



## Notification template for Article 131 CRD – Other Systemically Important Institutions (O-SII)<sup>1</sup>

Please send this template to

- [notifications@esrb.europa.eu](mailto:notifications@esrb.europa.eu) when notifying the ESRB;
- [macropru.notifications@ecb.europa.eu](mailto:macropru.notifications@ecb.europa.eu) when notifying the ECB;
- [notifications@eba.europa.eu](mailto:notifications@eba.europa.eu) when notifying the EBA.

1. Notifying national authority																
1.1 Name of the notifying authority	Bank of Greece (BoG)															
2. Description of the measure																
2.1 Concerned institution or group of institutions	<table border="1"> <thead> <tr> <th>Credit Institution Name</th> <th>LEI Code</th> <th>Application Level</th> </tr> </thead> <tbody> <tr> <td>National Bank of Greece S.A.</td> <td>5UMCZOEYKCVFAW8ZLO05</td> <td>Highest level of consolidation</td> </tr> <tr> <td>Piraeus Bank S.A.</td> <td>M6AD1Y1KW32H8THQ6F76</td> <td>Highest level of consolidation</td> </tr> <tr> <td>Alpha Bank S.A.</td> <td>5299009N55YRQC69CN08</td> <td>Highest level of consolidation</td> </tr> <tr> <td>Eurobank Ergasias Bank S.A.</td> <td>JEUVK5RWVJEN8W0C9M24</td> <td>Highest level of consolidation</td> </tr> </tbody> </table>	Credit Institution Name	LEI Code	Application Level	National Bank of Greece S.A.	5UMCZOEYKCVFAW8ZLO05	Highest level of consolidation	Piraeus Bank S.A.	M6AD1Y1KW32H8THQ6F76	Highest level of consolidation	Alpha Bank S.A.	5299009N55YRQC69CN08	Highest level of consolidation	Eurobank Ergasias Bank S.A.	JEUVK5RWVJEN8W0C9M24	Highest level of consolidation
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2.3 Name of the parent company	The concerned institutions are the EU ultimate parent institutions of the groups concerned															

<sup>1</sup> To be filled in and submitted for each O-SII.

