

NOTES ISSUE TERMS AND CONDITIONS

These Terms and Conditions constitute the terms and conditions of EUR 150,000,000 undated fixed to fixed rate subordinated notes, ISIN: ROE3BE2PNW68 (the "Notes") issued by Banca Comercială Română S.A. incorporated as a stock corporation (*societate pe acțiuni*), registered at the Bucharest Trade Register Office under registration number J40/90/1991, administered in a dualist system (*administrată în sistem dualist*), with its registered seat in 159 Calea Plevnei, Business Garden Bucharest, Building A, 6th Floor, 060013 Bucharest district 6, Romania, sole registration code 361757, LEI 549300ORLU6LN5YD8X90, registered with the Register of Credit Institutions held by the National Bank of Romania under number RB-PJR-40-008 as of 18 February 1999, having a subscribed and paid up share capital: RON 1,625,341,625.40 (the "Issuer").

1. CURRENCY, DENOMINATION, FORM, DESCRIPTION OF THE NOTES, CERTAIN DEFINITIONS

1.1 Currency, Denomination.

These Notes are being issued by the Issuer in Euro (the "Specified Currency") in the aggregate principal amount of EUR 150,000,000 (in words: Euro one hundred and fifty million) in the denomination of EUR 200,000 (the "Original Principal Amount") each. The Notes are issued at an issue price of 100 per cent. of the Original Principal Amount per Note. The Notes will not be listed on any stock exchange.

1.2 Form.

The Notes are being issued in registered form (book-entry, dematerialised, nominative) (*obligațiuni corporative, sub formă de înregistrare (prin înscriere în cont, dematerializate, nominative)*) pursuant to:

- (i) the Romanian Companies' Law; and
- (ii) the resolution of the extraordinary general meeting of shareholders of the Issuer no. 1 dated 26 August 2022 and the resolution of the management board of the Issuer no. 80 dated 20 September 2022.

1.3 Description of the Notes.

1.3.1 The total number of Notes issued is 750 (in words: seven hundred and fifty).

1.3.2 The Notes to be issued hold numbers from 1 to 750.

1.3.3 Pursuant to these Terms and Conditions the Issuer offers the subscription of 750 (in words: seven hundred and fifty) Notes. The offering hereunder will be completed only if all Notes envisaged to be issued hereunder (i.e., 750) are validly subscribed for and their issue price is paid in full by Erste Group Bank AG.

- 1.3.4 The Notes are to be issued in Bucharest on the Issue Date. Rights attached to the Notes are created from the Issue Date.
- 1.3.5 Upon issuance of the Notes, [REDACTED] acquiring Notes shall be registered by the Issuer in the Register of Notes (as defined in § 1.4). Promptly upon issuance of the Notes, the Issuer shall deliver [REDACTED] an excerpt of the Register of Notes, duly signed and dated on behalf of the Issuer, attesting to the registration of [REDACTED] in respect of the Notes.
- 1.3.6 Any transfer of Notes can be effected pursuant to then applicable laws. The Issuer shall be notified in respect of any transfer of the Notes and shall comply with any other acts required in relation to the transfer of Notes as per the then applicable laws. The Issuer shall update the registrations in the Register of Notes as regards any transfers of the Notes promptly upon receipt of the notification on the transfer of Notes served by the transferee or the transferor of the Notes.

1.4 Definitions.

"Adjustment Spread" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Advisor (in the case of § 3.5.3(a)(A) below) or the Issuer (in the case of § 3.5.3(a)(B) below) determines in its reasonable discretion is required to be applied to the relevant New Benchmark Rate which:

- (A) is formally recommended in relation to the replacement of the Original Benchmark Rate with the New Benchmark Rate by any Official Substitution Concept or, failing which, any Industry Solution or, if there is more than one such formal recommendation, such recommendation as selected by the Independent Advisor (in the case of § 3.5.3(a)(A) below) or the Issuer (in the case of § 3.5.3(a)(B) below) in its reasonable discretion; or
- (B) if no such recommendation has been made, which the Independent Advisor (in the case of § 3.5.3(a)(A) below) or the Issuer (in the case of § 3.5.3(a)(B) below) determines in its reasonable discretion is otherwise recognised or acknowledged as being the industry standard for over-the-counter derivative transactions or customarily applied or is market practice to apply in the international debt capital markets for other bonds which in either case reference the Original Benchmark Rate, where such rate has been replaced by the New Benchmark Rate (or, alternatively, in the international swap markets); or
- (C) if the Independent Advisor (in the case of § 3.5.3(a)(A) below) or the Issuer (in the case of § 3.5.3(a)(B) below) determines that also no such other industry standard is recognised or acknowledged, the Independent Advisor (in the case of § 3.5.3(a)(A) below) or the Issuer (in the case of § 3.5.3(a)(B) below) determines in its reasonable discretion to be appropriate.

"Alternative Benchmark Rate" means an alternative benchmark or screen rate which is customarily applied in the international debt capital markets (or, alternatively, the international swap markets) for the purposes of determining reset rates of interest (or the relevant component part

thereof) in the Specified Currency, provided that all determinations will be made by the Independent Advisor (in the case of § 3.5.3(a)(A) below) or the Issuer (in the case of § 3.5.3(a)(B) below).

"Applicable Supervisory Regulations" means, at any time, any requirements under laws and any regulations, requirements, standards, guidelines, policies or other rules thereunder applicable from time to time (including, but not limited to, the guidelines and decisions of the National Bank of Romania, the European Banking Authority, the European Central Bank, the Competent Authority, and/or the Resolution Authority, the administrative practice of any such authority, any applicable decision of a court and any applicable transitional provisions) relating to prudential requirements and/or resolution and applicable to the Issuer and/or the BCR Regulatory Group from time to time, including but not limited to the provisions of the BRRD, the CRD, the CRR and the CDR, the Romanian Banking Act, the Romanian Capital Requirements Regulation, or such other law, regulation or directive as may come into effect in place thereof, as applicable to the Issuer and the BCR Regulatory Group at the relevant time.

"AT 1 Instruments" means any (directly or indirectly issued) capital instruments of the Issuer that qualify as Additional Tier 1 Instruments pursuant to Article 52 CRR, including any capital (or other) instruments that qualify as Additional Tier 1 items pursuant to transitional provisions under the CRR.

"BCR Regulatory Group" means, from time to time, the Issuer and each entity which is part of the banking group where the Issuer is the parent institution and to which the own funds requirements on a (sub-) consolidated basis due to prudential consolidation in accordance with the Applicable Supervisory Regulations apply.

"Benchmark Event" means:

- (1) the Original Benchmark Rate (or any component part thereof) ceasing to be published on a regular basis or ceasing to exist; or
- (2) a public statement by the administrator of the Original Benchmark Rate that it will cease publishing the Original Benchmark Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Benchmark Rate); or
- (3) a public statement by the supervisor of the administrator of the Original Benchmark Rate, that the Original Benchmark Rate has been or will be permanently or indefinitely discontinued; or
- (4) a public statement by the supervisor of the administrator of the Original Benchmark Rate as a consequence of which the Original Benchmark Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (5) a material change of the methodology for the determination of the Original Benchmark Rate has occurred or will occur; or
- (6) it has become unlawful for the Calculation Agent, the Issuer, any Independent Advisor or any other agent to calculate any payments due to be made to any Holder using the Original Benchmark Rate; or

- (7) a public statement by the supervisor of the administrator of the Original Benchmark Rate that the Original Benchmark Rate is no longer representative of an underlying market or economic reality on a permanent and irremediable basis.

"BRRD" means the Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 (*Bank Recovery and Resolution Directive*), as amended or replaced from time to time, and any references to relevant provisions of the BRRD in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"Business Day" means a day (other than a Saturday or a Sunday) on which all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer system 2 or its successor ("TARGET") are open to effect payments.

"CDR" means the Commission Delegated Regulation (EU) No 241/2014 of 7 January 2014 (*Capital Delegated Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the CDR in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"CET 1 Instruments" means any capital instruments of the Issuer that qualify as Common Equity Tier 1 instruments pursuant to Article 28 CRR, including any capital (or other) instruments that qualify as Common Equity Tier 1 Items pursuant to transitional provisions under the CRR.

"Competent Authority" means the competent authority pursuant to Article 4(1)(40) CRR, in each case, which is responsible to supervise the Issuer on an individual basis and/or the BCR Regulatory Group on a (sub-) consolidated basis.

"CRD" means the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 (*Capital Requirements Directive*), as amended or replaced from time to time, and any references to relevant provisions of the CRD in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"CRR" means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the CRR in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"Current Principal Amount" means initially the Original Principal Amount, which from time to time, on one or more occasions, may be reduced by a Write-down (as defined in § 5.7) and, subsequent to any such reduction, may be increased by a Write-up (as defined in § 5.8), if any (up to the Original Principal Amount).

"Distributable Items" means in respect of any payment of distributions on the Notes the distributable items as defined in Article 4(1)(128) CRR, as amended from time to time, in respect of each financial year of the Issuer, as at the end of the latest financial year of the Issuer ended prior to the relevant Distribution Payment Date (as defined below) for which such Relevant Financial Statements (as defined below) are available, all as determined in accordance with the accounting principles applied by the Issuer and as derived from the most recent Relevant Financial Statements.

"Generally Accepted Market Practice" means the customary use of a certain benchmark rate, subject to certain adjustments (if any), as substitute benchmark rate for the Original Benchmark Rate or of provisions, contractual or otherwise, providing for a certain procedure to determine payment obligations which would otherwise have been determined by reference to the Original Benchmark Rate in other bond issues following the occurrence of a Benchmark Event, or any other generally accepted market practice to replace the Original Benchmark Rate as reference rate for the determination of payment obligations.

"Group CET 1 Capital Ratio" means the Common Equity Tier 1 capital ratio pursuant to Article 92(2)(a) CRR of the BCR Regulatory Group on a (sub-) consolidated basis, as calculated in accordance with the Applicable Supervisory Regulations.

