



HELLENIC REPUBLIC
MINISTRY OF FINANCE
THE MINISTER

- To: The European Investment Bank,
100 Boulevard Konrad Adenauer,
L-2950 Luxembourg-Kirchberg,
Grand Duchy of Luxembourg
- Attn: Transaction Management and Restructuring Directorate
Themis Kouvarakis / Francisco Quevedo / Despina Tomadaki
- To: UniCredit Bank AG,
MFL3LA Loans Agency Munich,
Corporate & Investment Banking,
Arabellastrasse 14,
D-81925 Munich, Germany
- Attn: Manuela Schöttner / Anne Brett
- Cc: UniCredit Bank AG, London Branch,
Moor House,
120 London Wall,
London EC2Y 5ET,
UK
- Attn: Andrew Osborne / Anne Brett
- Cc: Moreas Concession Company S.A.,
8 Ipsoundos Street,
Tripoli, 22100,
Arkadia,
Greece
- Attn: George Sirianos

Athens, June, 26th, 2013

Ref. No C 150

Dear Sirs,

Korinth-Tripoli-Kalamata Motorway and Lefktro-Sparti Branch - provision of additional operating subsidy

1. We refer to:

- (a) the concession agreement in respect of the design, construction, financing, operation, maintenance and exploitation of the Korinth-Tripoli-Kalamata Motorway and Lefktro-Sparti Branch dated 31 January 2007 between the Hellenic Republic, Moreas Concession Company



HELLENIC REPUBLIC
MINISTRY OF FINANCE

THE MINISTER

S.A. (the **Company**) and the Initial Shareholders (as named therein), ratified by the Greek Parliament as a law of Greece;

- (b) the common terms agreement (the **Common Terms Agreement**) dated 31 January 2007, as amended by a supplemental agreement dated 3 March 2008, a second supplemental agreement dated 19 May 2008 and as amended and restated by the Amendment and Waiver Agreement, and made between, among others, the Company and UniCredit Bank AG as intercreditor agent;
- (c) the finance contract dated 31 January 2007 between the European Investment Bank and the Company as amended and restated by a supplemental agreement dated 3 March 2008, a second amendment and restatement deed dated 12 March 2010 and by the Amendment and Waiver Agreement; and
- (d) the amendment and waiver agreement (the **Amendment and Waiver Agreement**) dated on or about the date of this letter between, among others, the Company and the Intercreditor Agent.

2. In this letter:

- (a) **Additional Operating Subsidiary Period** means the period commencing on and from the Actual Completion Date to and including the Additional Operating Subsidy Termination Date.
- (b) **Additional Operating Subsidy Termination Date** means the date falling not earlier than the sixth anniversary of the Actual Completion Date on which:
 - (i) the Company has delivered to the Intercreditor Agent:
 - (A) a Forecast, approved in accordance with the Finance Documents no earlier than the most recent Calculation Date, that shows a Projected Debt Service Cover Ratio equal to or greater than 1.20:1 and a Loan Life Cover Ratio equal to or greater than 1.30:1 (each ratio as finally determined and provided that EIB has agreed with each of the Forecast Assumptions on which that Forecast has been based) for each Calculation Period following the Additional Operating Subsidy Termination Date until the Final Maturity Date; and
 - (B) a certificate confirming that the Historic Debt Service Cover Ratios shown in the Historic Statements (each as finally determined and excluding any amounts received by way of Additional Operating Subsidy in any Historic Period to which those Historic Statements relate), which were approved in accordance with the Finance Documents, for each of the last six consecutive Calculation Dates prior to the Additional Operating Subsidy Termination Date is equal to or greater than 1.20:1;
 - (ii) the Debt Service Reserve Account is funded in an amount equal to the Required DSRA Balance; and



HELLENIC REPUBLIC
MINISTRY OF FINANCE

THE MINISTER

EIB has received a certificate from the Company immediately prior to the Additional Operating Subsidy Termination Date confirming that no Default is outstanding or would occur as a result of the occurrence of the Additional Operating Subsidy Termination Date; and

- (c) capitalised terms used in this letter have the meanings given to those terms in the Common Terms Agreement or schedule 2 (RRR Mechanism) of the Amendment and Waiver Agreement) (as the context may require) unless expressly defined in this letter.

