OF PROTECTION & SEGREGATION LEVELS
(ARTICLE 39(7) OF REGULATION (EU) NO 648/2012 (EMIR))**

I. Preamble

1. Pursuant to article 39(7) of Regulation (EU) No 648/2012 and in particular in accordance with the provisions of the Rulebook for Clearing of Transactions in Derivatives, as adopted by the Board of Directors of ATHEXClear at the meeting held on 28 July 2014 and approved by the Hellenic Capital Market Commission (HCMC) by virtue of Decision No 18/697/10.11.2014 of the HCMC Board of Directors (hereinafter the "**Rulebook**") <http://www.athexgroup.gr/el/web/guest/athexclear-regulations>, the Bank as Clearing Member shall publicly disclose the levels of protection and the costs associated with the different levels of segregation that it provides on the basis of Clearing Accounts under the Rulebook.
2. In line with the Rulebook, the terms related to the segregation are the following.
3. The terms set out in this disclosure shall have the same meaning as the terms provided for in the Rulebook.

II. Clearing Accounts

4. Clearing is performed by ATHEXClear through the Clearing Accounts.
5. The Clearing Accounts are opened by ATHEXClear following the Bank's application as Clearing Member and on condition that all documentation required under the Rulebook is submitted.
6. For the purposes of complying with article 39(7) of Regulation (EU) No 648/2012, the Bank as Clearing Member shall hold the following Clearing Accounts, as the case may be:

6.1 Own Clearing Account:

The account held by the Bank with ATHEXClear in its name for clearing its own transactions in line with the terms of the Rulebook. An Own Clearing Account shall be kept pursuant to article 39 of Regulation (EU) No 648/2012 for the purpose of segregating the assets and positions held by the Bank in its name and for its own account.

6.2 Clients Clearing Account:

The account held by the Bank with ATHEXClear for its clients for the purpose of clearing the transactions thereof in line with the terms of the Rulebook. A Clients Clearing Account shall be kept pursuant to article 39(2) of Regulation (EU) No 648/2012 for the purpose of segregating in a commingled manner the assets and positions of the clients of the Bank (omnibus client segregation).

6.3 Client Clearing Account:

The account held by the Bank with ATHEXClear in the name of a Client for the purpose of clearing the transactions of the said Client in line with the terms of the Rulebook. A Client Clearing Account shall be kept pursuant to article 39(3) of Regulation (EU) No 648/2012 for the purpose of segregating the assets and positions per individual Client (individual client segregation).

7. Clearing is performed by ATHEXClear per Clearing Account.

8. The risk and the obligation to provide collateral against ATHEXClear margin requirements, including the terms for providing credit limits, are calculated per Clearing Account.

9. Collateral of any kind provided in connection with a Clearing Account is kept in a segregated manner on the basis of the ATHEXClear records, and it is used solely for discharging the obligations of the said Clearing Account. By exception and under the terms of the Rulebook, ATHEXClear may use collateral of the Bank's Own Clearing Account to cover a loss resulting from a Clients/Client Clearing Account, on condition that such collateral is in excess of ATHEXClear requirements regarding the Bank's Own Clearing Account.

10. Without prejudice to the above provision, any loss that may occur due to the default of a Clearing Account shall be solely borne by the said Clearing Account and any collateral provided in relation thereto. Accordingly, the remaining Clearing Accounts of the Bank, including the related collateral, shall not be affected by the default and the relevant loss.

III. Terms covering loss

11. In accordance with the segregation and the levels of protection per Clearing Account provided for in section II hereinabove, in case of the Bank's default, ATHEXClear shall cover the loss per Clearing Account as per the terms of the Rulebook, as follows:

11.1 The loss that occurs in relation to a Clearing Account in default shall be covered by the collateral provided in favor of ATHEXClear for the said Clearing Account.

11.2 If the default refers to a Clients/Client Clearing Account whose collateral does not suffice to cover the loss as per 11.1 hereinabove, ATHEXClear shall use any excess collateral of the Bank's Own Clearing Account as may remain after covering any loss arising from the relevant Own Clearing Account, for the purpose of covering the remaining part of the loss.

11.3 If the collateral under 11.1 and 11.2 hereinabove does not suffice, ATHEXClear shall use the Bank's share account in the Default Fund it manages pursuant to the Rulebook, for the purpose of covering the remaining part of the loss.

11.4 If the contribution under 11.3 hereinabove does not suffice and for the purpose of covering the remaining part of the loss, ATHEXClear shall use its Dedicated Own Resources (skin in the game).

11.5 Where the Dedicated Own Resources also do not suffice, the remaining part of the loss is covered by the other share accounts in the Default Fund based on their pro rata participation in the Default Fund as it stands prior to the triggering of the Default Fund for the purpose of covering the loss.