"Holder" means any person or entity that is registered as holder of the Notes with the Register of Notes, including, as at the Issue Date [REDACTED]

"Independent Advisor" means an independent financial institution of international repute or other independent financial advisor experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense.

"Industry Solution" means any public statement by the International Swaps and Derivatives Association (ISDA), the International Capital Markets Association (ICMA), the Association for Financial Markets in Europe (AFME), the Securities Industry and Financial Markets Association (SIFMA), the SIFMA Asset Management Group (SIFMA AMG), the Loan Market Association (LMA), the Deutsche Derivate Verband (DDV), the Zertifikate Forum Austria or any other private association of the financial industry pursuant to which a certain reference rate, subject to certain adjustments (if any), should or could be used to replace the Original Benchmark Rate or pursuant to which a certain procedure should or could be used in order to determine payment obligations which would otherwise be determined by reference to the Original Benchmark Rate.

"Issue Date" means 28 September 2022, i.e. the date on or by which the following conditions shall have been met cumulatively: (i) [REDACTED] subscribes all the Notes offered by the Issuer under these Terms and Conditions; (ii) [REDACTED] pays in full to the Issuer the issue price relating to all the Notes; and (iii) [REDACTED] is registered with the Register of Notes.

"Issuer CET 1 Capital Ratio" means the Common Equity Tier 1 capital ratio pursuant to Article 92(2)(a) CRR of the Issuer on an individual basis, as calculated in accordance with the Applicable Supervisory Regulations.

"Loss Absorbing Instrument" means, at any time, any AT 1 Instrument (other than the Notes) that may have all or some of its current principal amount written down (whether on a permanent or temporary basis) or converted into Common Equity Tier 1 Instruments (in each case, in accordance with its terms or otherwise) on the occurrence or as a result of the Group CET 1 Capital Ratio and/or the Issuer CET 1 Capital Ratio falling below a certain trigger level.

"Loss Absorbing Written-down Instrument" means any Loss Absorbing Instrument (as defined in § 1.4) that has had all or some of its principal amount written-down on a temporary basis, and

that has terms permitting a principal write-up to occur on a basis similar to that provided herein in the circumstances existing on the date of the Write-up of the Notes.

"Margin" means **per cent. per annum.**

"Maximum Distributable Amount" means any maximum distributable amount relating to the Issuer and/or the BCR Regulatory Group, as the case may be, that may be required to be calculated in accordance with (i) Article 126² paragraphs (2) and (3) of the Romanian Banking Act (Implementing Article 141(2) CRD in Romania) and the related implementation rules set out in the Romanian Capital Requirements Regulation, as amended or replaced from time to time, or (ii) any successor provision thereto.

"Maximum Write-up Amount" means the lower of:

- (I) the consolidated Profit multiplied by the sum of the aggregate Original Principal Amount of the Notes and the aggregate initial principal amount of all Loss Absorbing Written-down Instruments of the BCR Regulatory Group (for the avoidance of doubt, before any write-down), and divided by the total Tier 1 capital pursuant to Article 25 CRR of the BCR Regulatory Group as at the date the relevant Write-up is operated; and
- (II) the Profit on an unconsolidated basis multiplied by the sum of the aggregate Original Principal Amount of the Notes and the aggregate initial principal amount of all Loss Absorbing Written-down Instruments of the Issuer (for the avoidance of doubt, before any write-down), and divided by the total Tier 1 capital pursuant to Article 25 CRR of the Issuer as at the date the relevant Write-up is operated;

or any higher or lower amount permitted to be used under the Applicable Supervisory Regulations in effect on the date of the relevant Write-up.

"Minimum Trigger Level" means in respect of: (i) the Group CET 1 Capital Ratio **per cent.**; and/or (ii) the Issuer CET 1 Capital Ratio **per cent.**

"New Benchmark Rate" means any substitute or alternative replacement rate (expressed as a percentage rate *per annum*) to the Original Benchmark Rate determined by the Independent Advisor (in the case of § 3.5.3(a) (A) below) or the Issuer (in the case of § 3.5.3(a)(B) below) in its reasonable discretion as follows:

- (A) If a Substitute Benchmark Rate exists, then such Substitute Benchmark Rate shall constitute the New Benchmark Rate;
- (B) If no Substitute Benchmark Rate exists but there is an Alternative Benchmark Rate, then such Alternative Benchmark Rate shall subsequently be the New Benchmark Rate.

"Official Substitution Concept" means any binding or non-binding public statement by (A) the EU Commission or any EU Member State taking into account, where available, the recommendation by an alternative reference rate working group operating under the auspices of the central bank responsible for the currency in which the interest rates of the replacement benchmark are denominated or (B) any of the following entities provided that they are competent to make such

statement: a central bank, a supervisory authority or a supervisory or expert body of the financial sector established under public law or composed of publicly appointed members, pursuant to which a certain benchmark rate, subject to certain adjustments (if any), should or could be used to replace the Original Benchmark Rate or pursuant to which a certain procedure should or could be used in order to determine payment obligations which would otherwise be determined by reference to the Original Benchmark Rate.

"Original Benchmark Rate" in respect of any day means the mid swap rate (expressed as a percentage) for swap transactions in the Specified Currency with a term of five years, which appears on the Screen Page (as defined below) as of 11.00 am (time) on such day determined by its benchmark administrator using the methodology prevailing on the Distribution Commencement Date (as defined in § 3.1), all as determined by the Calculation Agent.

"Profit" means: (i) the net income for the year (*profitul net anual*) of the Issuer on an unconsolidated basis recorded in the Relevant Financial Statements; or (ii) the consolidated net income for the year (*profitul net anual*) on a consolidated basis recorded in the consolidated financial statements of the BCR Regulatory Group, in each case after in relation to such Relevant Financial Statements or consolidated financial statements the management board (*directorat*) and the supervisory board (*consiliul de supraveghere*) have formally presented their reports and the independent financial auditor (*auditorul financiar independent*) has formally presented its audit report and, the ordinary general meeting of shareholders (*adunarea generală ordinară a acționarilor*) of the Issuer has formally approved such Relevant Financial Statements or consolidated financial statements.

"Record Date" means the date on which a Holder which is entitled to payments under the Notes is determined, being (i) in relation to the final redemption date, or each Distribution Payment Date, the date falling 10 Business Day(s) prior to the respective date, and (ii) in relation to an Optional Redemption Date or an early redemption date pursuant to § 5.4, that particular date, in each case provided that, if such date does not comply with Applicable Supervisory Regulations, it will be postponed to the immediately following Business Day which corresponds to such regulations.

"Reference Banks" means five leading swap dealers in the Interbank market selected by the Issuer.

"Register of Notes" means the register of notes (*registru obligatiunilor*) held in accordance with Article 177 (1) letter f) of the Romanian Companies' Law and maintained (electronically) by the Issuer, in accordance with applicable laws, reflecting, *inter alia*, the total number of bonds / notes issued, those reimbursed as well as the name, the address and the identification details of the Holders of bonds / notes.

"Relevant Distributions" means the sum of:

- (i) any other payments of distributions on the Notes that were made or are scheduled to be made by the Issuer in the then current financial year of the Issuer;
- (ii) the amount of any Write-up (as defined below) of the Notes that was made in the then current financial year or is made simultaneously with the relevant distribution payment on the relevant Distribution Payment Date, if any;

- (iii) any payments of interest, dividends or distributions (including any write-ups) that were made, are simultaneously made or are scheduled to be made by the Issuer on other Tier 1 Instruments in the then current financial year of the Issuer; and
- (iv) any amount, payment or distribution as may be relevant under any restriction operating as a maximum distributable amount in accordance with any legal or regulatory requirements applicable to the Issuer at the time.

"Relevant Financial Statements" means: (i) the audited (*auditate*) and adopted (*aprobate*) unconsolidated annual financial statements of the Issuer, prepared in accordance with accounting provisions applied by the Issuer and accounting regulations then in effect, for the latest financial year of the Issuer ended prior to the relevant Distribution Payment Date; or (ii) if such audited (*auditate*) and adopted (*aprobate*) unconsolidated annual financial statements of the Issuer are not available at the relevant Distribution Payment Date, unaudited unconsolidated pro forma financial statements of the Issuer, prepared in accordance with accounting provisions applied by the Issuer in relation to its unconsolidated annual financial statements and accounting regulations then in effect in relation to the Issuer's unconsolidated annual financial statements.

"Required Loss Absorption Amount" means the amount by which, upon the occurrence of a Trigger Event (as defined below), a Write-down of the Current Principal Amount of a Note (in conjunction with the concurrent Write-down of the other Notes) shall be effected *pro rata* with the aggregate (current) principal amount of any other Loss Absorbing Instruments the trigger events for a write-down or conversion (loss absorption) of which pursuant to their terms have occurred and whose minimum trigger levels have not been restored, irrespective of the opening of any insolvency proceedings. For such purpose, the total amount of the write-downs to be allocated *pro rata* shall be equal to the amount required to fully restore or maintain the Issuer CET 1 Capital Ratio and/or the Group CET 1 Capital Ratio to at least the Minimum Trigger Level, as applicable, but shall not exceed the sum of the principal amounts of Loss Absorbing Instruments the trigger events for a write-down or conversion of which pursuant to their terms have occurred, the minimum trigger levels of which have not been restored and which are outstanding at the time of occurrence of the Trigger Event.

To the extent the write-down (or write-off) or conversion into Common Equity Tier 1 instruments of any other Loss Absorbing Instrument whose trigger events for a write-down or conversion pursuant to their terms have occurred is not, or within one month from the determination that the relevant trigger event has occurred will not be, effective for any reason:

- (i) the ineffectiveness of any such write-down (or write-off) or conversion into Common Equity Tier 1 instruments shall not prejudice the requirement to effect a Write-down of the Notes (loss absorption); and
- (ii) the write-down (or write-off) or conversion into Common Equity Tier 1 Instruments of any other Loss Absorbing Instrument whose trigger events for a write-down or conversion pursuant to their terms have occurred which is not, or within one month from the determination that the relevant Trigger Event has occurred will not be, effective shall not be taken into account in determining such Write-down of the Notes.

