

*INTERCREDITOR AGREEMENT*

*between*

*KINGDOM OF BELGIUM  
FEDERAL REPUBLIC OF GERMANY  
IRELAND  
KINGDOM OF SPAIN  
FRENCH REPUBLIC  
ITALIAN REPUBLIC  
REPUBLIC OF CYPRUS  
GRAND DUCHY OF LUXEMBOURG  
REPUBLIC OF MALTA  
KINGDOM OF THE NETHERLANDS  
REPUBLIC OF AUSTRIA  
PORTUGUESE REPUBLIC  
REPUBLIC OF SLOVENIA  
SLOVAK REPUBLIC  
AND  
REPUBLIC OF FINLAND*

*8 May 2010*

**THIS INTERCREDITOR AGREEMENT (the "Agreement")**

is made by and between:

Kingdom of Belgium, Federal Republic of Germany, Ireland, Kingdom of Spain, French Republic, Italian Republic, Republic of Cyprus, Grand Duchy of Luxembourg, Republic of Malta, Kingdom of the Netherlands, Republic of Austria, Portuguese Republic, Republic of Slovenia, Slovak Republic and Republic of Finland (referred to hereafter as the "**Parties**").

**PREAMBLE**

Whereas:

- (1) Greece (the "**Borrower**") has on 23 April 2010 requested bilateral loans from the other Euro Area Member States in accordance with the Statement of the Heads of State and Government of the euro area of 25 March 2010 and the Statement of the Eurogroup of 11 April 2010.
- (2) Pursuant to that request, the representatives of the Euro Area Member States (other than Greece) have decided on 2 May 2010 to provide stability support to Greece in an intergovernmental framework via pooled bilateral loans (the "**Pooled Bilateral Loans**").
- (3) Representatives of the Member States of the European Union have decided on 5 May 2010 to entrust the Commission with the tasks in relation to coordination and management of the Pooled Bilateral Loans as set out in this Agreement.
- (5) The Pooled Bilateral Loans will be governed by the provisions of a loan facility agreement (the "**Loan Facility Agreement**") to be entered into between the Parties to this Agreement, other than the Federal Republic of Germany ("**Germany**"), and KfW ("**KfW**") as Lenders (the "**Lenders**") and the Borrower and by the terms of this Agreement.
- (6) Measures concerning the coordination and surveillance of the budgetary discipline of Greece and setting out economic policy guidelines for Greece will be defined in a Council Decision on the basis of Articles 126(9) and 136 of the Treaty on the Functioning of the European Union (the "**Council Decision**"), and the support granted to Greece is made dependent on compliance by Greece amongst others with measures consistent with such act and laid down in a Memorandum of Economic and Financial Policies, Memorandum of Understanding on Specific Economic Policy Conditionality and Technical Memorandum of Understanding (hereinafter referred together as the "**MoU**") each signed on 3 May 2010 by the Borrower and the Bank of Greece.
- (7) The Commission will open an account in the name of the Lenders with the European Central Bank (the "**ECB**"), to be used for processing all payments on behalf of the Parties, KfW and the Borrower in the context of the Pooled Bilateral Loans.

Now, therefore, the Parties have agreed as follows:

1. **OBJECT**

1. The Parties hereby agree that the Commission will represent them in organising and administering the Pooled Bilateral Loans to be granted to the Borrower pursuant to the terms of the Loan Facility Agreement. The Parties hereby further agree on certain arrangements among themselves relating to their mutual relationship.
2. Upon the Commission having received Commitment Confirmations (as set out in Annex 4) from at least five Parties comprising at least 2/3 of the Total Commitment (a "**Critical Mass of Member States**"), this Agreement shall enter into effect and be binding on and between those Parties which

have provided such Commitment Confirmations. This Agreement shall enter into force and become binding upon each remaining Party with effect from the date when the Commission receives the Commitment Confirmation of such Party. It is acknowledged and agreed that the Commitment Confirmation of a Party may be of provisional application in accordance with the national laws and legislation of the relevant Party.

3. Germany shall designate KfW as Lender on behalf of Germany for the purposes of the Loan Facility Agreement. Germany may also appoint KfW as its delegate in relation to the performance of certain duties and functions under this Agreement provided that KfW shall not be entitled to represent Germany for the purposes of Articles 4, 7 and 8. Notwithstanding such delegation, Germany shall remain fully liable for the performance of its obligations under this Agreement. Accordingly, in this Agreement and in relation to Germany, references to Party and the duties, functions and obligations of a Party refer to Germany and references to Lenders and the duties, functions and obligations of Lenders refer to KfW as Lender under the Loan Facility Agreement acting in the public interest, subject to the instructions of and with the benefit of the guarantee of Germany provided that where a function, duty or obligation is imposed on a Lender under this Agreement, Germany shall, as Party to this Agreement, ensure to the other Parties and the Commission the performance by KfW as Lender under the Loan Facility Agreement of such duty, function or obligation.
4. Unless otherwise herein defined, capitalised words and expressions used in this Agreement shall have the meaning ascribed to them in the Loan Facility Agreement.

