



**BANK OF GREECE**  
**EUROSYSTEM**

**RESOLUTION MEASURES COMMITTEE**

Meeting 12/26.7.2013

Agenda      Order to transfer assets and liabilities of the credit institution with the  
Item 1:      name "PROBANK S.A.", which has been placed under special  
                 liquidation, to the credit institution with the name "NATIONAL BANK OF  
                 GREECE S.A."

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The RESOLUTION MEASURES COMMITTEE, having regard to:

- (a) Article 55A of the Statute of the Bank of Greece;
- (b) Act No. 6/8.1.2013 of the Executive Board of the Bank of Greece "Re-establishment of the Resolution Measures Committee and assignment of responsibilities" (Government Gazette B 13);
- (c) Law 3601/2007 "Taking up and pursuit of the business of credit institutions, capital adequacy of credit institutions and investment firms, and other provisions" (Government Gazette A178), as currently in force, in particular the provisions of Articles 63B, 63D, 68 and 69 para. 3 thereof;
- (d) Decision No. 85/1/26.7.2013 of the Banking and Insurance Matters Committee "Withdrawal of the authorisation of the credit institution with the name "PROBANK S.A.", termination of the mandate of the commissioner, placing of the said credit institution under special liquidation and appointment of a special liquidator";
- (e) the letter of the Hellenic Financial Stability Fund ("HFSF"), dated 26 July 2013, informing the Bank of Greece that it decided to consent to the submission by



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“NATIONAL BANK OF GREECE S.A.” and “EUROBANK ERGASIAS S.A.” of binding bids to the Bank of Greece for the acquisition of assets and liabilities of the credit institution with the name “PROBANK S.A.”;

- (f) the bids submitted in writing in the context of the informal bidding procedure conducted before the Resolution Measures Committee on 26 July 2013 for the acquisition of selected assets and liabilities of the credit institution with the name “PROBANK S.A.”, which has been placed under special liquidation;
- (g) the declaration, dated 26 July 2013, of the credit institution with the name “NATIONAL BANK OF GREECE S.A.”, whereby it agrees to acquire the above-mentioned credit institution’s assets and liabilities referred to hereinbelow; and
- (h) the relevant recommendation, dated 26 July May 2013, of the Resolution Unit of the Bank of Greece;

**WHEREAS**

- (i) the credit institution with the name “PROBANK S.A.” has been placed under special liquidation;
- (ii) the total customer deposits held with the said credit institution amount, as at 31 March 2013, according to available data, to three billion one hundred and twenty-three million and sixty-six thousand euro (€3,123,066,000), of which one billion nine hundred and ninety-eight million one hundred and sixty-two thousand seven hundred and two euro (€1,998,162,702) are guaranteed by the Deposit and Investment Guarantee Fund (“TEKE”) under Article 9 of Law 3746/2009, as currently in force;
- (iii) given the current adverse fiscal and economic situation in Greece, public confidence in the stability and smooth functioning of the financial system would be undermined if the said credit institution’s banking operations were discontinued. In particular, it is estimated that the withdrawal of the authorisation of the credit institution with the name “PROBANK S.A.” without the adoption of any resolution measures would cause a shock to financial stability, especially if the protection under TEKE’s compensation scheme was applied only to the guaranteed part of deposits.



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The loss of the part of customer deposits not covered under Law 3746/2009, amounting as at 31.03.2013 to one billion one hundred and twenty-four million nine hundred and three thousand and two hundred ninety-eight euro (€1,124,903,298), should for these reasons be avoided, while the continuation of its banking operations by another credit institution is deemed appropriate to safeguard the confidence of depositors and the stability and smooth operation of the financial system;

(iv) the bidding procedure conducted before the Resolution Measures Committee for the acquisition of assets and liabilities of the credit institution with the name “PROBANK S.A.”, which has been placed under special liquidation, was successful. Specifically, the Committee, after evaluating the bids submitted by the credit institutions with the names “NATIONAL BANK OF GREECE S.A.” and “EUROBANK ERGASIAS S.A.” for the transfer of assets and liabilities of the credit institution with the name “PROBANK S.A.”, which has been placed under special liquidation, as well as the relevant recommendation, referred to in (h) above, of the Bank of Greece’s Resolution Unit, which it adopts, awarded the assets and liabilities listed in the Annex hereto to the credit institution with the name “NATIONAL BANK OF GREECE S.A.”, which has already declared in writing that it accepts such transfer. This bid, which has already been approved by the HFSF, is considered to be the most advantageous, as it entails the lowest cost and the greatest synergies, while ensuring the effective business continuity of the credit institution under special liquidation. Lastly, the transfer of assets and liabilities is the optimal solution, as it minimises the cost of resolution.

