

TO: ALCO  
 FROM: Area Lending  
 REF.: Secured Loans (Mortgage Loans / Home Equity Loans / Debt consolidation loans)  
 SUBJECT:

- re-pricing structure for secured loans acquired starting with 1<sup>st</sup> of February 2008 (interest options at the anniversary date);

**Premises:**

- starting with 1<sup>st</sup> of February 2008 we launched a new pricing structure for secured loans;
- according with that, loans were granted with an "introductory" interest rate (fixed for the first year) and at each loan anniversary date, the client will have 3 options: adjustable interest, 1 yr fixed and 3 yr fixed interest rate (established in the loans agreements also); this option is valid for the entire life of the loan;
- from the beginning we established (and set-up in the system) the adjustable interest year which should be applied automatically to each loans at the anniversary date (unless the client exercises his/her option and select fixed rate);
- the purpose of the present Memo: revising the adjustable interest rate and establishing the fixed interest rate (1/3y) which will be applied at the anniversary date for each loans (acquired with this pricing structure) in 2009.

**Proposal:**

Taking into consideration the above-mentioned premises and the current challenge of a better management of the existing liquidity, we submit to your approval re-pricing structure for secured loans acquired starting with 1<sup>st</sup> of February 2008 (interest options at the anniversary date).

**1) Portfolio overview (as of 18 dec.2008) acquired with "introductory" fixed interest rate:**

EUR	Interest Index*	No. of Acc	Mortgage (Acquisition & Construction)				Interest Index*	No. of Acc	Home Equity / Debt Consolidation					
			*Introductory* I rate (fixed 1st year)	Adjustable I Rate (after the 1st year)		Fixed 1 year			Fixed 3 years	*Introductory* I rate (fixed 1st year)	Adjustable I Rate (after the 1st year)		Fixed 1 year	Fixed 3 years
			Current	Proposed	Proposed	Proposed		Current	Proposed	Proposed	Proposed			
Portfolio A (feb-oct08)	32	1.407	5.9%	7.1%	6.9%	8.4%	15.0%	69	3.982	6.7%	8.1%	7.7%	9.2%	16.0%
Portfolio B (oct.08)		119	6.9%					204	7.9%					
Portfolio C (nov-dec08)		106	29	8.4%	8.6%	9.4%	10.9%	15.0%	107	61	9.4%	9.6%	10.4%	11.9%

CHF	Interest Index*	No. of Acc	Mortgage (Acquisition & Construction)				Interest Index*	No. of Acc	Home Equity / Debt Consolidation						
			*Introductory* I rate (fixed 1st year)	Adjustable I Rate (after the 1st year)		Fixed 1 year			Fixed 3 years	*Introductory* I rate (fixed 1st year)	Adjustable I Rate (after the 1st year)		Fixed 1 year	Fixed 3 years	
			Current	Proposed	Proposed	Proposed		Current	Proposed	Proposed	Proposed				
Portfolio A (feb-oct08)	102	55	914	4.6%	5.4%	5.6%	8.6%	14.0%	83	2.432	5.5%	6.4%	6.5%	9.5%	14.0%
Portfolio B (sept.08)		1	5.9%					8	6.7%						
Portfolio C (oct.08)		2	6.9%	8.6%	6.9%	9.9%	14.0%	103	3	7.9%	9.6%	7.9%	10.9%	14.0%	
Portfolio D (nov-dec08)		0	8.4%					0	9.4%						

RON	Interest Index*	No. of Acc	Mortgage (Acquisition & Construction)				Interest Index*	No. of Acc	Home Equity / Debt Consolidation					
			*Introductory* I rate (fixed 1st year)	Adjustable I Rate (after the 1st year)		Fixed 1 year			Fixed 3 years	*Introductory* I rate (fixed 1st year)	Adjustable I Rate (after the 1st year)		Fixed 1 year	Fixed 3 years
			Current	Proposed	Proposed	Proposed		Current	Proposed	Proposed	Proposed			
Portfolio A (feb-apr08)	11	81	9.1%	9.9%	10.1%	11.6%	18.0%	68	215	9.6%	10.9%	10.6%	12.1%	19.0%
Portfolio B (mai-oct08)		10	13.3%	9.9%	14.3%	15.8%	20.0%	21	14.3%	10.9%	15.3%	16.8%	21.0%	
Portfolio C (oct-dec08)		104	0	14.3%	15.3%	14.3%	15.8%	20.0%	105	3	15.3%	16.3%	15.3%	16.8%

Up-front Fee	1.9%	2.2%
Monthly fee		0,15%
Anticipate payment fee		3% or 0 (zero)**

\* the interest index value is computed. Adjustable interest rates: 1.5% for variable monthly fee  
 \*\*only for the loans on anniversary date and not exceeding 20% of loan outstanding balance

**Total outstanding: 389, 2 mil EUR (9.658 accounts)**

The loan accounts will be affected, at the anniversary date (as shown in the table above) by the proposed change in the interest level.