## 2. **LOAN FACILITY AGREEMENT**

1. The Parties agree that the Commission on behalf of the Parties shall negotiate (i) the Loan Facility Agreement under which the Pooled Bilateral Loans will, subject to the terms and conditions set out therein, be made available to the Borrower; (ii) the MoU with the Borrower; and (iii) collect and hold in safe custody any conditions precedents. The Parties (other than Germany) hereby authorise the Commission to sign the Loan Facility Agreement on their behalf, subject to the prior approval by all of them, after having liaised with the ECB. The Parties hereby authorise the Commission to sign the MoU on their behalf, subject to the prior approval by all of them, after having liaised with the ECB. These authorisations and the authorisation referred to in Article 3 shall take immediate effect as of the signature of this Agreement notwithstanding the terms of Article 1(2) above.

*The Parties may participate in the negotiations with the Borrower led by the Commission.*

2. The Loan Facility Agreement shall have a total principal amount of up to EUR 80 billion, corresponding to the aggregate of the bilateral loans which may be made by all of the Lenders (referred to therein as the "**Loan Facility**").
3. The Commitment of each Party and, in addition, in the case of Germany, of the respective Lender KfW under the Loan Facility Agreement will be the aggregate amount of the bilateral loan, as may be divided in annual tranches, which such Party (Germany on behalf of KfW) or the respective Lender has committed to make available, i.e. the EUR amount determined by applying the percentage set out next to each Party's name in the third column (the "**Contribution Key**") in Annex 2, to the total principal amount of EUR 80 billion, as may be amended from time to time in accordance with Articles 2(5)(b) and 2(7).
4. The Commitment of each Party (Germany on behalf of KfW) and of the respective Lender to provide the corresponding bilateral loan is firm and binding. It is only subject to the fulfilment of any procedures<sup>1</sup> that are required under each Party's national law. Parties shall make their best efforts

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<sup>1</sup> In particular parliamentary authorisation.

to complete such procedures swiftly. If these procedures are successfully completed, the Parties will then be required to participate in the Loans or ensure that the respective Lender participates, within the respective Commitment taking into account the annual tranches referred to in Article 2(3), if applicable, for the amounts to be determined by the Commission in accordance with this Agreement, subject to the decisions referred to in Articles 2(5)(b) and 4(2) as regards the release of disbursements.

5. (a) If a Lender encounters higher funding costs than those applicable to the Borrower under the Loan Facility Agreement, such Lender shall inform the other Parties and the Commission (through the Euro Working Group Chairman) and request that the interest applicable to the outstanding Loans be determined in accordance with Annex 3.
- (b) If a Lender encounters higher funding costs, it may by written notice together with supporting information satisfactory to the other Lenders request the Parties (with a copy to the Commission and the Euro Working Group Chairman) to accept that the Lender in question does not participate in the Loans to be made. The decision of the Parties is to be made at the latest when they decide upon a Loan in accordance with Article 4(2).
6. An up-front Service Fee calculated on the principal amount of each Loan shall be charged to the Borrower and deducted from the cash amount to be remitted to the Borrower in respect of each such Loan (such that the Borrower receives the net amount), to cover operational costs. The Service Fee will be deducted from the cash amount remitted to Borrower in respect of each Loan (but shall not reduce the principal amount of such Loan that the Borrower is liable to repay) and will be allocated by the Commission to the Lenders actually contributing to that disbursement, proportionally to the participation of each such Lender in the total amount of that Loan. In the event of a re-allocation of the Loans made by different Lenders in accordance with Article 6(2) there shall be a re-allocation of such Service Fee amongst all Lenders who participate in the Loans on a pro rata basis.
7. The Borrower may only request the disbursement of a Loan during the Availability Period specified in the Loan Facility Agreement. The Parties may at any time unanimously decide to extend the Availability Period. The Parties may also, acting unanimously, agree to increase the Commitments and the aggregate amount of the Loans to be made available under the Loan Facility Agreement. In this event Germany shall procure that KfW extends the Availability Period and/or increases its Commitment under the Loan Facility Agreement accordingly.

### 3. **OPENING OF ACCOUNT**

The Commission is authorised by the Parties to open an account in the name of the Lenders with the ECB and to use that account for processing all payments on behalf of the Lenders and from the Borrower in the context of the Pooled Bilateral Loans. The Commission is exclusively authorised to give all instructions in relation to this account in accordance with this Agreement. This account is maintained for each of the Lenders in accordance with their respective interests in the funds credited to the account.

