

**LAW 4920/2022 (GOVERNMENT GAZETTE A' 74/15.04.2022)**

Incorporation of a) Directive (EU) 2019/2162 of the European Parliament and Council of November 27<sup>th</sup>, 2019 regarding the issuance of covered bonds and the public supervision of covered bonds, as well as the amendment of Directives 2009/65/EC and 2014/59/EU, b) Directive (EU) 2019/1153 of the European Parliament and Council regarding the adoption of rules to facilitate the use of financial and other information for the prevention, detection, investigation or prosecution of certain criminal offenses and the repeal of the Decision 2000/642/JHA of the Council, c) Directive (EU) 2019/2034 regarding the prudential supervision of investment firms, the amendment of Directives 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/ 36/EU, 2014/59/EU and 2014/65/EU and the adaptation to Regulation (EU) 2019/2033 regarding the prudential supervision requirements of investment firms and the amendment of Regulations (EU) 1093/2010, (EU) 575 /2013, (EU) 600/2014 and (EU) 806/2014, d) Article 1 of Directive (EU) 2019/2177 regarding the amendment of Directive 2014/65/EU on financial instrument markets, e) Directive (EU) 2020/1504 regarding the amendment of Directive 2014/65/EU on financial instrument markets means and the adaptation to Regulation (EU) 2020/1503 regarding European crowdfunding service providers for businesses, f) Directive (EU) 2019/1160 regarding the amendment of Directives 2009/65/EC and 2011/61/EU regarding the cross-border distribution of collective investment undertakings, g) of Directive (EU) 2021/338 of the European Parliament and Council of February 16<sup>th</sup>, 2021 regarding the amendment of Directive 2014/65/EU with regard to information requirements, product monitoring and position limits, both of Directives 2013/36/EU and (EU) 2019/878 with regard to their application to investment companies, in order to facilitate the recovery from the COVID-19 crisis, Supplementary State Budget of fiscal year 2022 and related provisions.

**THE PRESIDENT OF THE HELLENIC REPUBLIC**

We issue the following law voted by the Greek Parliament:

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#### Article 1

##### Purpose

The purpose of the present document is to strengthen the framework for the issuance of covered bonds, in order to ensure a high level of investor protection. The purpose is achieved through the implementation in the Greek legal order of the Directive (EU) 2019/2162 of the European Parliament and of Council of November 27th, 2019 (L 328), on the issuance of covered bonds and their supervision.

#### Article 2

##### Object

(Article 1 of Directive (EU) 2019/2162)

The purpose of the present document is to lay down rules for the protection of investors concerning:

- (a) The requirements for issuing covered bonds;
- (b) The structural features of covered bonds;
- (c) Covered bonds supervision;
- (d) Publication requirements in relation to covered bonds.

#### Article 3

##### Scope

(Article 2 of Directive (EU) 2019/2162)

1. The present law applies to covered bonds issued by credit institutions based in Greece.
2. The credit institutions may issue covered bonds in accordance with the present law and in accordance with par. 2 of Article 2 and Article 14 of law 3156/2003 (A 157) and Articles 59-74 of law 4548/2018 (A 104).

#### Article 4

##### Supervision of covered bonds

(Article 18 of Directive (EU) 2019/2162)

1. The competent authority for supervision of covered bonds shall be the Bank of Greece. For the purposes of the present document, any reference to the Bank of Greece shall refer to its competence as a supervisory authority of the covered bonds.

2. In order to achieve the purpose of supervision of covered bonds, the Bank of Greece may, by its decision, establish more specific requirements and rules regarding the application of the requirements hereof.

3. The present decisions and responsibilities of the Bank of Greece are taken and exercised by an act of the Executive Committee pursuant to Article 55A of its Articles of Association (A` 298/1927) or a body authorized by it. A similar act may, by way of derogation from any other provision on the incorporation of Union legislation into the Greek legal order, establish the arrangements necessary for the adaptation and compliance with directives, decisions, regulations and recommendations issued by the competent bodies of the European Union. Union (EU) on issues concerning the current responsibilities of the Bank of Greece.

4. The Bank of Greece shall supervise the issuance of covered bonds, in order to assess compliance with the requirements of the present document and the decisions issued under its authority.

5. Credit institutions that issue covered bonds shall record all their transactions related to the covered bond program and have adequate and appropriate documentation systems and procedures.

