

Changes in Other provisions for liabilities and charges are analysed as follows:

	(Thousands of euros)	
	2017	2016
Balance on 1 January	113,032	95,982
Transfers	(588)	13,747
Charge for the year	46,094	46,169
Reversals for the year	-	(11,270)
Amounts charged-off	(4,462)	(31,596)
Balance on 31 December	154,076	113,032

The Other provisions for liabilities and charges were based on the probability of occurrence of certain contingencies related to risks inherent to the Bank's activity, being reviewed at each reporting date to reflect the best estimate of the amount and respective probability of payment. This caption includes provisions for contingencies in the sale of Millennium Bank (Greece), lawsuits, fraud and tax contingencies. The provisions constituted to cover tax contingencies totalled Euros 54,762,000 (31 December 2016: Euros 46,698,000) and are associated, essentially, to contingencies related to VAT and Stamp Duty.

35. SUBORDINATED DEBT

This balance is analysed as follows:

	(Thousands of euros)	
	2017	2016
Bonds		
Non Perpetual	917,846	608,932
Perpetual	86,928	88,478
CoCos	-	703,421
	1,004,774	1,400,831
Accruals	16,767	15,202
	1,021,541	1,416,033

The Bank fixed on 29 November 2017 the terms for a new issue of medium term subordinated debt notes eligible for approval by the ECB as Tier 2 capital, under its Euro Medium Term Notes Programme, as referred in note 42. The issue, in the amount of Euros 300 million, has a tenor of 10 years, with the option of early redemption by the Bank at the end of the fifth year, and an annual interest rate of 4.5 per cent. during the first five years (corresponding to a spread of 4.267 per cent over the 5 year mid-swap rate, which, for the determination of the interest rate for the remaining five years, will be applied over the mid swaps rate in force at the beginning of that period).

As referred in note 42, the Bank has proceeded, on 9 February 2017, to the early repayment to the Portuguese state of the remaining Core Tier 1 hybrid capital instruments, in the amount of Euros 700,000,000.

As at 31 December 2017, the subordinated debt issues are analysed as follows:

(Thousands of euros)					
Issue	Issue date	Maturity date	Interest rate	Nominal value	Book value
Non Perpetual Bonds					
MBCP Ob Cx Sub 1 Serie 2008-2018	September, 2008	September 2018(i)	See reference (viii)	73,618	73,618
MBCP Ob Cx Sub 2 Serie 2008-2018	October, 2008	October, 2018 (ii)	See reference (viii)	20,741	20,741
BCP Ob Sub jun 2020-EMTN 727	June, 2010	June, 2020 (iii)	See reference (ix)	16,294	16,294
BCP Ob Sub ago 2020-EMTN 739	August, 2010	August, 2020 (iv)	See reference (x)	9,409	9,409
BCP Ob Sub mar 2021-EMTN 804	March, 2011	March, 2021	Euribor 3M + 3.75%	114,000	114,000
BCP Ob Sub abr 2021-EMTN 809	April, 2011	April, 2021	Euribor 3M + 3.75%	64,100	64,100
BCP Ob Sub 3S abr 2021-EMTN 812	April, 2011	April, 2021	Euribor 3M + 3.75%	35,000	35,000
BCP Sub 11/25.08.2019-EMTN 823	August, 2011	August, 2019	Fixed rate of 6.383%	7,500	7,832
BCP Subord set 2019-EMTN 826	October, 2011	September, 2019	Fixed rate of 9.31%	50,000	55,251
BCP Subord nov 2019-EMTN 830	November, 2011	November, 2019	Fixed rate of 8.519%	40,000	44,338
MBCP Subord dez 2019-EMTN 833	December, 2011	December, 2019	Fixed rate of 7.15%	26,600	29,945
MBCP Subord jan 2020-EMTN 834	January, 2012	January, 2020	Fixed rate of 7.01%	14,000	15,504
MBCP Subord fev 2020-Vm Sr. 173	April, 2012	February, 2020	Fixed rate of 9%	23,000	24,722
BCP Subord abr 2020-Vm Sr 187	April, 2012	April, 2020	Fixed rate of 9.15%	51,000	54,412
BCP Subord 2 Ser abr 2020-Vm 194	April, 2012	April, 2020	Fixed rate of 9%	25,000	26,632
BCP Subordinadas jul 20-EMTN 844	July, 2012	July, 2020	Fixed rate of 9%	26,250	27,465
Bcp Fix Rate Reset Sub Notes-EMTN 854	December, 2017	December, 2027	See reference (xi)	300,000	298,583
					917,846
Perpetual Bonds					
Obrigações Caixa Perpétuas					
Subord 2002/19Jun2012	June, 2002	See reference (v)	See reference (xi)	85	85
TOPS BPSM 1997	December, 1997	See reference (vi)	Euribor 6M + 0.9%	22,035	22,035
BCP Leasing 2001	December, 2001	See reference (vii)	Euribor 3M + 2.25%	4,986	4,986
BCP - Euro 500 millions	June, 2004	-	See reference (xii)	43,968	43,895
Subord.debt BCP Finance Company	October, 2005	-	See reference (xiii)	15,942	15,927
					86,928
Accruals					16,767
					1,021,541