### 4. **PREPARATION AND AUTHORISATION OF DISBURSEMENTS**

1. Before each disbursement of a Loan under the Loan Facility Agreement, the Commission will, in liaison with the ECB, present a report to the Parties analysing compliance by the Borrower with the terms and the conditions set out in the MoU and in the Council Decision. The Parties will evaluate such compliance and will unanimously decide on the release of the relevant Loan. The first Loan is released upon signature of the MoU and will not be the object of such a report.
2. Following a Request for Funds from the Borrower complying with the terms of the Loan Facility Agreement, the Parties shall (other than in respect of the first Loan) consider the report of the

*Commission regarding the Borrower's compliance with the MoU and the Council Decision. If, acting unanimously, the Parties consider that the Borrower has complied with the conditions to drawdown under the Loan Facility Agreement and are satisfied with its compliance with the terms and conditions of the MoU and the Council Decision then the Euro Working Group Chairman shall request in writing the Commission on behalf of the Lenders to communicate an Acceptance Notice. The request from the Euro Working Group Chairman shall specify the amount which the Lenders are willing to make available by way of a Loan under the Loan Facility Agreement and on what terms including as to the amount of the Loan, the Net Disbursement Amount, the Term, the redemption schedule and the Interest Rate in relation to such Loan.*

*If, at the time of receipt of a Request for Funds for a Loan, one or several Lenders do not participate in such Loan by reason of the circumstances described in Articles 2(4) or 2(5)(b), then the other Lenders will cover the missing amount up to the limit of their respective Commitments taking into account the annual tranches referred to in Article 2(3), if applicable. In such circumstances, the share of each Lender in any potential future Loan will be recalculated by the Commission with a view to bringing it back, to the extent possible, to each Lender's Adjusted % Contribution (as defined in Article 6(2)(b)(i)) as soon as possible (frontloading/back loading). The calculation of the contribution of each Lender in the Loan will be part of the details relating to a Request for Funds supplied by the Commission to the Lenders.*

3. *Following the communication by the Commission of a Request for Funds and after unanimous decision by the Parties to proceed with disbursement of a Loan, the Euro Working Group Chairman, on behalf of the Lenders, will send a letter to the Commission confirming the authorisation of the disbursement. The letter will irrevocably confirm the amount of the Loan, the Net Disbursement Amount, the Term, the redemption schedule, the Interest Rate, the Disbursement Date and any other conditions applicable as well as the respective proportion of each Lender. If applicable, and following receipt of written notice from relevant Lenders, the Euro Working Group Chairman shall communicate to the Commission and the Lenders whether any Lender has notified it that the circumstances described in Article 2(5) apply to it and the decision of the Parties relating thereto. The Euro Working Group Chairman shall communicate the decisions of the Parties to the Commission at least 10 Business Days prior to the relevant Disbursement Date. Notwithstanding the foregoing, as regards the first Loan the decision shall be communicated to the Commission at the latest two Business Days prior to the Disbursement Date.*

## 5. **DRAWDOWN PROCEDURE**

1. *In preparation for the disbursement of a Loan, the Commission will call at least seven Business Days (T-7) before the Disbursement Date ("T") (two Business Days (T-2) in the case of the first disbursement) on the Committed Lenders to make their participation available on the account referred to in Article 3 on T by 11:00 a.m. (Brussels time) in the form of the Template Drawdown Notice in Annex 5 to this Agreement. The Committed Lenders shall send a copy of their payment instructions to this effect to the Commission and the ECB at the latest two Business Days (T-2) before (one Business Day (T-1) before in the case of the first disbursement). The Lenders undertake not to change them.*
2. *If on the Disbursement Date the account referred to in Article 3 has not been credited with the full amount of the Net Participations (the "Full Amount") in sufficient time to allow the ECB to transfer the full amount of the Loan to be disbursed on T, then:*
  - (a) *if the aggregate amount of the Net Participations received is at least 90% of the Full Amount in respect of such Loan then, provided that the Borrower consents, the Commission shall instruct the ECB to disburse the Loan in an amount equal to the aggregate of the Net Participations actually received into the account; if in such circumstances the Borrower refuses to receive the lower amount of the Loan then the*

*Commission shall instruct the ECB to return the Net Participations received to the Committed Lenders concerned; if the Borrower accepts to receive the reduced Net Participations and within 2 Business Day of T, all or part of the shortfall in the Net Disbursements is received into the Lenders' Account then the Commission shall consult with the Borrower as to whether it wishes to receive a remittance of such funds and in such event the parties shall make such adjustments to the terms of the relevant portion of the Loan to take into account the late receipt of these funds. Any funds received outside this period of two Business Days shall be returned by the Commission to the relevant Committed Lenders but without prejudice to the rights of the Borrower in respect of such Committed Lenders which failed to fund the Loan;*