6. The Bank of Greece shall collect from credit institutions the necessary information for the assessment of compliance with the requirements of the present documents and the decisions issued under its authorization, shall investigate violations of these requirements and shall impose administrative sanctions and other administrative measures provided herein.

## Article 5

### Definitions

(Article 3 of Directive (EU) 2019/2162)

For the purposes of the present Article, the following definitions shall apply:

1) "Covered bond": A debt obligation that is issued by a credit institution in accordance with the requirements hereof, and that is secured by cover assets to which covered bond investors have direct recourse as preferred creditors.

2) "Covered bond program": The structural features of a covered bonds issue that are determined by statutory rules and by contractual terms and conditions, in accordance with the permission granted to the credit institution issuing the covered bonds.

- 3) "cover pool": A clearly defined set of assets securing the payment obligations attached to covered bonds that are segregated from other assets held by the credit institution issuing the covered bonds.
- 4) "Cover assets": Assets included in a cover pool.
- 5) "Collateral assets": Physical assets and assets in the form of exposures that secure cover assets.
- 6) "Segregation": The actions performed by a credit institution issuing covered bonds to identify cover assets and put them legally beyond the reach of creditors other than covered bond investors and counterparties of derivative contracts.
- 7) "Credit institution" means a credit institution, as defined in point 1 of paragraph 1 of Article 4 of Regulation (EU) 575/2013 of the European Parliament and Council of June 26th, 2013, on prudential requirements for credit institutions and investment firms and amending Regulation (EU) 648/2012 (L 176).
- 8) "Specialized Mortgage Credit Institution": A credit institution which funds loans solely or mainly through the issue of covered bonds, which is permitted by law only to carry out mortgage and public sector lending and which is not permitted to take deposits, but which takes other repayable funds from the public.
- 9) "Automatic acceleration": A situation in which a covered bond automatically becomes immediately due and payable upon the insolvency or resolution of the issuer and in respect of which the covered bond investors have an enforceable claim for repayment at a time earlier than the original maturity date.
- 10) "Maturity Date": The initial maturity date stated in the contractual terms of the covered bond.
- 11) "Final maturity date": The new maturity date to which the payment of all or part of the final repayment amount of the covered bond is transferred, initially payable on the maturity date, provided that there is a relevant provision in the contractual terms of the bond.
- 12) "Market value": For the purposes of real estate, the market value, as defined in point 76 of par. 1 of article 4 of Regulation (EU) 575/2013.
- 13) "Mortgage lending value": For the purposes of immovable property, the mortgage lending value as defined in point (74) of Article 4(1) of Regulation (EU) No 575/2013.
- 14) "Primary assets": Dominant cover assets, which determine the nature of the cover pool.

15) "Substitution assets": Cover assets that contribute to the coverage requirements, other than primary assets.

16) "Overcollateralisation": The entirety of the statutory, contractual or voluntary level of collateral that exceeds the coverage requirement set out in Article 17.

17) "Net liquidity outflows": All payment outflows falling due on one day, including principal and interest payments and payments under derivative contracts of the covered bond programme, net of all payment inflows falling due on the same day for claims related to the cover assets.

18) "Expandable maturity structure": A mechanism which provides for the possibility of extending the scheduled maturity of covered bonds for a pre-determined period of time and in the event that a specific trigger occurs.

19) "Supervision of covered bonds": The supervision of covered bond programmes ensuring compliance with, and the enforcement of, the requirements applicable to the issue of covered bonds.

20) "Special Administrator": The person or entity appointed to administrate a covered bond program in the event of insolvency of a credit institution issuing covered bonds in relation to its obligations as part of the program, or when it has been established that the said credit institution is in a state of insolvency or threatened insolvency, according to par. 1 of internal article 32 of article 2 of law 4335/2015 (A` 87) or in exceptional circumstances, if the competent supervisory authority finds that it is seriously threatened the proper functioning of that credit institution.

21) "Resolution": The resolution, as defined in point 30 of par. 1 of internal article 2 of article 2 of law 4335/2015.

22) "Group": The group, as defined in point 138 of par. 1 of article 4 of Regulation (EU) 575/2013.

23) "Public undertakings" means public undertakings as defined in Article 2 (b) of Directive 2006/111 / EC (L 318).

24) "Close ties": Close ties, as defined in circumstance 38 of par. 1 of Article 4 of Regulation (EU) 575/2013.