**2) Portfolio overview (as of 18 dec.2008) acquired with adjustable interest rate:**

**Total outstanding: 12,3 mil EUR (363 accounts)**

The loan accounts will be immediately affected (as shown in the table above) by the proposed change in the interest level.

**Note:**

The following formula for the variable interest rate (in compliance with the EGO 174/2008 approved at the ANPC proposal) will be used for communication purpose only, as the bank' standard interest rate:

- > LIBOR CHF (6m) + CDS5Y + 3% bank margin = 10,98% (Acquisition/Construction)
- > LIBOR CHF (6m) + CDS5Y + 4% bank margin = 11,98% (Home Equity/Debt Consolidation)

LIBOR CHF (6m) and CDS5y are calculated at 31<sup>st</sup> of December, as an average of the last 30 calendar days;

**ICBS System Impact:**

- > the interest index will be modified in the same way: proposed value for adjustable interest rate plus 1,8% (annualized 0,15% monthly fee) e.g.: index 32 will be set-up at the 8,7% (6,9% proposed adjustable interest rate plus 1,8%);
- > **adjustable interest rate:** after the anniversary date the interest rate will automatically became adjustable taking the proposed value unless the client exercises the interest option;
- > **fixed interest rate 1/3 years (options):** the loan account will also use the standard indexes. The fixed interest rate (1/3 years) will be manually introduced into the system and will be set up an expiration date of 12/36 months. After the expiration date the interest rate will automatically become adjustable (unless the client exercises the new interest option);
- > the loans granted under interest index 11 and 68 with the introductory interest rate 13,3% for Mortgage (10 accounts) and (21 accounts) 14,3% Home Equity will be manually transferred to index 104 and 105 (in order to take the increase of 100bp at the anniversary date); also the 5 accounts (Home Equity) opened with variable interest rate of 15,3% under index 68 will be transferred to the index 105;
- > The loans for which the client chooses a fixed interest rate (1/3 years) and for which the anniversary date was before/on the enforcement date of the present Memo, will be processed with back-date.

**B/S impact:**

Gross Income increase in 2009 Budget: EUR 1,8 mil (for all secured products)

What is the Committee asked to?

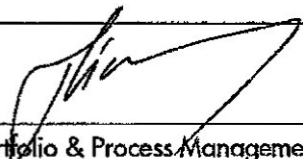
- approve the above mentioned new pricing structure for the secured loans portfolio acquired starting with 1<sup>st</sup> of February 2008 (interest options at the anniversary date);

Who must be informed about this Pricing Committee decision? (Ex. Other Directorates, Network)- Network; Channel and Distribution Network Area; Treasury Directorate; Lending Area; Marketing Directorate; Area Consumer Risk

Area Lending

Radu Topliceanu - Director

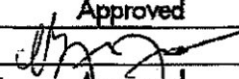
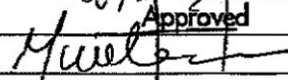
Endorsements: (in order)



Rodica Bidea - Director, Portfolio & Process Management Directorate

Opinion	- Capacity availability: OK
Date:	- Additional operational costs (not taken already into account, if any): No
Signature:	- Feasibility of implementation date: OK
	- Other:

ALCO (minimum number of signatures required for approval by circulation)

Director Financial Control	Date	Approved
Bogdan Popa	19.02	
Vice-President in charge	Date	Approved
Razvan Munteanu	19.02.09	

Chief Risk Officer	Date	Approved
Vladimir Kalinov	19.02.09	<i>[Signature]</i>
	Date	Approved
Cristian Sporis	19.02.09	<i>[Signature]</i>
Raluca Nicolescu	19.02.2009	<i>Raluca Nicolescu to be agreed</i>
James Daniel Stewart, Jr. - ALCO Chairman <sup>1</sup>	20/2/2009	<i>[Signature]</i>

<sup>1</sup> In the case ALCO Chairman is out of office (business trip or vacation) the form will be signed by Steven van Groningen - ALCO Deputy Chairman