- (b) *if the aggregate amount of the Net Participations received is lower than 90% of the Full Amount in relation to such Loan, then the Commission shall not instruct the ECB to make such Loan and the ECB and the Commission shall await further instructions from the Parties through the Euro Working Group Chairman. If the relevant Parties instruct the Commission not to proceed with such Loan or do not reply within two Business Days following the Disbursement Date the Commission shall instruct the ECB to return such funds to the Lenders concerned.*

*The amounts held in the account will be remunerated according to a rate decided by the ECB.*

## 6. **CALCULATIONS AND DISTRIBUTION OF PAYMENTS**

### 1. *Interest calculation*

*The Parties agree to entrust the Commission with the task of making the calculations for the purposes of this Article and the Loan Facility Agreement. It shall determine the Interest Rate for each Loan in accordance the Loan Facility Agreement, calculate the amounts payable on each Interest Payment Date and notify the Borrower and the Lenders thereof. It will also instruct the ECB and inform the Lenders on the distribution of any amounts being received from the Borrower in the account referred to in Article 3 above.*

### 2. *Reallocation of Committed Lenders' Participations in Loans:*

*On the first date (the "**Recalculation Date**") on which interest is payable or a scheduled repayment has to be made hereunder after the earliest of:*

- (i) *the Disbursement Date of the last Loan under the Loan Facility Agreement, following which the Facility Amount (as increased, reduced or cancelled from time to time) has been disbursed in full, or*
- (ii) *the date on which an Event of Default under the Loan Facility Agreement occurs, or*
- (iii) *the day on which the Availability Period, as may be postponed from time to time, expires.*

*the Commission will recalculate the Participation of each of the Committed Lenders in each of the outstanding Loans in order to ensure that pro-rata amongst Lenders is achieved as follows:*

- (a) *If at the Recalculation Date:*
  - (i) *the relative proportion of the outstanding of each Committed Lender as related to the total outstanding resulting from all Loans coincides with the Adjusted % Contribution (as defined in Paragraph (b) below), and*
  - (ii) *all Loans have the same characteristics (in particular, same interest, payment dates, maturity and repayment profile),*

*all amounts thereafter due and payable from the Borrower and received by the ECB on the account referred to in Article 3 for each Loan will be distributed to the Lenders according to the actual contribution of each Committed Lender in such Loan.*

- (b) *In all other circumstances, the Commission will calculate for each Committed Lender:*
- (i) *the proportion that each Committed Lender's Commitment bears to the Total Commitment (the "**Adjusted % Contribution**"),<sup>2</sup> and*
  - (ii) *the proportion that each Committed Lender's actual participation outstanding in each Loan bears to the total amount outstanding of each such Loan (the "**Actual % Contribution**"); and*
  - (iii) *the amount by which each Committed Lender's actual participation outstanding in each Loan exceeds (the "**Excess Participation Amount**") or is less than (the "**Shortfall Participation Amount**") the total amount outstanding of such Loan multiplied by each such Committed Lenders' Adjusted % Contribution.*

*If the Actual % Contribution of any Committed Lender in the aggregate of any outstanding Loans is lower than its Adjusted % Contribution in such Loans, the Commission will instruct:*

- (1) *each such Committed Lender to transfer to the ECB an amount equal to the aggregate of its Shortfall Participation Amounts (less the amount of the Service Fee attributable to such Shortfall Participation Amount) in relation to all outstanding Loans to the account referred to in Article 3; and*
- (2) *the ECB, following receipt of the aggregate of the Shortfall Participation Amount pursuant to Paragraph (i) above, to make payments to all Committed Lenders, whose Actual % Contribution in any Loan outstanding exceeds their respective Adjusted % Contribution in relation to such Loan, in an amount equal to the aggregate of each such Committed Lender's Excess Participation Amounts (less the amount of the Service Fee attributable to such Excess Participation Amount) in relation to all Loans outstanding*

*(each a "**Balancing Payment**"). The Balancing Payments shall all be made on the same day. The recalculation becomes effective on the day when such Balancing Payments are made.*

*The Service Fee shall be reallocated among the Lenders according to the same process. For the avoidance of doubt, interest paid until the Recalculation Date will not be reallocated.*

*Prior to and at the date on which the Balancing Payment is effectively made, all amounts due and payable from the Borrower and received by the ECB on the account referred to in Article 3 will be distributed to the Committed Lenders according to the actual participation of each Lender in each Loan, subject to the terms of Article 6(3).*

*From the date on which the Balancing Payment is effectively made until the final repayment of all Loans, all amounts due and payable from the Borrower and received by the ECB on the account referred to in Article 3 will be distributed to the Lenders according to their respective Adjusted % Contribution, subject to the terms of Article 6(3).*

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<sup>2</sup> For clarification purposes, if all Lenders successfully finalise - where required - their respective national legal procedures, the Adjusted % Contribution will be identical to the Contribution Key.