11.6 Any other remaining part of the loss is covered by other financial resources of ATHEXClear that it maintains in compliance with the requirements of Regulation (EU) No 648/2012.

IV. Special provisions on levels of segregation

12. The Bank's Own Clearing Account, including any collateral provided in relation thereto, may be affected by a default related to a Clients/Client Clearing Account as described in sections II and III hereinabove.

13. The Clients Clearing Account, including any collateral provided in relation thereto, shall under no circumstances be affected by default or loss incurred to any other Clearing Account of the Bank. Nonetheless, in the event of loss arising from default of the Clients' Clearing Account itself, such loss may, in case of insolvency of the Bank, be borne by all clients of the said Clients' Clearing Account, in particular due to the netting of client positions at Clients' Clearing Account level, of the margin requirements and the collateral calculated on the basis of such netting, and due to the right of ATHEXClear to close out all positions and to use the collateral for the purpose of covering the netted loss resulting from such position close-out.

14. The Client Clearing Account, including any collateral provided in relation thereto, shall under no circumstances be affected by default or loss incurred to any other Clearing Account of the Bank.

15. With respect to the cash settlement performed by ATHEXClear in relation to the transactions it clears, netting procedures apply to all monetary rights and liabilities resulting from the Clearing Accounts held by the Bank. Thus, monetary claims and liabilities may be netted among the Clearing Accounts of the Bank, regardless of their type.

V. Special provisions on collateral

16. Collateral is provided in cash, including foreign currency, and transferable securities pursuant to the Rulebook.

17. In any case, the collateral provided to ATHEXClear, regardless of the Clearing Account for which it is provided, is established in the form of a legal pledge under Greek law (article 77 of law 3606/2007) and of financial collateral (law 3301/2004); ATHEXClear has the right to use such collateral by application of Directive 2002/47/EC (Collateral Directive).

18. Collateral in cash and foreign currency are kept in accounts with the Bank of Greece and equivalent credit institutions, as provided by the Rulebook, in the name of ATHEXClear as collateral taker. Collateral kept as above does not constitute a financial collateral title transfer, although the relevant account(s) is (are) kept in the name of ATHEXClear, given that it solely enables commingling the funds corresponding to collateral provided by Clearing Members and does not constitute title transfer in favor of ATHEXClear.

19. For the purposes of facilitating the operation of Clients Clearing Accounts, the following are applicable with respect to the provision of collateral:

19.1 The provision of collateral in the form of transferable securities in the Dematerialized Securities System (DSS) of the Central Securities Depository (law 3756/2009, DSS Operation Regulation) in relation to a Clients Clearing Account is effected through the clients' collateral Share Account in the DSS (article 11a of the DSS Operation Rulebook) and is subject to the following basic terms and conditions:

19.1.1 The collateral refers to transferable securities of clients indirectly held by the Bank in its name but for the account of its clients.

19.1.2 The aforementioned legal pledge in favor of ATHEXClear is constituted through the clients' collateral Share Account and the respective Securities Account.

19.1.3 With respect to the transferable securities held as above, the Greek law (article 12(10) and (11) of law 3606/2007) shall apply, under which the seizure or blocking of such securities by the Bank's lenders is prohibited, as actual beneficiaries of such securities are the clients of the Bank and not the Bank itself. In this regard, lenders of the clients are not entitled to seize such securities per se, considering that due to their commingled holding no segregation of securities in specie exists per client.

19.2 Respective provisions shall apply to collateral in cash or foreign currencies kept in a commingled manner by ATHEXClear with the Bank of Greece and credit institutions in

relation to Clients Clearing Accounts, in implementation of the provisions of the aforementioned Greek law.

20. With respect to clients' collateral under 18 and 19 hereinabove, as collateral giver to ATHEXClear is meant the Bank.

21. With respect to Client collateral, provided in relation to a Client Clearing Account, as collateral giver to ATHEXClear is meant the Client.

VI. Position Accounts

22. Besides Clearing Accounts ATHEXClear keeps also Position Accounts.

23. Each Position Account is uniquely linked with a Clearing Account.

24. The Position Accounts held in connection with the Clients Clearing Account enable the Bank to allocate the positions of the relevant Clearing Accounts per client, at its exclusive liability and on the basis of its customer relationships, for the purpose of facilitating monitoring of positions, as well as settling rights and obligations of delivery on transferable securities arising from such positions, where applicable.

25. Each Position Account is opened by ATHEXClear at the Bank's request, subject to submission of all information required by the Rulebook.