2.4 Names of subsidiaries	n/a																														
<b>3. Timing of the measure</b>																															
3.1 Timing of the Decision	The Bank of Greece is expected to take its final decision on 14/11/2017																														
3.2 Timing of the Publication	The intended date for publication of the final decision on the O-SII buffer is 25/11/2017																														
3.3 Disclosure	<p>BoG shall notify the ECB, the ESRB, the European Commission, EBA and the competent and designated authorities of the Member States concerned.</p> <p>The decision is intended to be disclosed on the BoG's website on the 25<sup>th</sup> of November 2017, and circular letters will be sent to the O-SII institutions informing them of this decision.</p>																														
3.4 Timing of Application	<p>The intended date of activation (the date that the measure will be applicable) is 1 January 2019</p> <p>For the O-SIIs identified, the buffers will be fully implemented on 1 January 2022 according to the phase in scheme below.</p> <p>For 2018 the O-SII buffer is set at zero per cent.</p>																														
3.5 Phasing in	<p>The intended timeline for the phase-in of the measure is:</p> <table border="1" data-bbox="344 1223 1362 1592"> <thead> <tr> <th>Credit Institution Name</th> <th>1/1/2019</th> <th>1/1/2020</th> <th>1/1/2021</th> <th>1/1/2022</th> </tr> </thead> <tbody> <tr> <td>National Bank of Greece S.A.</td> <td>0.25%</td> <td>0.50%</td> <td>0.75%</td> <td>1.00%</td> </tr> <tr> <td>Piraeus Bank S.A.</td> <td>0.25%</td> <td>0.50%</td> <td>0.75%</td> <td>1.00%</td> </tr> <tr> <td>Alpha Bank S.A.</td> <td>0.25%</td> <td>0.50%</td> <td>0.75%</td> <td>1.00%</td> </tr> <tr> <td>Eurobank Ergasias Bank S.A.</td> <td>0.25%</td> <td>0.50%</td> <td>0.75%</td> <td>1.00%</td> </tr> </tbody> </table>	Credit Institution Name	1/1/2019	1/1/2020	1/1/2021	1/1/2022	National Bank of Greece S.A.	0.25%	0.50%	0.75%	1.00%	Piraeus Bank S.A.	0.25%	0.50%	0.75%	1.00%	Alpha Bank S.A.	0.25%	0.50%	0.75%	1.00%	Eurobank Ergasias Bank S.A.	0.25%	0.50%	0.75%	1.00%					
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3.6 Review of the measure	The measure will be reviewed on an annual basis.																														
<b>4. Reason for activation of the O-SII buffer</b>																															
4.1 Scores of concerned institution or group of institutions, as per EBA	<table border="1" data-bbox="344 1816 1489 1984"> <thead> <tr> <th>BANK</th> <th>SIZE</th> <th>IMPORTANCE</th> <th>COMPLEXITY</th> <th>INTERCONNECTEDNESS</th> <th>Total Score</th> </tr> </thead> <tbody> <tr> <td>NATIONAL BANK OF GREECE S.A.</td> <td>2.582</td> <td>2.649</td> <td>2.936</td> <td>3.005</td> <td>2.793</td> </tr> <tr> <td>ALPHA BANK S.A.</td> <td>2.189</td> <td>2.183</td> <td>2.121</td> <td>2.374</td> <td>2.217</td> </tr> <tr> <td>PIRAEUS BANK S.A.</td> <td>2.759</td> <td>3.104</td> <td>1.654</td> <td>1.771</td> <td>2.322</td> </tr> <tr> <td>EUROBANK ERGASIAS S.A.</td> <td>2.248</td> <td>1.884</td> <td>3.285</td> <td>2.636</td> <td>2.513</td> </tr> </tbody> </table>	BANK	SIZE	IMPORTANCE	COMPLEXITY	INTERCONNECTEDNESS	Total Score	NATIONAL BANK OF GREECE S.A.	2.582	2.649	2.936	3.005	2.793	ALPHA BANK S.A.	2.189	2.183	2.121	2.374	2.217	PIRAEUS BANK S.A.	2.759	3.104	1.654	1.771	2.322	EUROBANK ERGASIAS S.A.	2.248	1.884	3.285	2.636	2.513
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<p><b>guidelines on the assessment of O-SIIs</b></p>																																																																									
<p><b>4.2 Methodology and indicators used for designation of the O-SII (Article 131.3)</b></p>	<p>-The identification has been carried out using the criteria outlined and defined in the methodology of the EBA Guidelines (EBA/GL/2014/10).</p> <p>-Banking institutions with a score equal or higher than 350 basis points were designated as an O-SII.</p> <p>-BoG applied the mandatory indicators as per the EBA relative GLs. BoG did not use any of the optional indicators presented in Annex 2 of the EBA GLs.</p> <p>-No entities with total assets &lt; 0.02% have been identified as relevant.</p> <p>-See table below for the name and scores of the entities that were included in the identification process but were not designated as OSIIIs.</p> <p>-BoG's scoring process was conducted using consolidated FINREP/COREP data as of 31 December 2016 on a consolidated basis. When the FINREP variables were not available, proxies were used taken from solo accounts (dated December 2016) supplemented by additional data available to BoG.