*The Commission will present the Adjusted % Contribution, the Actual % Contribution, the Excess Participation Amount, the Shortfall Participation Amount and the Balancing Payment to the Committed Lenders through the Euro Working Group Chairman for approval by them prior to its application.*

*The Committed Lenders shall (i) pay to, or receive a payment from, the account referred to in Article 3 in accordance with the notification given by the Commission, and (ii) accept or make the assignment or the transfer of the assets derived from the rebalancing referred to in Article 6(2)(b) above once all corresponding payments have been made.*

3. *If one or more of the Committed Lenders at the time of disbursement of a Loan has proved to the satisfaction of the other Committed Lenders that their funding costs were higher than the Interest Rate of the Loan, the provisions of Annex 3 to this Agreement will apply and the allocation among the Lenders of interest amounts paid by the Borrower will be modified by the Commission accordingly. The Committed Lenders and the ECB will be informed thereof.*
4. *In case that the Borrower does not pay any amount due in full, the amounts received will be distributed pro rata according to the rules set out in Article 6(2). The application of default interest on overdue amounts and the allocation of funds towards payment of fees, costs, interest and principal will be effected in accordance with the provisions of the Loan Facility Agreement.*

7. **BREACH OF OBLIGATIONS UNDER THE LOAN FACILITY AGREEMENT AND AMENDMENTS AND/OR WAIVERS TO IT**

1. *In case that the Commission becomes aware of a breach of an obligation under the Loan Facility Agreement, it shall promptly inform the Parties (through the Euro Working Group Chairman) and the ECB about this situation and shall propose how to react to it. The Euro Working Group Chairman will coordinate the position of the Parties and will inform the Commission and the ECB of the decision taken. The Commission and the Lenders will thereafter implement the decision in accordance with the Loan Facility Agreement.*
2. *In case that the Commission becomes aware of a situation where amendments and/or waivers relating to any Loan made under the Loan Facility Agreement may become necessary, it shall inform the Parties through the Euro Working Group Chairman and the ECB about this situation and shall propose how to react to it. The Euro Working Group Chairman will coordinate the position of the Parties and will inform the Commission and the ECB of the decision taken. The Commission and the Lenders will thereafter implement the decision and, following instructions of the Parties, negotiate and sign a corresponding amendment or waiver or a new loan agreement with the Borrower or any other arrangement needed.*
3. *In other cases than those referred to in Article 7(1) and 7(2), if the Commission becomes aware of a situation where there is a need for the Parties to express an opinion or take an action in relation to the MoU or the Loan Facility Agreement, it shall inform the Parties through the Euro Working Group Chairman about this situation, and shall propose how to react to it. The Euro Working Group Chairman will coordinate the position of the Parties and will inform the Commission of the decision taken. The Commission and the Lenders will thereafter implement the decision taken in whichever form is needed.*