25) "Competent supervisory authority": The competent authority, as defined in point 36 of par. 1 of Article 3 of law 4261/2014 (A` 107).

26) "Principle of reorganization": The principle of reorganization, as defined in point 8 of par. 1 of internal article 2 of article 2 of law 4335/2015.

27) "Representative of the bondholders": Credit institution or affiliated company of a credit institution, within the meaning of article 32 of law 4308/2014 (A` 251) that legally

provides services in the European Economic Area (EEA) and exercises the duties of the representative of the bondholders, according to what is provided in articles 64 to 67 of law 4548/2018 (A` 104).

#### Article 6

##### Dual resource

(Article 4 of Directive (EU) 2019/2162)

1. Investors in covered bonds and counterparties to derivative contracts that comply with Article 13 shall be entitled to the following requirements:

- a) Claim against the credit institution issuing the covered bonds,
- b) in case of insolvency or resolution of the credit institution issuing the covered bonds, a claim with priority over the capital and any accrued and future interest on cover assets;
- c) in case of insolvency of the credit institution issuing the covered bonds and in case the priority claim of item b) cannot be fully met; (pari passu) with the requirements of the common unsecured creditors of the credit institution determined in accordance with the legislation for classification in ordinary insolvency proceedings.

2. The claims mentioned in par. 1 shall be limited to the full repayment of obligations related to the covered bonds.

#### Article 7

##### Covered bond protection against the risk of insolvency

(Article 5 of Directive (EU) 2019/2162).

The payment obligations related to covered bonds shall not be subject to automatic acceleration in case of insolvency or resolution of the credit institution issuing the covered bonds.

#### Article 8

##### Eligible cover assets

(Article 6 of Directive (EU) 2019/2162)

1. a) Covered bonds are at all times secured by:

aa) Assets that are eligible in accordance with paragraph 1 of Article 129 of Regulation (EU) 575/2013, provided that the credit institution issuing covered bonds meets the requirements of paragraphs 1 to 3 of Article 129 of the Rules of Procedure,

ab) without prejudice to point (c) hereof, high quality cover data, which ensure that the credit institution issuing covered bonds has a payment requirement, as provided in paragraph 2, and which are secured by collaterals, as provided in par. 3.

b) The Bank of Greece may, by its decision, limit its assets under aa), in specific categories of eligible assets, for their inclusion in the cover assets.

c) The cover assets of sub-point ab) may be included in the total cover data, only if the Bank of Greece, by its decision, determines the types of cover assets included in this case.

2. a) The payment claim referred to in sub-par. ab) of point a) of par. 1 is subject to the following legal requirements:

(aa) The asset represents a claim for the payment of minimum amounts, which is identifiable at all times, is duly valid and enforceable, is not subject to any conditions other than the condition that the claim expires at a future date and is secured by a mortgage, lien, privilege or other guarantee,

(ab) the mortgage, charge, lien or other guarantee securing the claim for payment is enforceable;

(ac) all legal requirements for registration of the mortgage, encumbrance, privilege or guarantee securing the payment claim have been met;

(ad) the mortgage, charge, lien or guarantee securing the claim requires from the credit institution issuing the covered bonds to recover the value of the claim without undue delay.

b) Credit institutions issuing covered bonds, shall evaluate the enforceability of payment claims and the possibility of liquidation of collaterals, before including them in the cover assets.

3. a) The collateral assets referred to in sub-paragraph ab) of point a) of par. 1 shall meet one of the following requirements:

(aa) For physical collateral assets, there are valuation standards generally accepted by experts which are appropriate for the physical collaterals and there is a public register of ownership and claims over the physical collateral assets or

(ab) for assets in the form of exposures, the security and soundness of the counterparty to the exposure shall be presumed by its taxable capacity, or by the fact that its operational soundness and financial solvency are under constant public scrutiny.

b) The physical collateral data referred to in sub-point (aa) of point a) shall contribute to the coverage of the liabilities related to the covered bond up to the smallest amount

of capital between the mortgage receivables associated with any mortgage claim of main payment priority and seventy percent (70%) of the value of these collaterals.

c) The physical collateral referred to in sub-point aa) of point a), which provide assets referred to in sub-point aa) of point a) of par. 1 do not need to comply with the limit of seventy percent (70%) or with the limits of par. 1 of article 129 of Regulation (EU) 575/2013.

d) When, for the purposes of sub-point aa) of point a), there is no public register for a specific physical collateral, credit institutions may use an alternative form of certification of ownership and claims on the physical collateral. The use of an alternative form of certification is possible, on condition that it has been recognized by the Bank of Greece, by its decision, and to the extent that this form of certification provides protection that may be comparable to the protection provided by a public register, in the sense that allows third parties concerned, in accordance with the applicable law, to access information related to the identification of encumbered physical collateral, the determination of ownership, the documentation and determination of charges and the enforceability of rights in rem.