**HEREBY DECIDES AS FOLLOWS:**

To order the special liquidator of the credit institution with the name “PROBANK S.A.”, which has been placed under special liquidation, to transfer forthwith to the credit institution with the name “NATIONAL BANK OF GREECE S.A.” the former’s assets and liabilities listed in the Annex hereto.



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This decision shall be published in the Government Gazette and posted on the website of the Bank of Greece.

THE SECRETARY

THE MEMBERS

THE CHAIRPERSON

Eleni Dendrinou-Louri

True and Exact Copy

Athens, 26 July 2013

(signed)

A. Tsounia, Secretary



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**ANNEX**

1. All the contractual relationships with third parties of the credit institution with the name of “PROBANK S.A.”, which has been placed under special liquidation (hereinafter referred to as “PROBANK”), shall be transferred to the credit institution with the name of “NATIONAL BANK OF GREECE S.A.” (hereinafter referred to as “NBG”), which shall be fully subrogated into these relationships; also transferred shall be all the assets and liabilities of “PROBANK” (rights, claims, obligations and encumbrances of any nature), except for the contractual relationships and assets and liabilities listed under paragraph 2 points (a) to (m) below, hereinafter collectively referred to as “non-transferred items”.

In particular, the property items (contractual relationships, assets and liabilities) to be transferred to NBG shall include, unless listed under non-transferred items, the following:

- (a) PROBANK’s cash assets, other than those included in non-transferred items;
- (b) PROBANK’s legal relationships arising from or in connection with its deposits with the Bank of Greece, including minimum reserves;
- (c) PROBANK’s legal relationships arising from or in connection with deposits and bank accounts held by PROBANK with credit institutions in Greece or abroad;
- (d) PROBANK’s legal relationships arising from or in connection with loan or other credit agreements between PROBANK and other credit institutions;
- (e) PROBANK’s legal relationships with its customers arising from or in connection with loan or other credit agreements with such customers, excluding legal relationships arising from or in connection with loan or other credit agreements with PROBANK customers listed under non-transferred items;
- (f) PROBANK’s legal relationships arising from or in connection with repurchase and reverse repurchase agreements entered into by PROBANK;
- (g) PROBANK’s legal relationships arising from or relating to movable or immovable property lease or sale agreements entered into by PROBANK either as lessee/purchaser or lessor/vendor;



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- (h) any rights in personam and in rem on securities in physical or book-entry form and financial instruments in physical or book-entry form, including shares, bonds, derivatives, cheques and other debt securities;
- (i) PROBANK's rights in rem on movable and immovable property;
- (j) all PROBANK's claims and obligations vis-à-vis the Greek State and legal persons in public law, other than those listed under non-transferred items;
- (k) PROBANK's legal relationships arising from or in connection with bank account agreements and PROBANK's liabilities arising from any type of customer deposits, including deposits held by other credit institutions with PROBANK, regardless of the coverage limit and exceptions laid down in Law 3746/2009; any payment orders to be debited or credited to any of the above accounts initiated but not executed before the date of withdrawal of authorisation of PROBANK shall be executed by NBG; any cheques drawn on PROBANK shall be treated as having been drawn on NBG, with all the relevant consequences, and shall be payable out of the above accounts;
- (l) PROBANK's legal relationships arising from or in connection with loan or other credit agreements between PROBANK and the Bank of Greece or other members of the European System of Central Banks;
- (m) PROBANK's legal relationships and any obligations and rights arising from its participation, in any manner whatsoever, in regulated markets, exchanges, clearing systems, payment systems, financial instrument clearing and/or settlement systems, including obligations and rights relating to orders entered into the above systems before the transfer of PROBANK's assets and liabilities hereunder that have not been cleared, netted or settled by that time;
- (n) the trading name and brands of PROBANK;
- (o) PROBANK's legal relationships arising from or in connection with agreements supporting its operation;
- (p) PROBANK's intellectual property rights, including in particular copyrights, patents, software rights, exclusive or non-exclusive rights to use intellectual property, etc.;