26. Position Accounts are also kept for the purposes of allocation per Member, Market Maker, or Fund/Portfolio Manager, as the case may be, and pursuant to the specific distinctions of such Position Accounts as defined in the Rulebook.

VII. Position Transfer - Close-out

27. The transfer of positions, kept in the Bank's Clients/Client Clearing Accounts, in case of the Bank's default, including also the transfer of the above Account-related collateral, is conducted in accordance with paragraphs (5) and (6) of article 48 of Regulation (EU) No 648/2012, as the case may be, under the specific provisions of the Rulebook.

28. For the purpose of this transfer, the Clearing Member to which the positions are transferred should have entered into a contractual agreement with the clients of the Bank regarding the Clients Clearing Account, or with the Client regarding a Client Clearing Account; and such agreement must be notified to ATHEXClear in accordance with its procedures at the latest on the day of default within the time limit set by ATHEXClear to this end. If ATHEXClear has not duly received such notice, the transfer shall not take place and ATHEXClear shall go ahead with the close-out of the positions of the Bank and the exercise of its rights, in general, against the Bank in order to handle the default.

VIII. Close-out Netting

29. If the Bank becomes in default in respect of one of its Clearing Accounts and the transfer of positions is not possible under section VII above, ATHEXClear shall close out the positions of the respective Clearing Account and the other Clearing Accounts of the Bank as well, and take measures to cover the loss as set out in section III hereinabove.

30. If closing out the positions of the Bank's Own Clearing Account results in a credit balance, ATHEXClear shall set off the credit balance with any pecuniary penalty it may impose on the Bank regarding the default, in accordance with the Rulebook.

31. Concerning the use or realization of collateral provided in favor of ATHEXClear in case of default and relevant loss, the provisions of Greek law (law 3301/2004) and Directive 2002/47/EC (Collateral Directive) on financial collateral shall apply, ATHEXClear being entitled as collateral taker to use, realize or appropriate by setting off the value of the collateral.

IX. Insolvency proceedings

32. ATHEXClear is subject to the provisions of Greek law (Law 2789/2000) incorporating Directive 98/26/EC (Settlement Finality Directive) with respect to the aforementioned CCP System through which it performs clearing operations.

33. In the event of the Bank's insolvency in the sense of the said law, ATHEXClear shall transfer positions, as set out in section VII hereinabove under the mandatory rules of articles 5 and 6 of Regulation (EU) No 648/2012 and the terms of the Rulebook.

34. ATHEXClear and the aforementioned System shall also be subject to Greek law (article 79 (3) of law 3606/2007) under which if a Clearing Member is insolvent (article 1(j) of law 2789/2000, Directive 98/26/EC) clearing, settlement, close-out and netting operations, including the provision of collateral by such Clearing Member in favor of the System shall be fully valid and enforceable against any third party, on condition that they refer to outstanding obligations of the insolvent Clearing Member in the System as a result of transactions carried out before ATHEXClear became aware of the initiation of the insolvency proceedings (articles 3-7 of law 2789/2000 and Directive 98/26/EC).

35. Under Greek law (article 12 (10) and (11) of law 3606/2007) clients' funds, resulting as in this case from the close-out of clients' positions and in general held in respect of such positions, or clients' financial instruments, arising as in this case from collateral on transferable securities in DSS and in general kept as collateral in relation to such positions, are protected under the law as indirectly held in the name of the Bank but for the account of its clients, and are hence segregated from the Bank's own property. Accordingly, clients are similarly protected and their above assets segregated as the case may be, if the Bank is placed under special liquidation (article 22 (7), 23 (3) of law 3606/2007, article 145 (3) and (4) of law 4261/2014).

36. If the balance of the said funds' or transferable securities' accounts is not adequate to satisfy the rights of the Bank's clients in the event of insolvency, such clients shall be satisfied on a pro rata basis under Greek law (law 3606/2007, law 4261/2014).

X. Fees on Clearing Accounts

37. The fees charged by the Bank regarding opening and maintenance of a Clearing Account include the fees determined in ATHEXClear Resolutions, as published, and are notified to the Client at his request to exchangederivativesoperations@nbg.gr.

XI. Final terms

38. The present terms apply in accordance with the provisions of the Rulebook.

39. The drafting of these terms does not affect their validity under the Rulebook as they are drafted solely for the purpose of publicly disclosing the levels of protection and segregation pursuant to article 39 (7) of Regulation (EU) No 648 / 2012 as set out in the Rulebook.

40. Nonetheless, should these terms be changed, in particular as a result of an amendment to the Rulebook, the respective terms shall be accordingly amended and publicly disclosed anew pursuant to article 39 of Regulation (EU) No 648/2012.