4. a) For the physical assets that provide the assets of sub-point aa) and ab) of point a) of par. 1, it is ensured that:

(aa) for each physical collateral asset, a current valuation at or at less than market value or mortgage lending value exists at the moment of inclusion of the cover asset in the cover pool;

(ab) Evaluation shall be carried out by an appraiser who has the necessary qualifications, competence and experience, and

(ac) The appraiser shall be independent of the credit decision-making process, shall not take speculative considerations into consideration when assessing the value of the physical collaterals and shall document the value of physical collaterals in a transparent manner.

b) The Bank of Greece may, by its decision, establish more specific rules for the methodology and the valuation procedure.

5. Credit institutions issuing covered bonds shall implement procedures in place to verify that the physical assets providing the assets referred to in sub-point aa) and ab) of point a) of par. 1, are adequately insured against the risk of loss and that the insurance claim is separated, in accordance with Article 14.

6. Credit institutions issuing covered bonds, shall document the cover data referred to in sub-point aa) and ab) of point a) of par. 1 and the compliance of their lending policies with the present document.

7. The Bank of Greece shall, by its decision, establish rules regarding the differentiation of risks in the total coverage assets, in relation to the dispersion and significant concentration, for assets that are eligible under sub-point ab) of point a) of par. 1.

8. The Bank of Greece may, by its decision, set more specific issues of application of this and specify the rules for its application.

#### Article 9

Collateral assets located outside the Union  
(Article 7 of Directive (EU) 2019/2162)

1. Without prejudice to paragraph 3, credit institutions may include assets in the cover pool that are secured by collateral assets located outside the European Union (EU).

2. In case of paragraph 1, credit institutions shall verify that:

(a) Such collateral assets meets the requirements of Article 8;

(b) Such collateral assets offer a similar level of security to that of collateral assets located within the EU; and

(c) The realisation of those collateral assets is legally enforceable in a way equivalent in effect to the realisation of collateral assets located in the Union.

3. The Bank of Greece shall, by its decision, determine the secured collaterals, with secured assets located outside the EU, assets that can be included in the cover assets pursuant to par. 1, as well as conditions met for the application of the present document.

#### Article 10

Intragroup pooled covered bond structures  
(Article 8 of Directive EU) 2019/2162).

Covered bonds issued by a group-owned credit institution ("covered group bonds issued") may be used as cover assets for the external issue of covered bonds by another credit institution belonging to the same group ("covered bonds") issued outside the group ") provided that at least the following conditions are met:

(a) The internally issued covered bonds are sold to the credit institution issuing the externally issued covered bonds;

(b) the internally issued covered bonds are used as cover assets in the cover pool for the externally issued covered bonds and are recorded on the balance sheet of the credit institution issuing the externally issued covered bonds;



(c) the cover pool for the externally issued covered bonds contains only internally issued covered bonds issued by a single credit institution within the group;

(d) the credit institution issuing the externally issued covered bonds intends to sell them to covered bond investors outside the group;

(e) both the internally and externally issued covered bonds qualify for credit quality step 1, as referred to in Chapter 2 of Title II of Part Three of Regulation (EU) 575/2013, at issue time and are secured with eligible cover assets as provided for in Article 8;

(f) in the case of cross-border intragroup pooled covered bond structures, the cover assets of the internally issued covered bonds comply with the eligibility and coverage requirements of the externally issued covered bonds;

(g) the credit institution belonging to the group shall be established within the European Union.

2. a) For the purposes of point e) of par. 1, in case of deterioration of the credit quality of the covered bonds, it shall be notified to the Bank of Greece and the latter may, by its decision, allow the covered bonds that qualify for credit quality step 2 to continue to be part of the intragroup pooled covered bonds, provided that it finds that the deterioration of credit quality is not due to non-compliance with the legislation setting out the requirements for the license, in accordance with Article 20.

b) The Bank of Greece shall notify the European Banking Authority of any decision taken under point a) hereof.