"Reset Determination Date" means the second Business Day prior to any Reset Date.

"Reset Date" means the First Reset Date and each fifth anniversary thereof for as long as the Notes remain outstanding.

"Reset Period" means the period from and including a Reset Date to but excluding the next following Reset Date.

"Romanian Companies' Law" means Law no. 31/1990 on companies (*Legea societăților nr. 31/1990*), as republished and amended from time to time and any references to relevant provisions of the Romanian Companies' Law in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"Resolution Authority" means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for recovery or resolution of the Issuer on an individual and/or (sub-)consolidated basis.

"Romanian Banking Act" means the Romanian Government Emergency Ordinance no. 99/2006 on credit institutions and capital adequacy (*Ordonanța de urgență 99/2006 privind instituțiile de credit și adecvarea capitalului*), as subsequently amended and republished from time to time and any references to relevant provisions of the Romanian Banking Act in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"Romanian Capital Requirements Regulation" means the Regulation no. 5/2013 on the prudential requirements for credit institutions (*Regulamentul 5/2013 privind cerințele prudențiale pentru instituțiile de credit*) issued by the National Bank of Romania, as subsequently amended and republished from time to time and any references to relevant provisions of the Romanian Capital Requirements Regulation in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"Screen Page" means Reuters Screen Page ICESWAP2 under the heading "EURIBOR BASIS - EUR" and above the caption "11:00AM [REDACTED]" or the successor page displayed by the same information provider or any other information provider nominated by the Calculation Agent as the replacement information provider for the purposes of displaying the Reference Rate (as defined in § 3.5 below).

"Subsidiary" means any subsidiary of the Issuer pursuant to Article 4(1)(16) CRR.

"Substitute Benchmark Rate" means any substitute replacement rate to the Original Benchmark Rate (expressed as a percentage rate *per annum*)

- (i) nominated by the EU Commission or any EU Member State taking into account, where available, the recommendation by an alternative reference rate working group operating under the auspices of the central bank responsible for the currency in which the interest rates of the replacement benchmark are denominated; or
- (ii) nominated by any of the following entities provided that they are competent to make such nominations: a central bank, a supervisory authority or any supervisory or expert body of

the financial sector established under public law or composed of publicly appointed members including any working group or committee chaired or co-chaired by or constituted at the request of the central bank or other supervisory authority,

for being used for determining the distributions scheduled to be paid under the Notes determined by the Independent Advisor (In the case of § 3.5.3(a) (A) below) or the Issuer (In the case of § 3.5.3(a) (B) below) in its reasonable discretion.

"Terms and Conditions" means these terms and conditions of the Notes.

"Tier 1 Instruments" means (i) CET 1 Instruments; (ii) AT 1 Instruments; and (iii) any other instruments or obligations of the Issuer ranking *pari passu* with respect to payment of interest, dividends or distributions with CET 1 Instruments or AT 1 Instruments.

"Tier 2 Instruments" means any (directly or indirectly issued) capital instruments of the Issuer that qualify as Tier 2 Instruments pursuant to Article 63 CRR, including any capital (or other) instruments that qualify as Tier 2 Items pursuant to transitional provisions under the CRR.

A **"Trigger Event"** occurs if it has been determined that: (i) the Group CET 1 Capital Ratio; and/or (ii) the Issuer CET 1 Capital Ratio is lower than the applicable Minimum Trigger Level.

"Write-down Amount" per Note means the amount by which the Current Principal Amount per Note is to be Written-down on a Write-down Effective Date, being the lower of (i) the *pro rata* share of the Note in the Required Loss Absorption Amount; and (ii) the amount necessary to reduce the Current Principal Amount to EUR 0.01.

"Write-down Effective Date" means the date on which the Write-down will take effect, being no later than one month (or such shorter period as the Competent Authority may require) following the occurrence of the relevant Trigger Event.

2. STATUS

2.1 Ranking.

The Notes shall qualify as AT 1 Instruments (as defined in § 1.4) and constitute direct, unsecured and subordinated obligations of the Issuer. In the event of insolvency proceedings (*fallment*) or the liquidation (*liquidare*) of the Issuer, the obligations of the Issuer under the Notes will rank:

- (a) Junior to all present or future:
 - (i) unsubordinated Instruments or obligations of the Issuer; and
 - (ii) Tier 2 Instruments (as defined in § 1.4) and instruments or obligations of the Issuer, if any, which rank *pari passu* with or senior to Tier 2 Instruments; and
 - (iii) instruments or obligations of the Issuer that do not result from own funds items of the Issuer; and

- (iv) any other claims of the creditors of the Issuer which pursuant to mandatory law have to be satisfied in priority to AT 1 Instruments, unless already captured through (i) to (iii) above, including other instruments or obligations of the Issuer, if any, ranking or expressed to rank subordinated to any unsubordinated instruments or obligations of the Issuer (other than instruments or obligations of the Issuer ranking or expressed to rank *pari passu* with or subordinated to the Notes); and
- (b) *pari passu*:
 - (i) among themselves; and
 - (ii) with all other present or future AT 1 Instruments; and
 - (iii) with all other present or future instruments or obligations of the Issuer ranking or expressed to rank *pari passu* with AT 1 Instruments; and
- (c) senior to all present or future:
 - (i) ordinary shares of the Issuer and any other CET 1 Instruments (as defined in § 1.4); and
 - (ii) other subordinated instruments or obligations of the Issuer ranking or expressed to rank *pari passu* with the ordinary shares of the Issuer and any other CET 1 Instruments.

For the avoidance of doubt, Holders will neither participate in any reserves of the Issuer nor in the liquidation profits in the event of its liquidation (*liquidare*).

The rights of the Holders of the Notes to payment of principal on the Notes are at any time limited to a claim for the prevailing Current Principal Amount (as defined in § 1.4).

2.2 No Negative Equity and Waiver of Petition.

The Holders will be entitled to payments, if any, under the Notes only once any negative equity has been removed or if, in the event of the liquidation (*liquidare*) of the Issuer, all other creditors (other than creditors the claims of which rank or are expressed to rank *pari passu* with or junior to the Notes) of the Issuer have been satisfied first.

2.3 No Set-off/Netting, No Security/Guarantee and No Enhancement of Seniority.

Claims of the Issuer are not permitted to be set-off or netted against repayment obligations of the Issuer under these Notes. If any amount payable by the Issuer in respect of any Note to the Holders is discharged by set-off or netting, the respective Holder(s) must pay an amount equal to the amount of such discharge to the Issuer and such discharge shall be deemed not to have taken place. No contractual collateral may be provided by the Issuer or any third person for the liabilities constituted by the Notes.

The Notes are neither secured, nor subject to any guarantee that enhances the seniority of the claims under the Notes and shall remain as such at all times. The Notes are not subject to any arrangement, contractual or otherwise, that enhances the seniority of the claims under the Notes in insolvency (*falliment*) or liquidation (*liquidazione*).

2.4 Note on the possibility of statutory resolution measures.

Prior to any insolvency (*falliment*) or liquidation (*liquidazione*) of the Issuer, under the Applicable Supervisory Regulations, the competent Resolution Authority may write down (including to zero) the obligations of the Issuer under the Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution measure, including (but not limited to) any deferral of the obligations, any transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes.

3. DISTRIBUTIONS

3.1 Distribution Rates and Distribution Payment Dates.

The Notes shall bear distributions on the Current Principal Amount (as defined in § 1.4) at the rate of **0.000000** per cent. per annum (the "First Rate of Distributions") from and including 28 September 2022 (the "Distribution Commencement Date") to but excluding 28 May 2028 (the "First Reset Date") and thereafter at the relevant Reset Rate (as determined according to § 3.5) from and including each Reset Date to but excluding the next following Reset Date. Distributions shall be scheduled to be paid annually in arrear on 28 May in each year (each such date, a "Distribution Payment Date"), commencing on 28 May 2023 (short first coupon).

Distributions will fall due subject to the provisions set out in § 3.7, § 4.4 and § 5.7(a)(v).

3.2 Default Interest.

The Notes shall cease to bear distributions from the expiry of the calendar day preceding the due date fixed for redemption (if any). If the Issuer fails to redeem the Notes when due, distributions shall continue to accrue on the Current Principal Amount of the Notes from, and including, the date fixed for redemption to, but excluding, the date of actual redemption of the Notes at the respective Rate of Distributions determined as specified in § 3.1 above, which will fall due subject to the provisions set out in § 3.7 and § 5.7(a)(v). This does not affect any additional rights that might be available to the Holders.

3.3 Calculation of Amount of Distributions.

If the amount of distributions scheduled to be paid on the Notes is required to be calculated for any period of time such amount of distributions for any Distribution Period shall be calculated by the Calculation Agent by applying the respective Rate of Distributions to the Current Principal Amount, multiplying such sum by the applicable Day Count Fraction (as defined below) and rounding the resultant figure to the nearest sub-unit of the Specified Currency, half of such sub-unit being rounded upwards or otherwise in accordance with the applicable market convention.

If a Write-down (as defined in § 5.7) occurs during any Distribution Period, unpaid distributions accrued on the Current Principal Amount to but excluding the Write-down Effective Date (as defined in § 1.4) are cancelled in accordance with § 3.7 (c), and the Notes shall bear distributions on the adjusted Current Principal Amount from and including the Write-down Effective Date.

If, pursuant to § 5.8, the Current Principal Amount of the Notes is subject to a Write-up, during a Distribution Period, the amount of distributions shall be calculated by the Calculation Agent on the basis of the adjusted Current Principal Amount from time to time so that the relevant amount of distributions is determined by reference to such Current Principal Amount as adjusted from time to time and as if such Distribution Period were comprised of two or more (as applicable) consecutive distribution periods, with distribution calculations based on the number of days for which each Current Principal Amount was applicable.