8. **CERTAIN INTER-CREDITOR AND OTHER ARRANGEMENTS**

*The Parties acknowledge and agree as follows:*

1. *All Lenders rank equal and pari passu amongst themselves.*



2. *Decisions to be made under or in relation to the Loan Facility Agreement will be taken by the majority of Parties representing Lenders holding no less than 2/3 of the principal amount outstanding in respect of Loans at the time of the voting, unless the decision relates to a matter for which unanimity is expressly required in this Agreement or in the Loan Facility Agreement in which case a unanimous decision of all the Parties shall be required. For the avoidance of doubt, decisions as to whether to declare an Event of Default and/or to permit a waiver or amendment in respect of the Loan Facility Agreement (other than in respect of one of the matters expressly set out in Article 8(3) below) shall be taken by such a 2/3 majority.*
3. *A unanimous decision of the Parties is needed in order to authorise the modification of (i) this Agreement or the MoU or (ii) any of the following terms of the Loan Facility Agreement: aggregate principal amount of the Loan Facility, Commitment, Adjusted % Contribution, the Availability Period, a repayment profile or Interest Rate of any outstanding Loan. Unanimity means a positive or negative vote of all the Parties provided that any Party which has cancelled its Commitment as Lender (in the case of Germany, the Commitment of KfW) to make further Loans shall not have any vote on decisions in respect of such further Loans but shall retain its voting rights on matters affecting Loans which it (or in the case of Germany, KfW) has funded and which remain outstanding.*
4. *The Parties shall take their decisions at meetings within the framework of the Eurogroup, excluding Greece. All their decisions shall be communicated in writing by the Euro Working Group Chairman to the Commission.*
5. *Each of the Parties undertakes for the benefit of the other Parties to coordinate with the other Parties in respect of the exercise of any rights to accelerate or to enforce against the Borrower in accordance with the terms of this Agreement and the Loan Facility Agreement.*
6. *The Parties shall not assign or transfer any of their rights or obligations under this Agreement without the prior written consent of the other Parties to this Agreement and the Commission.*
9. **SHARING OF PAYMENTS**
1. *Each Lender undertakes not to seek payment of its rights in respect of Loans from the Borrower other than in accordance with the terms of this Agreement and the Loan Facility Agreement, undertakes to pay all sums received by it in respect of the Loan Facility Agreement which have not been received from the ECB as contemplated by this Agreement and the Loan Facility Agreement to the account referred to in Article 3 to be distributed on a pro rata basis in accordance with the terms of this Agreement. They also undertake not to actively set-off claims they may have against the Borrower against sums owed by them to the Borrower other than subject to compliance with this Article 9.*
2. *If a Lender (a "**Recovering Lender**") receives or recovers (including by way of set-off) any amount from the Borrower other than in accordance with the payment mechanics set forth in this Agreement or the Loan Facility Agreement and applies that amount to a payment due to it under this Agreement or the Loan Facility Agreement;*
  - (a) *the Recovering Lender shall, within three Business Days, notify details of the receipt or recovery to the Commission;*
  - (b) *the Recovering Lender shall, within three Business Days of demand by the Commission, pay to the ECB an amount (the "**Sharing Payment**") equal to such receipt or recovery.*
3. *The Commission shall treat the Sharing Payment as if it had been paid by the Borrower and distribute it between the participating Lenders (including the Recovering Lender) in accordance with the payment mechanics set forth in this Agreement and the Loan Facility Agreement.*

10. **ADMINISTRATIVE PROVISIONS**

1. *For all its functions under this Agreement, the Commission shall act through its service Directorate General Economic and Financial Affairs ("ECFIN") and on the basis of the internal rules applicable to its off-budget financial operations.<sup>3</sup>*
2. *All costs of the Lenders and the Commission arising in the implementation of the Agreement shall be borne by the Borrower in accordance with the Loan Facility Agreement. The Commission shall charge no fees for its work for organising and administering the Pooled Bilateral Loans.*
3. *The Commission shall report to the Lenders on the outstanding claims and liabilities under the Loan Facility Agreement on a quarterly basis.*
4. *The Commission will report to the Parties and ask instructions from the Euro Working Group Chairman regarding unsettled claims and liabilities or any other issues that may arise under this Agreement or the Loan Facility Agreement.*
5. *Each Lender is required to inform the Commission promptly in writing (i) that its contribution to the Loan Facility Agreement is duly authorised under the national law applicable to it after the signature thereof, or (ii) if subject to such procedures, as soon as they have been duly completed, and deliver to the Commission a Commitment Confirmation. It is acknowledged and agreed that the Commitment Confirmation of a Party may be of provisional application in accordance with the national laws and legislation of the relevant Party.*

11. **COMMUNICATIONS**

*All notices in relation to this Agreement shall be validly given if in writing and sent to:*

*For the Parties:*

*The Eurogroup Working Group Chairman  
c/o EWG Secretariat  
B-1049 Brussels*

*For the Commission:*

*European Commission  
Directorate General Economic and Financial Affairs  
Directorate "Finance, coordination with EIB Group, EBRD and IFIs"  
L-2920 Luxembourg*

*All practical communications in relation to a Loan to be disbursed, once a decision by the Parties on its release has been taken, and corresponding reimbursements shall be validly performed if in accordance with the list of contacts and account details for the Lenders, the ECB and the Commission as communicated to the Commission, unless otherwise specifically defined in this Agreement. The details (and such further details that may be requested by the Commission) shall be communicated to the Commission at the latest on the date of signature of this Agreement. Any changes to the details shall be promptly communicated to the Commission. The Commission shall send a copy of the list to all Parties.*

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<sup>3</sup> Commission Decision C(2005)2992 of 9 August 2005.

12. **TERM**

*This Agreement shall remain in full force and effect as long as there are any amounts outstanding under the Loan Facility Agreement. The Agreement shall also cover any possible further Loan Facility Agreement between the Lenders and Greece.*

*For the avoidance of doubt, as far as the MoU is concerned, this Agreement covers the 3-year programme period.*

13. **MISCELLANEOUS**

1. *If any one or more of the provisions contained in this Agreement should be or become fully or in part invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained in this Agreement shall not be affected or impaired thereby. Provisions which are fully or in part invalid, illegal or unenforceable shall be interpreted and thus implemented according to the spirit and purpose of this Agreement.*