3. The Bank of Greece may, by its decision, specify the terms and conditions of application of this.

## Article 11

### Joint funding

(Article 9 of Directive (EU) 2019/2162)

1. Eligible cover assets created by a credit institution and purchased by a credit institution issuing covered bonds may be used as cover assets for the issuance of covered bonds if they meet the requirements of Articles 8 and 14.

2. Without prejudice to par. 1, the transfer of eligible cover assets is allowed through financial security provision agreements, in accordance with Chapter A` of Law 3301/2004 (A` 263).

3. Without prejudice to paragraph 1, assets originally created by a credit institution have been transferred to an entity established in the EU, which is not a credit institution and may be transferred again to a credit institution established in Greece, which may be used as cover assets. In this case, the credit institution issuing the covered bonds

is obliged either to evaluate the credit standards of the entity from which the cover data came or to conduct the same thorough assessment of the borrower's creditworthiness.

4. The Bank of Greece may specify, by its decision, the terms and conditions for the application of the present Article.

## Article 12

### Composition of the cover pool

(Article 10 of Directive (EU) 2019/2162)

1. Credit institutions shall only include one category of primary assets in the aggregate bond coverage.

2. The Bank of Greece may, by its decision, allow the inclusion in the cover assets of more categories of primary assets.

3. In case of par. 2, the Bank of Greece, in order to ensure the protection of investors, shall establish rules regarding the composition of the total coverage data. These rules shall specify, where appropriate, the conditions under which covered credit institutions may include primary assets with different characteristics in terms of structural features, life expectancy or risk profile in the cover pool.

4. In case of par. 2, the ratio of various categories of cover assets within the cover pool shall be subject to maximum limits per category, throughout the issuance, as defined by decision of the Bank of Greece.

## Article 13

### Derivative contracts in the cover pool

(Article 11 of Directive (EU) 2019/2162)

1. Total cover assets may be included in derivative contracts only if they meet at least the following conditions:

(a) Inclusion in the total cover data exclusively for cover purposes, adjustment of their volume in the event of reduction in covered risk and deduction from the cover pool when the covered risk ceases to exist;

(b) Adequate documentation;

(c) Segregation in accordance with Article 14;

(d) Prohibition of termination in the event of insolvency or reorganization of the credit institution issuing the covered bonds;

(e) Compliance with the rules adopted, in accordance with par. 2.

2. a) For the purposes of ensuring compliance with the requirements of par. 1, the Bank of Greece, by its decision, shall establish rules for derivative contracts, which are included in the cover pool.

b) The above rules, among others, shall specify:

ba) The types of eligible derivative contracts for their inclusion in the cover pool;

bb) the eligibility criteria of the counterparties;

bc) the necessary documentation provided for derivative contracts.

#### Article 14

##### Segregation of cover assets

(Article 12 of Directive (EU) 2019/2162)

1. a) In order to achieve sufficient separation of the cover assets, at least the following conditions must be met:

(aa) All coverage assets can be recognized at any time by the credit institution issuing the covered bonds;

(ab) All coverage assets are subject to legally binding and enforceable separation from the credit institution issuing the covered bonds;

(ac) All coverage assets are protected from any claims of third parties and no cover assets is part of the liquidated assets of the credit institution issuing the covered bonds, until the priority requirement referred to in item b) of par. 1 of Article 6.

b) For the purposes of point (a) hereof, the cover assets shall include any collaterals obtained in relation to derivative contract positions.

2. The total cover assets constitute a legal pledge in favor of the bondholders and other lenders, the requirements of which are linked to the issuance of the covered bonds and who are referred to as secured creditors in the covered bond program. In case certain cover assets, which constitute the cover pool, are governed by a foreign law, then collateral is recommended for the benefit of bondholders and the other secured creditors, in accordance with the provisions of the relevant law.

3. The program may provide collaterals by the same legal pledge of bondholders or other lenders, the requirements of which are linked to covered bonds of different issuance or series, as well as any relevant issues, such as the relationship between them, the manner and priority satisfaction and the manner of their organization in a group and their representation, by way of derogation from articles 63 and 64 of law 4548/2018 (A` 104), on condition that the application of foreign law is not selected in

this regard. The appointment of several representatives of bondholders, joint or by order or issue, is not excluded. The representative of the bondholders is liable to the bondholders for fraud and gross negligence.