"Distribution Period" means the period from and including the Distribution Commencement Date to but excluding the first Distribution Payment Date and each successive period from and including a Distribution Payment Date to but excluding the next succeeding Distribution Payment Date.

3.4 Day Count Fraction.

"Day Count Fraction" means, in respect of the calculation of an amount of distributions on any Note for any period of time (from and including the first day of such period to but excluding the last day of such period) (the "Calculation Period").

If the Calculation Period is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of calendar days in such Calculation Period divided by the product of (x) the number of calendar days in such Determination Period and (y) the number of Determination Dates (as specified below) that would occur in any year.

If the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of

(A) the number of calendar days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (x) the number of calendar days in such Determination Period and (y) the number of Determination Dates that would occur in any year; and

(B) the number of calendar days in such Calculation Period falling in the next Determination Period divided by the product of (x) the number of calendar days in such Determination Period and (y) the number of Determination Dates that would occur in any year.

"Determination Period" means the period from, and including, a Determination Date to, but excluding, the next Determination Date (including, where the Distribution Commencement Date is not a Determination Date, the period commencing on the first Determination Date prior to the Distribution Commencement Date, and where the final Distribution Payment Date is not a Determination Date, the first Determination Date falling after the final Distribution Payment Date, as the case may be).

"Determination Date" means 28 May in each year.

3.5 Determination of the Reset Rate.

3.5.1 Reset Rate.

The rate of distributions for each Reset Period (each a "Reset Rate", and together with the First Rate of Distributions, the "Rate of Distributions") shall be the Reference Rate (as defined below) plus the Margin (as defined in § 1.4), subject to a minimum of ██████████ per cent. per annum.

The Calculation Agent will determine the relevant Reference Rate in accordance with this § 3.5 for each Reset Date on the relevant Reset Determination Date.

The "Reference Rate" for each Reset Date will be,

- (A) as long as no Benchmark Event (as defined in § 1.4) has occurred,
 - (i) the Original Benchmark Rate on the relevant Reset Determination Date, as determined by the Calculation Agent; or
 - (ii) the Reference Bank Rate on the relevant Reset Determination Date if the Screen Page is unavailable or if the Original Benchmark Rate does not appear on the Screen Page as at such time on the relevant Reset Determination Date, all as determined by the Calculation Agent;
- (B) if a Benchmark Event has occurred, determined in accordance with § 3.5.3 for each Reset Period commencing on or after the relevant Reset Determination Date (as defined in this § 3.5.1).

For purposes of the determination of the Reset Rate that is based upon a Reference Rate determined on the basis of a benchmark rate that is not expressed as an annual rate, the sum of such Reference Rate and the Margin will be converted by the Independent Advisor or the Issuer, as the case may be, to an annual rate in a commercially reasonable manner.

"Reference Bank Rate" means the rate determined as follows: the Issuer shall request the principal office of each Reference Bank (as defined in § 1.4) to provide the Calculation Agent with its mid-market swap rate quotation (expressed as a percentage rate) at approximately 11.00 am ██████████ (time) on the relevant Reset Determination Date, where "mid-market swap rate" means the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating interest rate swap transaction in the Specified Currency with a term of five years and in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is based on the 6-months EURIBOR (or such other reference rate as is used in accordance with the customary market practice at such time).

If three or more of the Reference Banks provide the Calculation Agent with such rates, the Reference Bank Rate for the relevant Reset Period shall be deemed to be the arithmetic mean (rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of such rates eliminating the highest rate (or, in the event of equality, one

of the highest) and the lowest rate (or, in the event of equality, one of the lowest), all as determined by the Calculation Agent.

If the Reference Bank Rate cannot be determined in accordance with the foregoing provisions of this definition of the term "Reference Bank Rate", the Reference Bank Rate for the relevant Reset Period shall be equal to the Original Benchmark Rate on the Screen Page on the last day preceding the Reset Determination Date on which such Original Benchmark Rate was displayed.

3.5.2 Notification of Reset Rate.

The Calculation Agent will cause the Reset Rate to be notified to the Issuer and to the Holders in accordance with § 9 as soon as possible after its determination.

3.5.3 New Benchmark Rate.

(a) Benchmark Event.

In the event of a Benchmark Event (as defined in § 1.4),

- (A) the Issuer shall, as soon as this is (in the Issuer's view) required following the occurrence of the Benchmark Event and prior to the next Reset Determination Date, use reasonable endeavours to appoint an Independent Advisor (as defined in § 1.4) that shall determine in its reasonable discretion (in consultation with the Calculation Agent) a New Benchmark Rate (as defined in § 1.4) which shall replace the Original Benchmark Rate affected by the Benchmark Event, the Adjustment Spread (in accordance with subparagraph § 3.5.3 (b) below) and the Benchmark Amendments (in accordance with subparagraph § 3.5.3 (c) below) (if required); or
- (B) if, prior to the 10th Business Day prior to the relevant Reset Determination Date (as defined in § 1.4), no Independent Advisor is or can be appointed by the Issuer or if an Independent Advisor is appointed by the Issuer, but has not determined a New Benchmark Rate, has not determined the Adjustment Spread and/or has not determined the Benchmark Amendments (if required), then the Issuer shall determine in its reasonable discretion (in consultation with the Calculation Agent) a New Benchmark Rate which shall replace the Original Benchmark Rate affected by the Benchmark Event, the Adjustment Spread and the Benchmark Amendments (if required).

Any New Benchmark Rate, the Adjustment Spread and any Benchmark Amendments shall apply from (and including) the Reset Determination Date selected by the Independent Advisor (in the case of (A) above) or the Issuer (in the case of (B) above) in its reasonable discretion, which shall fall no earlier than the Reset Determination Date falling on or, if it is not a Reset Determination Date, the Reset Determination Date immediately following the date of the Benchmark Event (the "relevant Reset Determination Date").

Notwithstanding the generality of the foregoing, and without prejudice to the definitions of Adjustment Spread, New Benchmark Rate, Substitute Benchmark Rate and Alternative Benchmark Rate, the Independent Advisor (in the case of (A) above) or the Issuer (in the case of (B) above) shall, when making any determination in accordance with this § 3.5.3,

take into consideration any Official Substitution Concept, any Industry Solution or any Generally Accepted Market Practice.

(b) Adjustment Spread.

The Independent Advisor (in the case of § 3.5.3(a) (A) above) or the Issuer (in the case of § 3.5.3(a) (B) above) shall determine in its reasonable discretion the Adjustment Spread (as defined in 1.4), and such Adjustment Spread shall be applied to the New Benchmark Rate.

(c) Benchmark Amendments.

If the Independent Advisor (in the case of § 3.5.3(a) (A) above) or the Issuer (in the case of § 3.5.3(a) (B) above) determines in its reasonable discretion a New Benchmark Rate, the Issuer shall also be entitled to make, in its reasonable discretion, such adjustments to the Terms and Conditions relating to the determination of the Original Benchmark Rate (including, without limitation, the Reset Determination Date, the Day Count Fraction, the Business Days, the relevant time and the relevant Screen Page for obtaining the New Benchmark Rate and the fall back provisions in the event that the relevant Screen Page is not available) which in the opinion of the Independent Advisor (in the case of § 3.5.3(a) (A) above) or the Issuer (in the case of § 3.5.3(a) (B) above) are necessary or expedient to make the substitution of the Original Benchmark Rate by the New Benchmark Rate operative (such amendments, the "Benchmark Amendments").

- 3.5.4 If (A) the Issuer has not appointed an Independent Advisor or (B) the Independent Advisor appointed by it (in the case of § 3.5.3(a) (A) above) or the Issuer (in the case of § 3.5.3(a) (B) above) has not determined a New Benchmark Rate, has not determined the Adjustment Spread and/or has not determined the Benchmark Amendments (if required) in accordance with § 3.5.3 the Reference Rate applicable to the next Reset Period shall be equal to the Reference Rate determined on the last preceding Reset Determination Date. If this § 3.5.4 were to be applied on the first Reset Determination Date prior to the commencement of the first Reset Period, the Reference Rate applicable to the first Reset Period shall be equal to the Original Benchmark Rate on the Screen Page on the last day preceding the first Reset Determination Date on which such Original Benchmark Rate was displayed.

For the avoidance of doubt, the operation of this § 3.5.4 shall apply to the relevant Reset Determination Date and the corresponding Reset Period only. Any subsequent Reset Determination Date and Reset Period shall be subject to the subsequent operation of, and to adjustment as provided in § 3.5.3.

- 3.5.5 Following the occurrence of a Benchmark Event, the Issuer will give notice of the occurrence of the Benchmark Event, the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if required) to the Calculation Agent and to the Holders in accordance with § 9 as soon as possible but in no event later than on the 10th Business Day prior to the relevant Reset Date.

- 3.5.6** Notwithstanding the provisions of § 3.5.3, no New Benchmark Rate, no Adjustment Spread and/or no Benchmark Amendments, if any, will be adopted, nor will any other amendment to the Terms and Conditions be made to effect the same, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to entitle the Issuer to redeem the Notes for regulatory reasons pursuant to § 5.4 and/or would prejudice the qualification of the Notes as AT 1 Instruments and/or the Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of the bank resolution laws applicable to the Issuer from time to time.

If this § 3.5.6 were to be applied on the first Reset Determination Date prior to the commencement of the first Reset Period, the Reference Rate applicable to the first and each subsequent Reset Period shall be equal to the Original Benchmark Rate on the Screen Page on the last day preceding the first Reset Determination Date on which such Original Benchmark Rate was displayed.

If this § 3.5.6 were to be applied on a Reset Determination Date falling after the commencement of any Reset Period, the Reference Rate applicable to the next and each subsequent Reset Period shall be equal to the Reference Rate determined on the last preceding Reset Determination Date.

- 3.5.7** If a Benchmark Event occurs in relation to any New Benchmark Rate, this § 3.5 shall apply *mutatis mutandis* to the replacement of such New Benchmark Rate by any new New Benchmark Rate. In this case, any reference in this § 3 to the term Original Benchmark Rate shall be deemed to be a reference to the New Benchmark Rate that last applied.
- 3.5.8** Any reference in § 3.5.3 to §3.5.8 to the term Original Benchmark Rate shall be deemed to include a reference to any component part thereof, if any, in respect of which a Benchmark Event has occurred.