3. We hereby undertake that we will:

- (a) subject to receipt of all relevant approvals, clearances and consents (including, without limitation, by the Greek Parliament as a law of Greece and from the European Commission in respect of procurement and/or state aid (the **Relevant Consents**)), make available to the Company a subsidy (the **Additional Operating Subsidy**) in accordance with the terms set out in this letter;
- (b) execute all documentation required to be entered into by the Hellenic Republic in order to provide the Additional Operating Subsidy in accordance with the terms set out in this letter such that all amendments required to be made to the existing Transaction Documents in order to reflect the provisions of this letter will become effective immediately following satisfaction of all relevant conditions precedent (including, without limitation, receipt of the Relevant Consents) to the provision of the Additional Operating Subsidy (such date being the **Additional Operating Subsidy Effective Date**); and
- (c) ensure that the Additional Operating Subsidy Effective Date occurs on or before the earlier to occur of:
- (i) 15 November 2013; and
- (ii) the date on which an amount equal to ten per cent. or less of the EIB Commitment remains undrawn,

(failure to comply with which will result in the termination of the waivers granted to the Company for the outstanding Events of Default and the drawstop events under the Amendment and Waiver Agreement).

4. Subject to paragraphs 5 and 6 below, if at any time during the Additional Operating Subsidy Period any of the Company, the Intercreditor Agent, EIB or the Account Bank determines that on any Interest Payment Date the balance of the Proceeds Account is not sufficient to enable the Company to pay, in full, all amounts to be applied in accordance with paragraphs (a) to (h) (inclusive but excluding paragraph (b)*bis*) of clause 3.2 (Withdrawals) of the Accounts Agreement (such shortfall being the **Proceeds Account Shortfall**), the Hellenic Republic must pay the Additional Operating Subsidy to the Company in an amount equal to the Proceeds Account Shortfall.
5. The calculation of the Proceeds Account Shortfall will be done on the basis of forecasted amounts and the Additional Operating Subsidy will be calculated and paid on that basis. On each Scheduled Calculation Date a cash reconciliation of the payments made in the immediately preceding Historic Period will be made based on the finally determined Historic Statement produced under the Finance



HELLENIC REPUBLIC
MINISTRY OF FINANCE

~~THE MINISTER~~

Documents for that Scheduled Calculation Date. If following such a reconciliation it transpires that the Additional Operating Subsidy actually paid (the **AOS Payment**) was:

- (a) in excess of the actual Proceeds Account Shortfall, the Company will pay such excess into a blocked account, the proceeds of which may be withdrawn by the Hellenic Republic or applied towards any future Proceeds Account Shortfall (and therefore reduce the corresponding future AOS Payment); or
 - (b) less than the actual Proceeds Account Shortfall (the **Deficit**), the Hellenic Republic will increase the Additional Operating Subsidy payable on the next Interest Payment Date by (or if such Additional Operating Subsidy is nil, pay to the Company) an amount equal to this Deficit. In this regard, the Hellenic Republic acknowledges that if, as a result of such a Deficit, the Company is required to meet any Financing Principal or Financing Costs by drawing from the Debt Service Reserve Account (a **DSRA Drawing**), such increased AOS Payment may be applied to replenish the Debt Service Reserve Account by an amount equal to that DSRA Drawing.
6. Payment of any amount by the Hellenic Republic in respect of the Additional Operating Subsidy shall be conditional upon either:
- (a) the Shareholders having contributed Equity Funds in an amount not less than €20,000,000 under and in accordance with paragraph 3.1(a) (RRR Trigger Event) of schedule 2 (RRR Mechanism) of the Amendment and Waiver Agreement; or
 - (b) if an RRR Trigger Event has occurred and is continuing, any Required Cure Amount not being funded in full by way of RRR Subscriptions met from moneys available to each Shareholder, the proceeds of RRR Collateral or amounts standing to the credit of the RRR Company Retentions Account (as contemplated by paragraphs 3.1(a) and 3.1(b) (RRR Trigger Event) of schedule 2 (RRR Mechanism) of the Amendment and Waiver Agreement) by the date falling 45 days after the date on which the relevant RRR Trigger Event occurred (such amount being a **Shareholder Shortfall Amount**).
7. If any Additional Operating Subsidy has been paid while there is any Shareholder Shortfall Amount outstanding, the Hellenic Republic will receive:
- (a) the proceeds of any Distribution payable to the Shareholders in accordance with the Finance Documents; and
 - (b) the proceeds of any claim brought against the Shareholders or any issuer of an RRR LG that has failed to meet a demand issued under that RRR LG for a Shareholder Shortfall Amount (whether received by a Finance Party, the Company or any other entity),
- in an aggregate amount equal to that Shareholder Shortfall Amount.



HELLENIC REPUBLIC
MINISTRY OF FINANCE
THE MINISTER

8. Without prejudice to the undertakings set out in paragraph 3 above, nothing in this letter shall be construed as an amendment of the Concession Agreement or as an acknowledgement by the Hellenic Republic of any amendment to the rights and obligations under the Concession Agreement of any party to that agreement.

Yours faithfully

Yannis Stourmaras
Minister of Finance

Michalis Chrysochoidis
Minister of Infrastructure, Transport and Networks



For and on behalf of the Hellenic Republic

For and on behalf of the Hellenic Republic

CERTIFIED TRUE COPY OF THE ORIGINAL