4. The cover assets included in the cover pool are mentioned by name in a document signed by the issuer and the bondholders' representative and are recorded in a summary containing its essential points, according to article 3 of law 2844/2000 (A` 220). In the same way the cover assets that are part of the cover pool can be replaced with others or cover assets can be added to the cover pool.

5. From registration of the document of par. 4, the validity of the issuance of a covered bond, the formation of the legal pledge and the collateral secured by a foreign law on collaterals, the payments to the bondholders and other lenders secured by the legal pledge, as well as the conclusion of any relevant contract, shall not be affected by the initiation of insolvency proceedings in relation to the issuer.

6. Confiscation of assets included in cover assets is not allowed. Any disposition by the issuer without the prior written consent of the representative of the bondholders shall be invalid, unless otherwise specified in the terms of the covered bond.

7. The separation of cover assets, referred to in par. 1, also applies in case of insolvency or consolidation of the credit institution that issues covered bonds.

#### Article 15

Person responsible for monitoring the cover pool  
(Article 13 of Directive (EU) 2019/2162)

1. Credit institutions issuing covered bonds shall designate a person responsible for monitoring the overall coverage data to continuously monitor the coverage data for the fulfillment of requirements of Articles 8 to 14 and Articles 16 to 19, as well as the decisions of the Bank of Greece specializing in these articles.

2. The monitoring of the total coverage data, according to par. 1, shall be carried out by a chartered accountant, independent of the credit institution, who issues the covered bonds and by the chartered accountant of law 4449/2017 (A` 7) of credit institution.

3. For the appointment of the person in charge of par. 1, as well as for his/her dismissal, a decision is taken by the Board of Directors of the credit institution issuing the covered bonds.

4. The person in charge of monitoring the total coverage data shall have the right to access the information necessary for the performance of his/her duties.

5. In case at any time, during the issuance of the covered bonds, the person in charge of monitoring the total coverage data finds that the requirements of Articles 8 to 14 and

16 to 19, as well as the decisions of the Bank of Greece specifying these articles are not met, he/she shall immediately inform the credit institution and the latter shall be obliged to take, without any delay, the necessary corrective actions.

6. By decision of the Bank of Greece, the role and duties of the supervisor are further specified, including in case of insolvency or reorganization of the credit institution issuing the covered bonds, as well as the reporting obligations to the Bank of Greece in terms of type and frequency.

7. The Bank of Greece shall be informed of the results of the audits carried out by the supervisor as part of his/her duties.

#### Article 16

##### Investors' update

(Article 14 of Directive (EU) 2019/2162)

1. Credit institutions issuing covered bond programs shall provide information on their covered bonds that is sufficiently detailed to enable investors to assess the profile and risks of the plans and to exercise due diligence.

2. a) For the purposes of paragraph 1, information shall be provided to investors at least quarterly and shall include at least:

(aa) The nominal and current value of the cover pool and the outstanding covered bonds with special reference to the net current value of the derivative financial instruments included in the cover pool per counterparty category,

(ab) a percentage analysis of the derivative financial instruments included in the total cover data, per category of counterparty;

(ac) a list of International Securities Identification Numbers (ISINs) for all issues of covered bonds under that program to which an ISIN has been assigned;

(ad) the geographical distribution and the type of cover data, the amount of loans concerned and the valuation method;

(ae) detailed information on market risk, including interest rate risk and foreign exchange risk, credit risk and liquidity risk;

(af) the maturity structure of cover assets, with distinction, where applicable, in Euros and in foreign currency, including, where appropriate, an overview of the maturity activation events;

(ag) the levels of required and available coverage, and the levels of statutory, contractual and voluntary overcollateralisation;

(ah) the percentage of loans where a default is considered to have occurred pursuant to Article 178 of Regulation (EU) No 575/2013 and in any case where the loans are more than 90 days past due.

(ai) the total value of interest receivable on loans included in the cover pool and show a delay of more than ninety (90) days.

b) As regards the covered bonds issued, in intragroup pooled covered bond structure, pursuant to Article 10, the above information or related link is provided to the investors, for all covered bonds of the group issued within the group at least in cumulative basis.

3. Credit institutions that issue covered bonds shall publish on their website and in their annual financial statements, the information available to investors, in accordance with paragraphs 1 and 2.