3.6 Determinations Binding.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent or, as the case may be, any Independent Advisor or the Issuer, shall (in the absence of wilful default, bad faith, inequitableness or manifest error) be binding on the Issuer, the Paying Agents and the Holders and, in the absence of the aforesaid, no liability to the Issuer, the Paying Agents or the Holders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

3.7 Cancellation of Distributions.

- (a) Discretionary Cancellation of Distributions.**

The Issuer, at its full discretion, may, at all times elect to cancel, in whole or in part, any payment of distributions on the Notes scheduled to be paid on any Distribution Payment Date for an unlimited period and on a non-cumulative basis.

If the Issuer makes such election, the Issuer shall inform the Holders in accordance with § 9, provided that the Issuer shall endeavour to inform the Holders on or before the Distribution Payment Date and that the Issuer will inform the Holders without undue delay thereafter, and provided further that any failure or delay to inform the Holders shall not affect the validity of such cancellation, shall in no event result in an obligation of the Issuer to make a cancelled distribution payment at a later date and shall not constitute a default for any purpose.

(b) Mandatory Cancellation of Distributions:

(I) Without prejudice to such full discretion of the Issuer pursuant to § 3.7 (a), any payment of distributions scheduled to be paid on the Notes on any Distribution Payment Date shall be cancelled mandatorily and automatically, in whole or in part, if and to the extent that:

(A) the amount of such distribution payment together with any further Relevant Distributions would exceed the available Distributable Items, provided that, for such purpose, the available Distributable Items shall be increased by an amount equal to what has been accounted for as expenses for payments of interest, dividends or distributions on Tier 1 Instruments (including payments of distributions on the Notes) in the calculation of the profit on which the available Distributable Items are based; or

(B) the Competent Authority orders the relevant distribution payment scheduled to be paid on the Notes to be cancelled in whole or in part; or

(C) another prohibition or restriction to make a distribution on the Notes, or to make such distribution on the Notes when aggregated with any other Relevant Distributions, is imposed by Applicable Supervisory Regulations or the Competent Authority (or any other relevant supervisory authority).

(II) Prohibitions and restrictions of distributions pursuant to § 3.7(b) (I) (C) may include, but are not limited to,

(A) any restrictions of distributions as a result of non-compliance with the combined buffer requirement (howsoever defined in the Applicable Supervisory Regulations) applicable at the time;

(B) any prohibition of distributions in connection with the calculation of the Maximum Distributable Amount;

(C) the limit resulting from the Maximum Distributable Amount; and

- (D) any other restriction operating as maximum distributable amount in accordance with the then Applicable Supervisory Regulations requiring a maximum distributable amount to be calculated or to be complied with if the Issuer and/or the BCR Regulatory Group is failing to meet any applicable capital adequacy or buffer requirement, such as the maximum distributable amount related to the minimum requirement for own funds and eligible liabilities (M-MDA) and the maximum distributable amount related to the leverage ratio (L-MDA), in each case if applicable to the Issuer and/or the BCR Regulatory Group at that point in time.
- (iii) If any payment of distributions on the Notes scheduled to be paid on any Distribution Payment Date is so mandatorily and automatically cancelled, the Issuer shall inform the Holders in accordance with § 9, provided that the Issuer shall endeavour to inform the Holders on or before the Distribution Payment Date and that the Issuer will inform the Holders without undue delay thereafter, and provided further that any failure or delay to inform the Holders shall not affect the validity of such cancellation, shall in no event result in an obligation of the Issuer to make a cancelled distribution payment at a later date and shall not constitute a default for any purpose.
- (c) If a Write-down (as defined in § 5.7) occurs during any Distribution Period, unpaid distributions accrued on the Current Principal Amount to but excluding the Write-down Effective Date (as defined in § 1.4) will be cancelled mandatorily and automatically in full.
- (d) Any distribution payment cancelled in accordance with § 3.7 (a) to § 3.7 (c) will be non-cumulative and will be cancelled permanently and no payments will be made nor will any Holder be entitled to receive any payment or indemnity in respect thereof. Any such cancellation of distributions will not constitute an event of default of the Issuer and will not impose any restrictions on the Issuer.

The Issuer may use such cancelled payments without restrictions to meet its obligations as they fall due.

4. PAYMENTS

4.1 Payments.

(a) **Payment of Principal.**

Payment of principal on the Notes shall be made, subject to § 4.2 below, to the Eligible Recipients (as defined at § 4.1(c) below) to their bank accounts.

(b) **Payment of Distributions.**

Payment of distributions on the Notes shall be made, subject to § 3.7 above and § 4.2 below, to the Eligible Recipients to their bank accounts.

(c) **Determination of the right to receive payments**

All payments under the Notes will be made to the entities registered as Holders in the Register of Notes at the end of business hours of the relevant Record Date (the "Eligible Recipient"). For the purposes of the determination of the Eligible Recipients, neither the Issuer nor the Paying Agent will take into consideration any transfers of Notes occurring after the Record Date or any notifications in relation to any transfer of Notes received after the Record Date and until the relevant payment date and the respective transferee shall not have the right to claim or receive the relevant payment for the purposes of which they were not duly registered as Holder in the Register of Notes by the aforementioned time on the Record Date.

4.2 Manner of Payment.

Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

4.3 Discharge.

The Issuer shall be discharged by payment on the relevant payment date towards the Eligible Recipients in their bank accounts. Each Holder must notify the Issuer in relation to all details regarding that Holder's bank account as well as any changes in relation thereof with at least five (5) Business Days prior to any payment due date.

4.4 Payment Business Day.

If the due date for any payment in respect of the Notes would otherwise fall on a calendar day which is not a Payment Business Day (as defined below), then the due date for such payment shall be postponed to the next calendar day which is a Payment Business Day.

"Payment Business Day" means a calendar day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Vienna and Bucharest and all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 or its successor ("TARGET") are open to effect payments.

If the due date for a payment of distributions is postponed (as described above), the Distribution Period shall not be adjusted accordingly.

4.5 References to Principal and Distributions.

References in these Terms and Conditions to "principal" in respect of the Notes shall be deemed to include, as applicable: the Current Principal Amount (as defined in § 1.4); and the Redemption Amount of the Notes (as defined in § 5.6).

5. REDEMPTION AND WRITE-DOWN

5.1 No Scheduled Maturity.

The Notes are perpetual and have no scheduled maturity date and shall not fall due for redemption except in the cases provided for in § 5.3, or § 5.4 (in each case in connection with § 5.5) or (subject always to the ranking of the Issuer's obligations under the Notes set forth in § 2) in the event of insolvency proceedings (*faliment*) or the liquidation (*lichidare*) of the Issuer.

5.2 No Redemption at the Option of a Holder.

The Holders do not have a right to demand the redemption of the Notes.

5.3 Redemption at the Option of the Issuer.

The Issuer may, upon giving not less than 15 Business Days' and not more than 45 Business Days' prior notice in accordance with § 5.6, redeem the Notes in whole, but not in part, at the Redemption Amount on any Optional Redemption Date (as defined below). In addition, the Issuer will pay distributions, if any, accrued on the Current Principal Amount to but excluding the Optional Redemption Date specified in the notice, subject to cancellation of distributions pursuant to § 3.7. Any such redemption pursuant to this § 5.3 shall only be possible provided that the conditions to redemption and repurchase laid down in § 5.5 are met.

"Optional Redemption Date" means each of

- (i) the First Reset Date; and
- (ii) each Distribution Payment Date following the First Reset Date.

5.4 Redemption for Regulatory Reasons.

If a Regulatory Event occurs, the Issuer may, upon giving not less than 30 Business Days' and not more than 60 Business Days' prior notice in accordance with § 5.6, redeem the Notes in whole, but not in part, at the Redemption Amount at any time on the date of redemption specified in the notice, provided that the conditions to redemption and repurchase laid down in § 5.5 are met. In addition, the Issuer will pay distributions, if any, accrued on the Current Principal Amount to but excluding the date of redemption specified in the notice, subject to cancellation of distributions pursuant to § 3.7 and § 5.7 (a) (v).

A "Regulatory Event" occurs if there is a change in the regulatory classification of the Notes under the Applicable Supervisory Regulations that would be likely to result in their exclusion in full or in part from own funds (other than as a consequence of a Write-Down) or reclassification as a lower quality form of own funds (in each case, on an individual basis of the Issuer and/or on a consolidated basis of the BCR Regulatory Group).

5.5 Conditions to Redemption and Repurchase.

Any redemption pursuant to this § 5 and any repurchase pursuant to § 8.2 is subject to:

- (a) the Issuer having obtained the prior permission of the Competent Authority for such redemption or any repurchase pursuant to § 8.2 in accordance with Articles 77, 78 CRR, whereas such permission may, *inter alia*, require that:
- (i) either, before or at the same time as the redemption or repurchase, the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or
 - (ii) the Issuer has demonstrated to the satisfaction of the Competent Authority that the own funds and eligible liabilities of the Issuer would, following such redemption or repurchase, exceed the requirements for own funds and eligible liabilities laid down in the CRD, the CRR and the BRRD by a margin that the Competent Authority considers necessary; and
- (b) In the case of any redemption or repurchase during the five (5) years following the date of issuance of the Notes:
- (i) in the case of any redemption due to a Tax Event, the Issuer has demonstrated to the satisfaction of the Competent Authority that the applicable change in tax treatment is material and was not reasonably foreseeable as at the date of issuance of the Notes; or
 - (ii) In the case of any redemption due to a Regulatory Event, the Competent Authority considers such change to be sufficiently certain and the Issuer has demonstrated to the satisfaction of the Competent Authority that the relevant change in the regulatory classification of the Notes was not reasonably foreseeable as at the date of issuance of the Notes; or
 - (iii) In the case of any redemption in circumstances other than those described in clause (i) or (ii) above, either before or at the same time as such action, the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and the Competent Authority has permitted that action based on the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or
 - (iv) the Notes being repurchased for market making purposes in accordance with the Applicable Supervisory Regulations.