2. *The Preamble to this Agreement forms an integral part of this Agreement.*

3. *The Borrower shall receive a copy of this Agreement.*

14. **GOVERNING LAW AND JURISDICTION**

1. *This 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.*

2. *Any dispute arising from or in the context of this Agreement shall be settled amicably, failing which it shall be submitted to the exclusive jurisdiction of the Court of Justice of the European Union.*

15. **EXECUTION OF THE AGREEMENT**

*This 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 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 Agreement.*

*The Commission shall promptly after the signature of this Agreement supply conformed copies of the Agreement to each of the Parties.*

16. **ANNEXES**

*The Annexes to this Agreement shall constitute an integral part thereof:*

1. *List of Parties with their respective Commitments;*

2. *Contribution Key;*

3. *Special case of higher funding costs;*

4. *Template for Commitment Confirmation;*

5. *Template for Drawdown Notice.*

*Done in Brussels on 8 May 2010*

*For the Parties,*

*Kingdom of Belgium,*

*represented by Vice Prime Minister*

*-signed-*

*Didier Reynders*

*Federal Republic of Germany,*

*represented by Minister Dr. Wolfgang Schäuble*

*-signed-*

*Ireland,*

*represented by Mr. Brian Lenihan, T.D., Minister for Finance*

*-signed-*

*Kingdom of Spain,*

*represented by Minister of Economy and Finance*

*-signed-*

*Elena Salgado Mendez*

*French Republic,*

*represented by Minister Christine Lagarde*

*Ministre de l'Economie, de l'Industrie et de l'Emploi*

*-signed-*

*Italian Republic,*

*represented by Minister Giulio Tremonti, Ministro dell'economia e delle finanze*

*-signed-*

*Republic of Cyprus,  
represented by Minister of Finance*

*-signed-*

*Mr. Charilaos Stavrakis*

*Grand Duchy of Luxembourg,  
represented by Minister*

*-signed-*

*Luc Frieden*

*Republic of Malta,  
represented by Minister Tonio Fenech  
Minister for Finance the Economy and Investment*

*-signed-*

*Kingdom of the Netherlands,  
represented by Minister of Finance*

*-signed-*

*Mr. drs. J.C. de Jager*

*Republic of Austria,  
represented by Federal Minister of Finance*

*-signed-*

*Josef Pröll*

*Portuguese Republic,  
represented by Minister of State and Finance, Fernando Teixeira dos Santos*

*-signed-*

*Republic of Slovenia,  
represented by Minister of Finance*

*-signed-*

*Franc Križanič*

*Slovak Republic,  
represented by Minister Ján Počiatek*

*-signed-*

*Republic of Finland,  
represented by Minister of Finance*

*-signed-*

*Jurki Katainen*

**ANNEX 1**  
**LIST OF PARTIES WITH THEIR RESPECTIVE COMMITMENTS**

<u>Country</u>	<u>Commitments</u> <u>EUR</u>
<i>Kingdom of Belgium</i>	2.860.942.462,10
<i>Federal Republic of Germany (Commitment of KfW)</i>	22.336.133.611,30
<i>Ireland</i>	1.310.046.500,93
<i>Kingdom of Spain</i>	9.794.387.452,71
<i>French Republic</i>	16.773.596.199,72
<i>Italian Republic</i>	14.739.467.996,33
<i>Republic of Cyprus</i>	161.470.573,49
<i>Grand Duchy of Luxembourg</i>	206.054.851,64
<i>Republic of Malta</i>	74.543.025,89
<i>Kingdom of the Netherlands</i>	4.703.995.187,73
<i>Republic of Austria</i>	2.290.192.933,16
<i>Portuguese Republic</i>	2.064.558.742,44
<i>Republic of Slovenia</i>	387.812.451,16
<i>Slovak Republic</i>	817.850.223,95
<i>Republic of Finland</i>	<u>1.478.947.787,45</u>
	80.000.000.000,00

ANNEX 2  
CONTRIBUTION KEY

<u>Member State</u>	<u>ECB Capital subscription key</u>	<u>Contribution Key</u>
<i>Kingdom of Belgium</i>	2,4256	3,576178077627360%
<i>Federal Republic of Germany</i>	18,9373	27,920167014121300%
<i>Ireland</i>	1,1107	1,637558126162890%
<i>Kingdom of Spain</i>	8,3040	12,242984315887900%
<i>French Republic</i>	14,2212	20,966995249651300%
<i>Italian Republic</i>	12,4966	18,424334995414800%
<i>Republic of Cyprus</i>	0,1369	0,201838216864770%
<i>Grand Duchy of Luxembourg</i>	0,1747	0,257568564545473%
<i>Republic of Malta</i>	0,0632	0,093178782365621%
<i>Kingdom of the Netherlands</i>	3,9882	5,879993984660890%
<i>Republic of Austria</i>	1,9417	2,862741166445020%
<i>Portuguese Republic</i>	1,7504	2,580698428050350%
<i>Republic of Slovenia</i>	0,3288	0,484765563952786%
<i>Slovak Republic</i>	0,6934	1,022312779941790%
<i>Republic of Finland</i>	1,2539	<u>1,848684734307780%</u>
<b>Total</b>	67,8266	100,0000000000000%