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- (q) rights and contractual relationships relating to the operation or security of transferred assets, such as claims and rights in rem on movables or immovables transferred to PROBANK for fiduciary purposes, securities in physical or book-entry form (including, but not limited to, cheques), financial instruments in physical or book-entry form transferred as collateral to PROBANK, rights of retention or set-off rights;
- (r) legal relationships arising from contracts for the provision of investment services by PROBANK;
- (s) claims of PROBANK for damages, irrespective of cause or origin (contractual or otherwise), including any claims for compensation for moral damage for any reason whatsoever, and claims for unjust enrichment, and excluding any claims in respect of non-transferred items;
- (t) PROBANK's rights and obligations vis-à-vis TEKE, as they were before the withdrawal of the authorisation of PROBANK; and
- (u) legal relationships arising from the issuance of letters of credit or other guarantee agreements of PROBANK, including PROBANK's relevant rights of recourse vis-à-vis its customers or third parties, unless such guarantees are connected with non-transferred loan or other credit agreements with customers.

2. The property items (assets, liabilities and contractual relationships) set out in points (a) to (m) hereinbelow (non-transferred items) shall not be transferred to NBG. Non-transferred items shall continue to be held (assets) by PROBANK or continue to burden (liabilities) PROBANK. PROBANK shall remain a party to any contractual relationships included in non-transferred items. Non-transferred items shall be the following:

- (a) PROBANK's legal relationships with third parties arising from or in connection with employment contracts entered into by PROBANK, including the prepayment of salaries;
- (b) the obligations and rights of PROBANK vis-à-vis its shareholders under a shareholder relationship, including the obligations of PROBANK regarding the payment of dividends approved for previous financial years and not claimed by



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beneficiaries, and where such dividends are time-barred, the obligation of PROBANK to pay them to the Greek State;

(c) all claims and liabilities of PROBANK vis-à-vis third parties, including the employees of PROBANK, for compensation or damages from any cause (contractual or otherwise), compensation for moral damage and unjust enrichment, in respect of non-transferred items;

(d) the liabilities which by law are satisfied from the proceeds of liquidation of PROBANK;

(e) the deferred tax assets and liabilities of PROBANK vis-à-vis the Greek State;

(f) the tax assets and liabilities of PROBANK, levies and duties of any kind, irrespective of whether they have been generated or certified at the time of transfer of assets and liabilities of PROBANK under this Decision; in particular, excluded from transfer shall be any obligations: for the payment or prepayment of any kind of tax withheld during the period until the transfer of assets and liabilities of PROBANK under this Decision; for the payment of levies or contributions relating to benefits for the above period; for the payment of fines (irrespective of the time of imposition) for acts or omissions of PROBANK during the above period; for the payment of any supplementary or additional tax referring to the above period;

(g) any claims and liabilities of PROBANK vis-à-vis social security funds referring to the period before the transfer of assets and liabilities of PROBANK under this Decision;

(h) the liabilities of PROBANK vis-à-vis insurance companies in connection with supplementary insurance coverage for the employees of PROBANK;

(i) the legal relationships of PROBANK with its customers arising from loan or other credit agreements entered into by PROBANK, including rights of recourse of PROBANK under letters of guarantee or other guarantee agreements between PROBANK and third parties, which refer to loans in definite delay, within the meaning of Bank of Greece Governor's Act 2442/1999, as currently in force.

(j) the rights and obligations of any nature arising from letters of guarantee issued by PROBANK that have been called in;





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- (k) the rights and legal relationships in connection with the operation or security of non-transferred assets, including, but not limited to, claims and rights in rem on movable or immovable property transferred to PROBANK for fiduciary purposes to back non-transferred claims of PROBANK, rights of retention or set-off rights;
- (l) an amount of fourteen million euro (€14,000,000) from the cash assets of PROBANK.

3. Added to the property of the NBG shall be the amount to be paid by the Hellenic Financial Stability Fund in accordance with Article 63D paragraph 13 of Law 3601/2007, taken together with Article 9 paragraph 15(a) of Law 4051/2012, as currently in force.