Notwithstanding the above conditions, if, at the time of any or repurchase, the prevailing Applicable Supervisory Regulations permit the redemption or repurchase only after compliance with one or more alternative or additional pre-conditions to those set out above, the Issuer shall comply with such other and/or, as appropriate, additional pre-conditions, if any.

For the avoidance of doubt, any refusal of the Competent Authority (or any other relevant supervisory authority) to grant any permission, approval or other authorisation required in accordance with the Applicable Supervisory Regulations shall not constitute a default for any purpose.

5.6 Redemption Notice; Redemption Amount.

Any notice of redemption in accordance with § 5.3, or § 5.4 shall be given by the Issuer to the Holders in accordance with § 9. Such notice shall be irrevocable and shall specify:

- (a) the series number of the Notes including their numbers;
- (b) in the case of a notice of redemption in accordance with § 5.3, the Optional Redemption Date or, in the case of a notice of redemption in accordance with § 5.4 the date, fixed for redemption; and
- (c) the Redemption Amount at which the Notes are to be redeemed.

"Redemption Amount" per Note means the Current Principal Amount per Note.

Any notice of redemption in accordance with § 5.3, or § 5.4 and this § 5.6 will be subject to § 5.7 (b).

5.7 Write-down.

- (a) If a Trigger Event (as defined in § 1.4) has occurred:
 - (i) the Issuer will immediately inform the Competent Authority that the Trigger Event has occurred;
 - (ii) the Issuer will determine the Write-down Amount (as defined in § 1.4) as soon as possible, but in any case within a maximum period of one month following the determination that a Trigger Event has occurred;
 - (iii) the Issuer will without undue delay inform the Holders that a Trigger Event has occurred by sending them a notice in accordance with § 9 (such notice a "Write-down Notice") which will specify the Write-down Amount as well as the new/reduced Current Principal Amount of each Note and the Write-down Effective Date (as defined in § 1.4);
 - (iv) the Issuer will (without the need for the consent of Holders) reduce the Current Principal Amount of each Note by the relevant Write-down Amount (such reduction being referred to as a "Write-down" and "Written-down" being construed accordingly) with effect as from the Write-down Effective Date; and
 - (v) unpaid distributions accrued on the Current Principal Amount to but excluding the Write-down Effective Date will be cancelled in accordance with § 3.7 (c).

Whether a Trigger Event has occurred shall be determined by the Issuer, the Competent Authority or any agent appointed for such purpose by the Competent Authority, and such determination will be binding on the Holders.

For the avoidance of doubt, a Trigger Event may be determined at any time and may occur on more than one occasion, each Note may be subject to a Write-down on more than one occasion, provided however, that the Current Principal Amount of a Note may never be reduced to below EUR 0.01.

For the purposes of determining whether a Trigger Event has occurred, the Group CET 1 Capital Ratio (as defined in § 1.4) and/or the Issuer CET 1 Capital Ratio (as defined in § 1.4) may be calculated at any time based on information (whether or not published) available to the Issuer or the BCR Regulatory Group (as applicable), including information internally reported within the Issuer pursuant to its procedures for monitoring the Group CET 1 Capital Ratio and/or the Issuer CET 1 Capital Ratio.

Any failure or delay to give the notice pursuant to § 5.7 (a) (i) and/or the Write-down Notice will not affect the effectiveness of, or otherwise invalidate, any Write-down. Any such notice which has not been given shall be given without undue delay.

- (b) The Issuer shall not give a notice of redemption after a Trigger Event has occurred until the Write-down has been effected in respect of the relevant Trigger Event.

In addition, if a Trigger Event occurs after a notice of redemption but before the date on which such redemption becomes effective, the notice of redemption shall automatically be deemed revoked and shall be null and void and the relevant redemption shall not be made, and the rights and obligations in respect of the Notes shall remain unchanged.

- (c) Any Write-down of a Note pursuant to this § 5.7 shall not constitute a default by the Issuer for any purpose, and the Holders shall have no right to claim for amounts Written-down, whether in the insolvency or liquidation of the Issuer or otherwise, save to the extent (if any) such amounts are subject to a Write-up in accordance with § 5.8.

5.8 Write-up.

- (a) The Issuer may, at its sole discretion, effect a reversal of a Write-down by writing up the Current Principal Amount in whole or in part up to a maximum of the Original Principal Amount (a "Write-up"), provided that a positive Profit has been recorded for each of the Issuer and the BCR Regulatory Group, and subject to the below limitations. There will be no obligation for the Issuer to operate or accelerate a Write-up under any specific circumstances.

If the Issuer so decides in its sole discretion, the Write-up will occur with effect as of the Write-up Effective Date (as defined below) (including).

- (b) At its discretion (without being obliged to) the Issuer may effect such Write-up provided that:

- (i) at the time of the Write-up, there must not exist any Trigger Event that is continuing; any Write-up is also excluded if such Write-up would give rise to the occurrence of a Trigger Event;
 - (ii) such Write-up is applied on a *pro rata* basis to all Notes and among Loss Absorbing Written-down Instruments; and
 - (iii) the sum of: (x) the aggregate amount attributed to the relevant Write-up of the Notes and the aggregate increase in principal amount of Loss Absorbing Written-down Instruments resulting from any previous Write-up since the end of the then previous financial year; and (y) the aggregate amount of any distribution paid on the aggregate Current Principal Amount of the Notes and the aggregate amount of any distribution paid on Loss Absorbing Written-down Instruments as calculated at the moment the Write-up is operated will not exceed the Maximum Write-up Amount at any time after the end of the then previous financial year.
- (c) The amount of any Write-up shall be subject to the restrictions relating to any applicable Maximum Distributable Amount and to any other restriction operating as maximum distributable amount as described in § 3.7 (b) (ii) (D), as at the time of the Write-up.

For the avoidance of doubt, a Write-up of the Notes may occur on one or more occasions until the Current Principal Amount equals the Original Principal Amount. Write-ups do not have priority over dividend payments and other distributions on shares and other CET 1 Instruments, i.e. such payments and distributions are permitted even if no full Write-up of the Notes has been effected.

- (d) If the Issuer elects to effect a Write-up, it will send a notice about the Write-up (including the amount of the Write-up as a percentage of the Original Principal Amount and the effective date of the Write-up (in each case a "Write-up Effective Date")) no later than ten (10) calendar days prior to the relevant Write-up Effective Date to the Holders in accordance with § 9. The Write-up shall be deemed to be effected, and the Current Principal Amount shall be deemed to be increased by the amount specified in the notice to the Holders is given in accordance with § 9, with effect as of the Write-up Effective Date.

6. PAYING AGENT AND CALCULATION AGENT

6.1 Appointment; Specified Offices.

The initial Principal Paying Agent and the initial Calculation Agent and their respective initial specified offices are:

Principal Paying Agent:

Banca Comercială Română S.A.

**159 Calea Plevnei, Business Garden Bucharest, Building A, 6th Floor, 060013 Bucharest district 6
Romania**

Calculation Agent:

Banca Comercială Română S.A.

**159 Calea Plevnei, Business Garden Bucharest, Building A, 6th Floor, 060013 Bucharest district 6
Romania**

Where these Terms and Conditions refer to the term "Paying Agent(s)", such term shall include the Principal Paying Agent.

The Paying Agent(s) and the Calculation Agent reserve the right at any time to change their respective specified office to some other specified office in the same city.

6.2 Variation or Termination of Appointment.

The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent or Calculation Agent and to appoint additional or other Paying Agents or another Calculation Agent. The Issuer will give notice to the Holders of any variation, termination, appointment or any other change as soon as possible upon the effectiveness of such change.

6.3 Agents of the Issuer.

The Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.

6.4 Determinations Binding.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of these Terms and Conditions by the Issuer shall (in the absence of wilful default, bad faith, inequitableness or manifest error) be binding on the Paying Agents and the Calculation Agent and the Holders and, in the absence of the aforesaid, no liability to the Paying Agents, the Calculation Agent or the Holders shall attach to the Issuer in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

7. TAXATION

7.1 General Taxation.

All payments of principal and distributions by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, levied, collected, withheld or assessed by or within Romania or by any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

If the Issuer is required by law to make any withholding or deduction for any Taxes from any payment of distributions in respect of the Notes the Issuer shall withhold or deduct from amounts payable under the Notes to a Holder or beneficial owner of Notes sufficient funds for the payment of any tax that it is required to withhold or deduct under Romanian law and it shall not be required to pay

additional amounts to the Holder in respect of such withholding or deduction. The Holders shall provide the Issuer, directly or through the Paying Agent(s), with all information and documents (in the appropriate form) necessary for the Issuer to determine the applicability of the withholding or deduction required by Romanian law.

In case no tax residency certificate or other relevant required document is provided or in case of a delayed submission of such document, any following endeavour to adjust the supplementary income tax paid or in order to obtain reimbursement of such supplementary income tax paid shall be incumbent on the Holder.