References:

Date of exercise of the next call option - It is considered the first date after the end of the restructuring period (31 December 2017). Subject to prior approval of the Supervisory Authorities.

(i) March 2018; (ii) - April 2018; (iii) - June 2018; (iv) - February 2018; (v) - March 2018; (vi) - June 2018; (vii) March 2018.

Interest rate

(viii) - 1st year 6%; 2nd to 5th year Euribor 6M + 1%; 6th year and following Euribor 6M + 1.4%; (ix) - Until the 5th year Fixed rate 3.25%; 6th year and following years Euribor 6M + 1%; (x) - 1st year: 3%; 2nd year 3.25%; 3rd year 3.5%; 4th year 4%; 5th year 5%; 6th year and following Euribor 6M + 1.25%; (xi) up to the 5th year fixed rate 4.5%; 6th year and following: mid-swap rate in force at the beginning of this period + 4.267%; (xii) Until 40th coupon 6.131%; After 40th coupon Euribor 3M + 2.4%; (xiii) until June 2014 fixed rate 5.543%; June 2014 and following Euribor 3M + 2.07%; (xiv) until October 2015 Fixed rate 4.239%; October 2015 and following Euribor 3M + 1.95%.

As at 31 December 2016, the subordinated debt issues are analysed as follows:

(Thousands of euros)

Issue	Issue date	Maturity date	Interest rate	Nominal value	Book value
Non Perpetual Bonds					
Mbcp Ob Cx Sub 1 Serie 2008-2018	September, 2008	September 2018(i)	See reference (viii)	73,785	73,783
Mbcp Ob Cx Sub 2 Serie 2008-2018	October, 2008	October, 2018 (ii)	See reference (viii)	20,741	20,741
Bcp Ob Sub Jun 2020 - EMTN 727	June, 2010	June, 2020 (iii)	See reference (ix)	16,294	16,294
Bcp Ob Sub Aug 2020 - EMTN 739	August, 2010	August, 2020 (iv)	See reference (x)	9,409	9,409
Bcp Ob Sub Mar 2021 - EMTN 804	March, 2011	March, 2021	Euribor 3M + 3.750%	114,000	114,000
Bcp Ob Sub Apr 2021 - EMTN 809	April, 2011	April, 2021	Euribor 3M + 3.750%	64,100	64,100
Bcp Ob Sub 3S Apr 2021 - EMTN 812	April, 2011	April, 2021	Euribor 3M + 3.750%	35,000	35,000
Bcp Sub 11/25.08.2019 - EMTN 823	August, 2011	August, 2019	Fixed rate of 6.383%	7,500	8,011
Bcp Subord Sep 2019 - EMTN 826	October, 2011	September, 2019	Fixed rate of 9.310%	50,000	53,933
Bcp Subord Nov 2019 - EMTN 830	November, 2011	November, 2019	Fixed rate of 8.519%	40,000	42,675
Bcp Subord Dec 2019 - EMTN 833	December, 2011	December, 2019	Fixed rate of 7.150%	26,600	28,260
Mill Bcp Subord Jan 2020 - EMTN 834	January, 2012	January, 2020	Fixed rate of 7.010%	14,000	14,490
Mbcp Subord Feb 2020 - Vm Sr. 173	April, 2012	February, 2020	Fixed rate of 9.000%	23,000	23,730
Bcp Subord Apr 2020 - Vm Sr 187	April, 2012	April, 2020	Fixed rate of 9.150%	51,000	52,485
Bcp Subord 2 Serie Apr 2020 - Vm 194	April, 2012	April, 2020	Fixed rate of 9.000%	25,000	25,650
Bcp Subordinadas Jul 20-EMTN 844	July, 2012	July, 2020	Fixed rate of 9.000%	26,250	26,371
					608,932
Perpetual Bonds					
Obrigações Caixa Perpétuas					
Subord 2002/19jun2012	June, 2002	See reference (v)	See reference (xi)	95	95
TOPS BPSM 1997	December, 1997	See reference (vi)	Euribor 6M + 0.900%	23,216	23,216
BCP Leasing 2001	December, 2001	See reference (vii)	Euribor 3M + 2.250%	5,548	5,548
BCP - Euro 500 milhões	June, 2004	-	See reference (xii)	43,968	43,782
Emp. sub. BCP Fin. Company	October, 2005	-	See reference (xiii)	15,942	15,837
					88,478
CoCos					
Bcp Coco Bonds 12/29.06.2017	June, 2012	June, 2017	See reference (xiv)	700,000	703,421
Accruals					15,202
					1,416,033

