

Base Rates of National Bank of Greece (Cyprus)

A. Bank's Base Rates and Calculation Methodology

(I) For credit facilities entered into on or after 1st January 2008 and are linked to the Bank's Base Rates:

The Bank's Base Rates, based on the calculation methodology of the Bank's Base Rates, are defined as of 28 May 2019 as follows:

Bank Base Rate (BBR)	5.9737%
Prime Rate (PR)	3.9838%
Bank Business Base Rate (BBBR)	2.0804%
Bank Housing Base Rate (BHBR)	2.0349%

The calculation of the Bank's Base Rates is solely based on the level of risk undertaken (risk based pricing) of the portfolio under consideration, taking into account the following variables:

- The **Fixed Interest Rate Base** which covers the Cost of Funding and the Operational Cost,
- The **Variable Interest Rate Base** which covers the Cost of Credit Risk and the Cost of Regulatory Capital,
- The **Impact of Maturity** which relates to the additional cost resulting from the fact that credit facilities with longer repayment periods, pose greater credit risk for the borrower and liquidity risk for the Bank, and,
- **Other Benefits** which consist of the total benefits that do not result and may not emanate from direct interest or non-interest related income of the approved Credit Framework, such as management and processing fees.

The Bank's Base Rates will be revised on a quarterly basis in February, May, August and November of each calendar year. In cases where any of the above mentioned dates is not a business day, the Base Rates will be revised on the following business day.

(II) For credit facilities entered into before 1st January 2008:

The Bank's Base Rate for credit facilities entered into before 1st January 2008, is linked in accordance with the decision of the Central Bank of Cyprus dated on the 14th December 2007, with the Main Refinancing Operations Interest Rate of the European Central Bank (ECB Base Rate).

The ECB Base Rate, as of 16 March 2016, is 0.00%. Additional information on the ECB Base Rate can be found on the following website:

https://www.ecb.europa.eu/stats/policy_and_exchange_rates/key_ecb_interest_rates/html/index.en.html .

(III) For credit facilities linked to a specific reference rate:

Credit facilities which are linked to a specific reference rate (EURIBOR/LIBOR), are not affected by the Methodology of Calculating the Bank's Base Rates. More information on the EURIBOR and LIBOR is available on the websites www.emmi-benchmarks.eu and www.theice.com/iba/libor respectively.

B. Conditions and parameters which may contribute to changes in the calculation methodology of the Bank's Base Rates

The Bank may at a later stage modify the methodology for the calculation of its Base Rates, if deemed necessary, in order to incorporate possible changes in the regulatory framework and/or in market conditions.

In the event of any change in the calculation methodology of the Bank's Base Rates, customers will be informed accordingly.