Nevertheless, the Issuer shall not apply the withholding or deduction required by law or apply a lower rate of withholding or deduction if:

- (i) the Holder entitled to payment of interest on the Notes is resident for tax purposes in a jurisdiction with which Romania has concluded a treaty for the avoidance of double taxation or in the European Union and in accordance with such treaty or with an applicable European Union Directive or Regulation concerning the taxation of distributions income (including without limitation to Directive 2003/49/EC of 3 June 2003 on a common system of taxation applicable to interest and royalty payments made between associated companies of different Member States, as amended), or any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty, agreement or understanding, any the relevant payment of interest on the Notes may be made without withholding or deduction in Romania, or subject to a lower rate of withholding or deduction in Romania than the rate imposed under Romanian law at the time of payment, and
- (ii) at least 5 calendar days prior to the relevant Distribution Payment Date that Holder provides to the Issuer (x) a tax residency certificate (in original or notarised photocopy form) valid for the respective interest due date (together with a certified and notarised translation thereof into the English or the Romanian language if such certificate is issued in a language other than the English or the Romanian language) issued by the competent tax authority in the jurisdiction where such Holder is tax resident and attesting such Holder's tax residency in such jurisdiction; (y) a beneficial owner statement in case the provisions of an applicable European Union Directive or Regulation concerning the taxation of distributions income (including without limitation to Directive 2003/49/EC of 3 June 2003 on a common system of taxation applicable to interest and royalty payments made between associated companies of different Member States, as amended) are applied (in original or notarised photocopy form) or any provision of law implementing, or complying with, or introduced to conform with, such Directive or Regulation, valid for the respective distribution payment date (together with a certified and notarised translation thereof into the English or the Romanian language if such statement is issued in a language other than the English or the Romanian language); and (z) any other documentary evidence as may be required from time to time by Romanian law, the treaty for the avoidance of double taxation and/or the applicable European Union Directive or Regulation concerning the taxation of distributions income, as applicable, as applicable, and as notified by the Issuer in accordance with § 9 to the Holders.

7.2 U.S. Foreign Account Tax Compliance Act (FATCA).

The Issuer is authorised to withhold or deduct from amounts payable under the Notes to a Holder or beneficial owner of Notes sufficient funds for the payment of any tax that it is required to withhold or deduct pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or that is otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "FATCA Withholding"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

8. FURTHER ISSUES OF NOTES, REPURCHASES AND CANCELLATION

8.1 Further issues of Notes.

The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms as the Notes in all respects (or in all respects except for the date of issuance, the Issue price, the Distribution Commencement Date and/or the first Distribution Payment Date) so as to form a single series with the Notes.

8.2 Repurchases.

Provided that all applicable regulatory and other statutory restrictions are observed, and provided further that the conditions to redemption and repurchase laid down in § 5.5 are met, the Issuer and any of its Subsidiaries may at any time repurchase Notes in the open market or otherwise. Notes repurchased by the Issuer or any Subsidiary may, at the option of the Issuer or such Subsidiary, be held, resold or surrendered to the Issuer for cancellation.

8.3 Cancellation.

All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

9. NOTICES

9.1 Notices of the Issuer.

Except for the publication of the convening notice for the Holders' meeting in accordance with § 11.4 and unless required otherwise by law, all notices of the Issuer concerning the Notes shall be given by publication on the website of the Issuer ("www.bcr.ro"). Any notice so given will be deemed to have been validly given on the fifth calendar day following the date of such publication (or, if published more than once, on the fifth calendar day following the date of the first such publication). Alternatively, the Issuer shall be entitled to send at any time notices directly to Holders known to the Issuer.

9.2 Form of Notice to be Given by Holder.

Notices regarding the Notes which are to be given by any Holder to the Issuer shall be validly given if delivered in writing in Romanian or English language to the Issuer and by hand or registered mail (*scrisoare recomandată*). The Holder shall provide evidence satisfactory to the Issuer of its holding of the Notes.

10. USE OF PROCEEDS

The net proceeds from the issue of any Notes will be used by the Issuer for its general funding purposes.

11. MEETING OF HOLDERS, MODIFICATIONS AND WAIVER

11.1 Amendment of the Terms and Conditions.

In accordance with subsequent provisions and subject to compliance with the Applicable Supervisory Regulations for the Notes to qualify as AT 1 Instruments, the Holders may agree with the Issuer on amendments of these Terms and Conditions by resolution with the majority specified below. Majority resolutions of the Holders shall be binding on all Holders alike. A majority resolution of the Holders which does not provide for identical conditions for all Holders is void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.

11.2 Powers of the Holders' Meeting.

11.2.1 A Holders' meeting legally assembled may:

- (a) appoint one Joint Representative (as defined in §11.15 below) of the Holders and one or more substitute Joint Representatives, having the right to represent the Holders in relation to the Issuer and in front of courts of law;
- (b) carry out all acts for the supervision and the protection of the common interests of the Holders or to authorise a representative to carry out such acts;
- (c) create a fund out of *inter alia* amounts representing the distributions to which the Holders are entitled, that will be used to cover the expenses incurred in connection with the protection of their rights, and establish the rules for the management of such fund;
- (d) oppose or consent to any amendments to the Issuer's articles of association ("AoAs") or to these Terms and Conditions, which may affect the rights of the Holders; and
- (e) express its opinion on issuance of new bonds by the Issuer.

11.2.2 The Holders may consent, by majority resolution, to the following measures, among others:

- (a) reduction or exclusion of distribution payments;
- (b) reduction of the principal amount;

- (c) conversion or exchange of the Notes into shares, other securities or other promises of performance;
- (d) changes in the currency of the Notes; and
- (e) substitution of the Issuer.

No amendments will be made if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in a change in the regulatory classification of the Notes that would be likely to result in their exclusion from own funds or reclassification as a lower quality form of own funds.

11.3 Convening a Meeting of Holders.

The Holders' meeting shall be convened by the Issuer upon the written request (i) of one or more Holders representing at least one quarter of the issued and outstanding principal amount of the Notes or (ii) after the appointment of the Joint Representative, of the Joint Representative. All costs related to the convening of a Holders' meeting will be borne by the Issuer.

11.4 Contents of the Convening Notice, Publication.

The convening notice shall state the name and the registered office of the Issuer and the location, date and time of the Holders' meeting, the agenda specifying explicitly all subjects that will be subject to debate in the meeting, the reference date (i.e. the date set by the Issuer as the date on which the Holders must be registered in the Register of Notes to be entitled to attend and vote in the Holders' meeting, hereinafter the "Meeting Reference Date") and any requirements applicable to attendance at the Holders' meeting and the exercise of voting rights. The convening notice for the meeting shall be (i) published in the Official Gazette of Romania, Part IV, and in a newspaper of general circulation in Bucharest or (ii) served through registered mail (*scrisoare recomandată*) at the addresses indicated in the Register of Notes in either case at least 30 calendar days prior to the date on which the meeting is scheduled to take place. The convening notice shall also be posted on the Issuer's website (www.bcr.ro) for convenience only.

11.5 Convening Period, Entitlement to Attend and Vote.

The Holders' meeting shall be called by publication in accordance with § 11.4 above at least 30 calendar days before the date of the meeting. The Holders registered in the Register of Notes on the Meeting Reference Date are entitled to participate and vote in the Holders' meeting. The Holders' meeting may be validly held without the observance of the convening formalities, if the Holders representing the entire issued and outstanding principal amount of the Notes are present or represented at the meeting and none of them opposes to the waiver of the convening formalities.

11.6 Agenda.

The convening party shall propose the agenda of the meeting that will include explicitly all items on which the Holders' meeting is to pass a resolution. No resolutions may be passed on agenda items that have not been published in the required manner, unless all Holders are present or represented at the meeting and none of them opposes these resolutions. One or more Holders who hold at least

five (5) *per cent.* of the issued and outstanding principal amount of the Notes may request that new items are added to the agenda of the Holders' meeting within fifteen (15) calendar days as of the date when the convening notice was published in the required manner. The convening notice containing the agenda updated with the new items must be published at least ten (10) calendar days prior to the Holders' meeting.

11.7 Registration of Holders for the Meeting.

The Issuer shall appoint from among the Issuer's employees one or more technical secretaries of the meeting who will register the Holders participating in the meeting and will draw up the list of the Holders' attendance that shall include the Holders' names, their registered offices or places of residence and the number of voting rights represented by each Holder and percentage of the issued and outstanding principal amount of the Notes represented by the Notes held by each Holder. The technical secretary shall also draw up and sign minutes attesting to: (i) the total number of Notes issued and outstanding that have been registered to attend the meeting and the percentage thereof in the issued and outstanding principal amount of the Notes and (ii) fulfilment of all requirements imposed by law for the valid holding of the Holders' meeting. The Chairperson (as defined at § 11.11 below) shall, based on the list of attendance and the minute of the technical secretary, attest whether the quorum requirements are met for that specific meeting and declare the meeting open.

11.8 Majority Requirements.

Resolutions relating to the subject matters set out in § 11.2.1 (a) to § 11.2.1 (c) above shall be passed with a quorum of not less than one third of the issued and outstanding principal amount of the Notes and by a majority of not less than one third of the issued and outstanding principal amount of the Notes. Resolutions relating to the subject matters set out in § 11.2.1 (d) and § 11.2.1 (e) above shall be passed with a quorum of not less than two thirds of the issued and outstanding principal amount of the Notes and by a majority of not less than four fifths of the Notes represented in the meeting.

11.9 Vote by Correspondence or by Representation.

The Holders may vote in a Holders' meeting by correspondence or by representation. On the occasion of each Holders' meeting, the Issuer shall, at least 30 calendar days prior to the date when the meeting is scheduled to take place pursuant to the published or served convening notice, make available on its website (www.bcr.ro) and at its registered seat a special form for voting by correspondence ("**Form of Voting by Correspondence**"), in case a Holder does not intend to attend a Holders' meeting in person or by representation but intends to express its voting right in the meeting and a special form for voting by representation ("**Form of Voting by Representation**"), in case a Holder intends to attend and vote in a Holders' meeting by representation. The Form of Voting by Correspondence and the Form of Voting by Representation shall be: (i) duly filled in by the Holder with all the necessary information as required in the Form of Voting by Correspondence and in the Form of Voting by Representation, as applicable, including the Holders' voting option with respect to items on the agenda of the Holders' meeting, as published, (ii) signed by the Holder or by the legal representative of the Holder and (iii) sent to the registered seat of the Issuer no later than 48 hours prior to the date and time when the meeting is scheduled to take place pursuant to the published or served convening notice. In the case of Holders that are legal persons

(incorporated or unincorporated) the Form of Voting by Correspondence or the Form of Voting by Representation sent to the Issuer shall be accompanied by a statement on own liability attesting that the person(s) who has(have) signed the form is(are) the legal representative(s) of the Holder.