## ANNEX 3

**SPECIAL CASE OF HIGHER FUNDING COSTS**

*The following rules apply if a contributing Member State "A", at the time when the decision of the Parties in accordance with Article 4(2) concerning the disbursement of a Loan is taken proves to the satisfaction of the other Parties that its own funding costs are higher than the Interest Rate of the Loan:*

- 1. The Commission shall request similar information from the other Parties about their respective funding costs.*
- 2. The Member State "A" shall be paid, from all interest received under the Loan Facility Agreement, the amount that corresponds to its absolute funding cost for its part in the Loan.*
- 3. Other Lenders shall be paid, from all interest received under the Loan Facility Agreement, after pro rata deduction of the amount under point 2.*
- 4. If such calculation would result in any Lender other than Member State "A" being allocated an interest amount lower than its funding costs, the Commission will revert to the Parties in accordance with Article 10(4).*

## ANNEX 4

**TEMPLATE FOR COMMITMENT CONFIRMATION**

*[Letter head of Authorities of Euro Area Member State]*

*By fax followed by registered mail:*

*European Commission  
Directorate General Economic and Financial Affairs  
Directorate "Finance, coordination with EIB Group, EBRD and IFIs"  
L-2920 Luxembourg  
Fax: +352 4301 33459*

*Copy to:*

*European Central Bank  
Kaiserstrasse 29  
D-60311 Frankfurt am Main  
Germany*

*Fax: +49 69 1344 6171*

**Re: Euro Area Member States Stability Support for Greece  
Confirmation Commitment**

*Dear Sirs,*

*We refer to the Intercreditor Agreement between the Kingdom of Belgium, Federal Republic of Germany, Ireland, Kingdom of Spain, French Republic, Italian Republic, Republic of Cyprus, Grand Duchy of Luxembourg, Republic of Malta, Kingdom of the Netherlands, Republic of Austria, Portuguese Republic, Republic of Slovenia, Slovak Republic and Republic of Finland (the "**Parties**") signed on [•]. We furthermore refer to the Loan Facility Agreement between the Parties, except Germany, and KfW as Lenders and the Hellenic Republic as Borrower signed on [•].*

*We hereby notify you that we are duly authorised under our national laws to permit us to be [provisionally]/ [definitively] bound by the above mentioned Agreements with effect from [date]. [With reference to Article 2(3) of the Agreement we inform you that the annual tranches of the Commitment are as follows: [add relevant information, if applicable]*

*Yours faithfully,*

*[Name of Euro Area Member State]*

*[•]*

*[•]*

**ANNEX 5**  
**TEMPLATE FOR DRAWDOWN NOTICE**



EUROPEAN COMMISSION  
DIRECTORATE GENERAL  
ECONOMIC AND FINANCIAL AFFAIRS

**INSTRUCTION LETTER FROM THE EUROPEAN COMMISSION TO THE LENDERS**

[DATE]

To: [insert contact details of Lender]

Copy: European Central Bank (ECB)

Dear Sirs

**Re: Loan Facility Agreement with the Hellenic Republic**  
**Loan N° [ ] for EUR [ ], final maturity [date]**

*In accordance with the decision of the Euro Working Group of [date] transmitted by its Chairman, we hereby instruct you, in your capacity as Lender under the Loan Facility Agreement [dated] and in accordance with Art. 5(1) of the Intercreditor Agreement, to transfer to the account at the European Central Bank an amount of EUR [ ] (i.e. loan amount of EUR [ ] minus service fee of EUR [ ]).*

*We request you to transfer via SWIFT message MT202 [or another SWIFT message agreed with the ECB] in TARGET2 for value [date], before 11:00 a.m. Brussels time to the TARGET2 participant SWIFT-BIC: ECBFDEFFBAC, in favour of account number 4050992001, account name "Pooled bilateral loans EC/Lenders" with ref.: "Euro Area Stability support to Greece".*

*Please provide us and the ECB with a copy of the transfer instructions at least two Business Days before the value date. These instructions shall be irrevocable and may not be varied except with the consent of yourselves and the Commission.*

*Terms not defined in this letter shall have the same meaning as in the Loan Facility Agreement.*

Yours faithfully

European Commission

By:

By:

<i>Participating Lender</i>	<i>Loan amount</i>	<i>Service fee</i>	<i>Net disbursement amount</i>
<i>[Lender A]</i>			
<i>[Lender B]</i>			
<i>[Lender C]</i>			
.....			
<i>TOTAL</i>			