References:

Date of exercise of the next call option - It is considered the first date after the end of the restructuring period (31 December 2017). Subject to prior approval of the Supervisory Authorities.

(i) March 2018; (ii) - April 2018; (iii) - June 2018; (iv) - February 2018; (v) - March 2018; (vi) - June 2018; (vii) March 2018.

Interest rate

(viii) - 1st year 6%; 2nd to 5th year Euribor 6M + 1%; 6th year and following Euribor 6M + 1.4%; (ix) - Until the 5th year Fixed rate 3.25%; 6th year and following years Euribor 6M + 1%; (x) - 1st year: 3%; 2nd year 3.25%; 3rd year 3.5%; 4th year 4%; 5th year 5%; 6th year and following Euribor 6M + 1.25%; (xi) Until 40th coupon 6.131%; After 40th coupon Euribor 3M + 2.4%; (xii) until June 2014 fixed rate 5.543%; June 2014 and following years Euribor 3M + 2.07%; (xiii) until October 2015 Fixed rate 4.239%; October 2015 and following Euribor 3M + 1.95%; (xiv) 1st year 8.5%; 2nd year 8.75%; 3rd year 9%; 4th year 9.5%; 5th year 10%.

The analysis of the subordinated debt by remaining period, is as follows:

	(Thousands of euros)	
	2017	2016
3 to 6 months	-	703,419
Up to 1 year	94,359	-
1 to 5 years	524,904	608,934
Over 5 years	298,583	-
Undetermined	86,928	88,478
	1,004,774	1,400,831
Accruals	16,767	15,202
	1,021,541	1,416,033

36. OTHER LIABILITIES

This balance is analysed as follows:

	(Thousands of euros)	
	2017	2016
Creditors:		
Suppliers	36,699	19,283
From factoring operations	24,937	13,717
Deposit account applications and others applications	55,073	22,567
For futures and options transactions	10,972	6,517
Obligations not covered by the Group Pension Fund - amounts payable by the Bank (note 44)	20,582	45,604
Other creditors		
Residents	42,469	47,917
Non-residents	577	47
Public sector	29,729	27,078
Interests and other amounts payable	18,839	26,857
Deferred income	5,725	6,297
Holiday pay and subsidies	43,694	41,001
Amounts payable on trading activity	1,441	803
Operations to be settled - foreign, transfers and deposits	218,834	213,205
Other liabilities	107,720	114,948
	617,291	585,841

The caption Obligations not covered by the Group Pension Fund - amounts payable by the Bank includes the amount of Euros 9,098,000 (31 December 2016: Euros 17,416,000) related to the actual value of benefits attributed associated with mortgage loans to employees, retirees and former employees and the amount of Euros 3,733,000 (31 December 2016: Euros 3,837,000), related to the obligations with retirement benefits already recognised in Staff costs, to be paid to former members of the Executive Board of Directors, as referred in note 44. This balance also includes the amount of Euros 5,000,000 regarding to restructuring costs. These obligations are not covered by the Group Pension Fund and therefore, correspond to amounts payable by the Bank.

As at 31 December 2016, this caption also included the amount of Euros 20,962,000 related to the seniority premium.

The caption Amounts payable on trading activity includes amounts payable within 3 business days of stock exchange operations.