11.10 Voting Right.

Each Holder shall participate in votes in accordance with the principal amount of the outstanding Notes held by such Holder. Voting rights are suspended with respect to the Notes attributable to the Issuer or any of its Subsidiaries or held for the account of the Issuer or any of its Subsidiaries. The Issuer may not make available Notes for which the voting rights have been suspended to any third party for the purposes of exercising the voting rights in lieu of the Issuer. This shall also apply to any Subsidiaries of the Issuer. Exercise of voting rights for the purposes specified above are prohibited. It is prohibited to offer, promise or grant any advantage as consideration to any person entitled to vote not to vote, or to vote in a particular way, in a Holders' meeting or a vote. No person entitled to vote may require, accept any promise of or accept any advantage or consideration for not voting, or voting in a particular way, in a Holders' meeting or a vote.

11.11 Chair of the Vote.

The vote will be chaired by, if the Joint Representative has not been appointed, (one of) the Holder(s) or (its) (their) representative in the meeting upon whose request the Holders' meeting was convened, or, if the Joint Representative has been appointed, by the Joint Representative (the "Chairperson").

11.12 Voting, Minutes.

The provisions of the Romanian Companies' Law regarding the voting of shareholders in the general meeting (if any exist) shall apply *mutatis mutandis* to the casting and counting of votes. Any resolution passed by the Holders' meeting shall be recorded in minutes of the meeting that will assert the following: fulfillment of the convening formalities (if applicable), date and place of the meeting, Holders present or represented, number of Notes present or represented, summary of the debates, resolutions adopted and, upon the request of the Holders, the statements of such Holders in the meeting. The minutes shall be signed by the secretary of the meeting, if one was appointed by the Holders' meeting, and by the Chairperson.

11.13 Publication of Resolutions.

Upon request, each Holder will be informed about the result of the votes for the resolutions passed by a Holders' meeting. Furthermore, the Issuer shall publish the resolutions passed by the Holders in appropriate form and at its own expense. In addition, for a period of at least one month commencing on the calendar day following the Holders' meeting, the Issuer shall make available to the public on its website (www.bcr.ro) the resolutions passed by the Holders and, if these Terms and Conditions are amended by a Holders' resolution, the wording of the original Terms and Conditions. The Chairperson shall inform the Issuer in writing about the resolutions passed by the Holders' meeting within three (3) calendar days as of the date when such resolutions have been passed.

11.14 Implementation of Resolutions.

The resolutions validly adopted by the Holders' meeting shall be binding upon all Holders, including upon Holders who were not present at the meeting or who voted against the resolutions so adopted.

11.15 Joint Representative.

The Holders may by a majority of not less than one third of the total Notes issued and outstanding appoint a joint representative (the "Joint Representative") to represent the Holders in relation to the Issuer and in court. The Joint Representative and the deputies thereof may not participate in the management of the Issuer but may attend the general shareholders' meetings of the Issuer.

The Joint Representative shall have the duties and powers granted by resolution of the Holders. The Joint Representative shall comply with the instructions of the Holders. To the extent that the Joint Representative has been authorised to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant resolution. The Joint Representative shall provide reports to the Holders on its activities.

12. APPLICABLE LAW, PLACE OF JURISDICTION

12.1 Applicable Law.

The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by, and shall be construed in accordance with, Romanian law except for its conflict of law rules as far as such rules would lead to the application of foreign law.

12.2 Place of Jurisdiction.

The competent Romanian courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes (including any legal action or proceedings relating to any non-contractual obligations arising out of or in connection with the Notes).

12.3 Enforcement.

Any Holder of Notes may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Notes in any way which is admitted in the country of the proceedings. Any Holder shall be entitled, if insolvency (*fallment*) proceedings are commenced against assets of the Issuer, to file an application in such court demanding payment of the Current Principal Amount together with accrued distributions, if any, to the extent not cancelled in accordance with these Terms and Conditions.

ADDENDUM NO.1 DATED 2 NOVEMBER 2022

TO THE NOTES ISSUE TERMS AND CONDITIONS DATED 26 SEPTEMBER 2022

This Addendum no. 1 (the "Agreement") to the notes issue terms and conditions dated 26 September 2022 (the "Terms and Conditions") is made between:

1. **Banca Comercială Română S.A.** incorporated as a stock corporation (*societate pe acțiuni*), registered at the Bucharest Trade Register Office under registration number J40/90/1991, administered in a dualist system (*administrată în sistem dualist*), with its registered seat in 159 Calea Plevnei, Business Garden Bucharest, Building A, 6th Floor, 060013 Bucharest district 6, Romania, sole registration code 361757, LEI 549300ORLU6LN5YD8X90, registered with the Register of Credit Institutions held by the National Bank of Romania under number RB-PJR-40-008 as of 18 February 1999, having a subscribed and paid up share capital: RON 1,625,341,625.40 (the "Issuer"); and
2. [REDACTED] incorporated as a stock corporation in [REDACTED] under registered number [REDACTED] with its registered seat in [REDACTED] (the "Holder").

(the Issuer and the Holder each a "Party" and together the "Parties")

Whereas:

- (A) The Issuer and the Holder entered into the Terms and Conditions pursuant to which the Issuer issued EUR 150,000,000 undated fixed to fixed rate subordinated notes, ISIN: ROE3BE2PNW68 (the "Notes") to the Holder following the Holder's subscription and the payment in full for the Notes. The Notes are intended to qualify as AT 1 Instruments.
- (B) On 18 October 2022 the Issuer has notified the Holder that National Bank of Romania reviewed the Terms and Conditions and based on its interpretation of CRR and the other banking regulations applicable to the Issuer, certain provisions of the Terms and Conditions require amendment in order for the Notes issued based on the Terms and Conditions to be fully recognised as AT1 Instruments of the Issuer. The Issuer has requested the Holder to agree to such amendments to the Terms and Conditions to satisfy this requirement.
- (C) The Parties hereto now desire to amend the Terms and Conditions in accordance with the terms of this Agreement.
- (D) Except as otherwise defined herein and except where the context otherwise requires, all words and expressions defined in the Terms and Conditions shall have the same meanings when used herein.

1. DEFINITIONS AND INTERPRETATION

- 1.1 Capitalised terms defined in the Terms and Conditions have, unless expressly defined in this Agreement or otherwise required by the context, the same meaning in this Agreement.
- 1.2 In the event of any conflict between the provisions of this Agreement and the Terms and Conditions, the provisions of this Agreement shall prevail.
- 1.3 This Agreement is made in the English language. However, where a Romanian translation of a word or phrase appears in the text of this Agreement, the relevant translation of such word or phrase shall prevail.

2. AMENDMENTS TO THE TERMS AND CONDITIONS

- 2.1 Paragraph (2) *No Negative Equity and Waiver of Petition* of Clause 2 (*Status*) of the Terms and Conditions shall be amended and shall read as follows:

"(2) No Negative Equity and Waiver of Petition

The Holders will be entitled to payments, if any, under the Notes only once any negative equity within the meaning of Article 153²⁴ of the Romanian Companies' Law no. 31/1990 has been removed or if, in the event of the liquidation (lichidare) of the Issuer, all other creditors (other than creditors the claims of which rank or are expressed to rank pari passu with or junior to the Notes) of the Issuer have been satisfied first.

No insolvency proceedings against the Issuer are required to be opened in relation to the obligations of the Issuer under the Notes. The Notes do not contribute to a determination that the liabilities of the Issuer exceed its assets; therefore, the obligations of the Issuer under the Notes, if any, will not contribute to the determination of insolvency of the credit institution (insolvența instituției de credit) in accordance with Article 5, item 30 of the Romanian Law no. 85/2014 on insolvency prevention and insolvency proceedings."

- 2.2 Clause 12.3 (*Enforcement*) of the Terms and Conditions shall be amended and shall read as follows:

"12.3 Enforcement.

Any Holder of Notes may in any proceedings against the Issuer in accordance with the third paragraph of this Clause 12.3 protect and enforce in its own name its rights arising under such Notes on the basis of (i) an excerpt of the Register of Notes issued by the Issuer (a) stating the full name and address of the Holder, and (b) specifying the aggregate principal amount of the Notes held by such Holder; and (ii) a certified copy for conformity of the Terms and Conditions.

Each Holder may, without prejudice to the foregoing, protect and enforce its rights under the Notes also in any way which is admitted in the country of the proceedings.

Any Holder shall be entitled, if insolvency (faliment) proceedings are commenced against assets of the Issuer, to file an application in such court demanding payment of the Current Principal Amount together with accrued distributions, if any, to the extent not cancelled in accordance with these Terms and Conditions."

3. MISCELLANEOUS

- 3.1** Clause 9 (*Notices*) of the Terms and Conditions is hereby incorporated by reference in this Agreement with the same effect as if the same was set out in full in this Agreement.
- 3.2** Nothing in this Agreement constitutes a waiver or amendment of any provision of the Terms and Conditions unless specifically acknowledged and accepted by this Agreement.
- 3.3** Each and all of the provisions of the Terms and Conditions that have not been expressly amended pursuant to this Agreement shall remain in full force and effect in strict accordance with their respective terms and conditions, all of which provisions are hereby expressly ratified and confirmed. The Terms and Conditions remain fully valid and effective, subject to any waiver or amendment expressly made in this Agreement. The obligations of the Issuer under the Terms and Conditions (as amended by this Agreement) shall remain in full force and effect save for the amendments referred to in paragraph 2 of this Agreement.
- 3.4** If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law or jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provisions under the law of any other jurisdiction will in any way be affected or impaired.
- 3.5** This Agreement and any non-contractual obligations arising out of or in connection with it are governed by Romanian law except for its conflict of law rules as far as such rules would lead to the application of foreign law.
- 3.6** This Agreement shall enter into force on its signing by both Parties.
- 3.7** This Agreement is executed in two (2) counterparts, one for each Party, each of which is an original, but all of which together constitute one and the same agreement.