</p> <table border="1" data-bbox="343 952 1412 1422"> <thead> <tr> <th>BANK</th> <th>SIZE</th> <th>IMPORTANCE</th> <th>COMPLEXITY</th> <th>INTERCONNECTEDNESS</th> <th>Total score</th> </tr> </thead> <tbody> <tr> <td>ATTICA BANK S.A.</td> <td>122</td> <td>103</td> <td>1</td> <td>2</td> <td>57</td> </tr> <tr> <td>PANCRETAN COOPERATIVE BANK LTD.</td> <td>48</td> <td>31</td> <td>0</td> <td>106</td> <td>46</td> </tr> <tr> <td>COOPERATIVE BANK OF CHANIA COOPERATIVE OF LIMITED</td> <td>15</td> <td>14</td> <td>0</td> <td>29</td> <td>15</td> </tr> <tr> <td>AEGEAN BALTIC BANK S.A.</td> <td>8</td> <td>7</td> <td>0</td> <td>3</td> <td>4</td> </tr> <tr> <td>COOPERATIVE BANK OF EPIRUS LTD.</td> <td>7</td> <td>8</td> <td>0</td> <td>16</td> <td>8</td> </tr> <tr> <td>COOPERATIVE BANK OF THESSALY COOP. L.L.</td> <td>6</td> <td>7</td> <td>0</td> <td>1</td> <td>4</td> </tr> <tr> <td>INVESTMENT BANK OF GREECE S.A.</td> <td>5</td> <td>3</td> <td>3</td> <td>10</td> <td>5</td> </tr> <tr> <td>BANK SADERAT IRAN</td> <td>3</td> <td>0</td> <td>0</td> <td>19</td> <td>5</td> </tr> <tr> <td>COOPERATIVE BANK OF KARDITSA COOP. L.L.</td> <td>3</td> <td>4</td> <td>0</td> <td>21</td> <td>7</td> </tr> <tr> <td>B&amp;N BANK PJSC (PUBLIC JOINT-STOCK COMPANY),GREEK B</td> <td>2</td> <td>2</td> <td>0</td> <td>0</td> <td>1</td> </tr> <tr> <td>T.C. ZIRAAT BANKASI A.S.</td> <td>2</td> <td>1</td> <td>0</td> <td>7</td> <td>2</td> </tr> </tbody> </table>	BANK	SIZE	IMPORTANCE	COMPLEXITY	INTERCONNECTEDNESS	Total score	ATTICA BANK S.A.	122	103	1	2	57	PANCRETAN COOPERATIVE BANK LTD.	48	31	0	106	46	COOPERATIVE BANK OF CHANIA COOPERATIVE OF LIMITED	15	14	0	29	15	AEGEAN BALTIC BANK S.A.	8	7	0	3	4	COOPERATIVE BANK OF EPIRUS LTD.	7	8	0	16	8	COOPERATIVE BANK OF THESSALY COOP. L.L.	6	7	0	1	4	INVESTMENT BANK OF GREECE S.A.	5	3	3	10	5	BANK SADERAT IRAN	3	0	0	19	5	COOPERATIVE BANK OF KARDITSA COOP. L.L.	3	4	0	21	7	B&N BANK PJSC (PUBLIC JOINT-STOCK COMPANY),GREEK B	2	2	0	0	1	T.C. ZIRAAT BANKASI A.S.	2	1	0	7	2
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<p><b>4.3 Supervisory judgement</b></p>	<p>No institutions were identified through supervisory judgement</p>																																																																								
<p><b>4.4 Calibrating the O-SII buffer</b></p>	<p>The identified O-SIIs are allocated to one of the five capital buffer categories using the following buckets' distribution based on their scores:</p> <table border="1" data-bbox="343 1776 817 1977"> <thead> <tr> <th>Buckets</th> <th>Buffers</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>&gt;= 3500</td> <td>2.00%</td> </tr> <tr> <td>4</td> <td>2000-3499</td> <td>1.00%</td> </tr> <tr> <td>3</td> <td>1500-1999</td> <td>0.75%</td> </tr> </tbody> </table>	Buckets	Buffers	5	>= 3500	2.00%	4	2000-3499	1.00%	3	1500-1999	0.75%																																																													
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<b>4.5 Effectiveness and proportionality of measure</b>	<p>The build-up of the O-SII buffer will increase resilience of banks and reduce moral hazard arising from the "too big to fail" issue.</p> <p>In the case of Greek Banks the four identified institutions represent 95% of the domestic market thus it is necessary to introduce positive O-SII capital buffers for all of them.</p>						
<b>5. Combinations and interactions with other measures</b>							
<b>5.1 Assessment of cross-border effects and the likely impact on the internal market (Recommendation ESRB/2015/2)</b>	<p>The Greek banking system is rather concentrated (4 domestic banks holding about 95% of the market) whereas is mostly oriented/focused in domestic activities/market. Therefore we do not expect material negative spill overs for the internal market.</p>						
<b>5.2 Assessment of leakages and regulatory arbitrage within the notifying Member State</b>	<p>Regulatory arbitrage and leakages within Greece are not likely since the four banks hold about 95% of the market share and the remaining institutions have much smaller size.</p>						
<b>6. Combinations and interactions with other measures</b>							

<b>6.1 Combinations between G-SII and OSII buffers (Article 131.14)</b>	n.a.
<b>6.2 Combinations with SRB buffers (Article 131.14 + Article 133.5)</b>	No institution is subject to a systemic risk buffer.
<b>6.3 O-SII requirement for a subsidiary (Article 131.8)</b>	n.a.
<b>6.4 Interaction with other measures</b>	n.a.
<b>7. Miscellaneous</b>	
<b>7.1 Contact person(s) at notifying authority</b>	<p><b>Ioannis Tsikripis</b>  E-Mail : itsikripis@bankofgreece.gr  Phone Contact: 0030 210 3205031</p> <p><b>Ekaterini Korbi</b>  E-Mail : akorbi@bankofgreece.gr  Phone Contact: 0030 210 3205167</p>
<b>7.2 Any other relevant information</b>	-