**COMITETUL PENTRU ACTIVE SI PASIVE  
20.02.2009**
**DECIZIA nr. 577  
a Comitetului pentru Active si Pasive  
sedinta prin ordine de lucru din data de 20.02.2009**

Comitetul pentru Active si Pasive a aprobat noua structura de preturi pentru creditele garantate achizitionate incepand cu data de 1 februarie 2008 (cu optiuni de dobanda la aniversare), dupa cum urmeaza:

EUR	Mortgage (Achizitie & Constructie)					Flexi Plus / FlexiCredit Integral				
	Dobanda "Introductorie" (fixa primul an)	Dobanda revizuibila (dupa primul an)		Dob. fixa 1 an	Dob. Fixa 3 ani	"Introductorie" (fixa primul an)	Dobanda revizuibila (dupa primul an)		Dob. fixa 1 an	Dob. Fixa 3 ani
		Veche	Noua				Noua	Noua		
Portfolio A (feb-oct08)	5.9%	7.1%	6.9%	8.4%	15.0%	6.7%	8.1%	7.7%	9.2%	16.0%
Portfolio B (oct.08)	6.9%		7.9%	9.2%	16.0%					
Portfolio C (nov-dec08)	8.4%	8.6%	9.4%	10.9%	15.0%	9.4%	9.6%	10.4%	11.9%	16.0%
CHF	Mortgage (Achizitie & Constructie)					Flexi Plus / FlexiCredit Integral				
	Dobanda "Introductorie" (fixa primul an)	Dobanda revizuibila (dupa primul an)		Dob. fixa 1 an	Dob. Fixa 3 ani	Dobanda "Introductorie" (fixa primul an)	Dobanda revizuibila (dupa primul an)		Dob. fixa 1 an	Dob. Fixa 3 ani
		Veche	Noua				Noua	Noua		
Portfolio A (feb-oct08)	4.6%	5.4%	5.6%	8.6%	14.0%	5.5%	6.4%	6.5%	9.5%	14.0%
Portfolio B (sept.08)	5.9%	8.6%	6.9%	9.9%	14.0%	6.7%	9.6%	7.9%	10.9%	14.0%
Portfolio C (oct.08)	6.9%					7.9%				
Portfolio D (nov-dec08)	8.4%					9.4%				
RON	Mortgage (Achizitie & Constructie)					Flexi Plus / FlexiCredit Integral				
	Dobanda "Introductorie" (fixa primul an)	Dobanda revizuibila (dupa primul an)		Dob. fixa 1 an	Dob. Fixa 3 ani	"Introductorie" (fixa primul an)	Dobanda revizuibila (dupa primul an)		Dob. fixa 1 an	Dob. Fixa 3 ani
		Veche	Noua				Noua	Noua		
Portfolio A (feb-apr08)	9.1%	9.9%	10.1%	11.6%	18.0%	9.6%	10.9%	10.6%	12.1%	19.0%
Portfolio B (mai-oct08)	13.3%	9.9%	14.3%	15.8%	20.0%	14.3%	10.9%	15.3%	16.8%	21.0%
Portfolio C (oct-dec08)	14.3%	15.3%	14.3%	15.8%	20.0%	15.3%	16.3%	15.3%	16.8%	21.0%
Comision procesare	1.9%					2.2%				
Comision lunar	0,15%									
Comision rambursare anticipata	3% or 0 (zero)*									

\* numai la aniversare pentru sumele ce nu depasesc 20% din soldul creditului

Nota:

In conformitate cu OUG 174/2008 (promovata de ANPC), in cazul creditelor cu dobanda variabila, acordate in CHF, rata standard de dobanda este calculata si comunicata clientilor dupa cum urmeaza:

- pentru creditele Mortgage (achizitie & constructie)

LIBOR CHF (6 luni) + CDS 5 ani + 3% marja bancii (valoarea dobanda= 10,98%)

- pentru creditele Flexi Plus / Flexi Plus Integral


LIBOR CHF (6 luni) + CDS 5 ani + 4% marja bancii (valoarea dobanda= 11,98%)

LIBOR CHF (6 luni) si CDS 5 ani sunt calculate la 31 decembrie 2008, ca media aritmetica a valorilor din zilele lucratoare din ultimele 30 de zile calendaristice.

James D. Stewart, Jr.

  
Vicepresedinte

Aurelia Cionga

  
Secretar General