4. By decision of the Bank of Greece, any other necessary details for the application of this can be regulated.

#### Article 17

##### Coverage requirements

(Article 15 of Directive (EU) 2019/2162)

1. Covered bond programs must, at all times, comply with the coverage requirements herein.

2. All covered bond liabilities are covered by payment requirements associated with the cover assets.

3. a) The liabilities indicated in par. 2 shall include:

aa) The obligations for the payment of the amount of capital of the outstanding covered bonds,

(ab) the obligations for the payment of any interest on outstanding covered bonds;

(ac) payment obligations related to derivative contracts complied with in accordance with Article 13; and

(ad) the expected costs related to the maintenance and administration for the winding-down of the covered bond programme.

b) For the purposes of sub-point ad) of point a), the calculation of a lump sum is allowed.

4. a) The following cover assets shall contribute to the coverage requirement:

- (aa) Primary assets;
  - (ab) Substitution assets;
  - (ac) Liquid assets held in accordance with Article 18; and
  - (ad) Payment requirements related to derivative contracts complied with in accordance with Article 13.
- b) Receivables for which there has been a breach of obligations pursuant to Article 178 of Regulation (EU) 575/2013 and in any case receivables that are delayed more than ninety (90) days shall not contribute to coverage.
- c) The Bank of Greece may, by its decision, determine the types and maximum limits of the replacement assets that may be included in the coverage requirement.
5. For the purposes of sub-point. ag) of point a) of par. 3 and sub-point. ad) of point a) of par. 4, the Bank of Greece shall establish, by its decision, rules for the valuation of derivative contracts.
6. a) When calculating the required cover, it shall be ensured that the total nominal amount for all cover assets shall exceed by at least five percent (5%) the total nominal amount of outstanding covered bonds ("nominal value principle").
- b) By decision of the Bank of Greece, the above percentage of over-insurance may be set higher in the event that the cover assets fall under sub-point ab) of point a) of par. 1 of Article 8 and depending on their type.
- c) The Bank of Greece may, by its decision, allow other calculation principles, provided that they do not result in a higher coverage rate than calculated, in accordance with the principle of nominal value.
- d) The Bank of Greece may, by its decision, establish rules regarding the calculation of any interest payable in relation to outstanding covered bonds and interest receivable in relation to cover assets, which reflect principles of sound prudential supervision, in accordance with the applicable accounting standards.
7. By way of derogation from paragraph a) of paragraph 6, and in accordance with the applicable accounting standards, allow for future interest receivable on the cover asset net of future interest payable on the corresponding covered bond to be taken into consideration in order to balance any shortfall in coverage of the principal payment obligation attached to the covered bond, where there is a close correspondence as defined in Commission Delegation (EU) 523/2014 of 12 March 2014 supplementing Regulation (EU) 575/2013 of the European Parliament and Council as regards regulatory technical standards for determining what constitutes a close correspondence between the value of covered bonds and the value of a credit institution's assets (L 148), subject to the following conditions:

a) Payments received during the lifetime of the cover asset and necessary for coverage of the payment obligation attached to the corresponding covered bond are segregated in accordance with Article 14 or are included in the cover pool in the form of cover assets referred to in Article 8 until the payments become due; and

b) Repayment of the cover asset is possible by way of exercising the delivery option, as defined in the delegated Regulation (EU) 523/2014, or, in the case of covered bonds callable at par by the credit institution issuing the covered bonds, by way of the cover asset's borrower paying at least the called covered bond's par amount.

8. Without prejudice to paragraph 9, the calculation of cover assets and liabilities shall be based on the same method.

9. The Bank of Greece may, by its decision, allow different methods of calculating the coverage data on the one hand and liabilities on the other hand, provided that the use of such different methodologies does not result in a higher ratio of coverage than that calculated using the same methodology for the calculation of both cover assets and liabilities.

10. For the purposes hereof, the conversion of the value of assets denominated in foreign currencies shall be based on the exchange rates published by the European Central Bank.

11. By decision of the Bank of Greece, any other necessary details may be regulated, as well as additional obligations may be imposed regarding the application hereof.

## Article 18

### Requirement for a cover pool liquidity buffer

(Article 16 of Directive (EU) 2019/2162)

1. The cover pool shall, at all times, includes at all times a liquidity buffer composed of liquid assets available to cover the net liquidity outflow of the covered bond programme.

2. The cover pool liquidity buffer shall cover the maximum cumulative net liquidity outflow over the next 180 days.

3. a) The cover pool liquidity buffer referred to in paragraph 1 of this Article consists of the following types of assets, segregated in accordance with Article 14:

aa) Assets qualifying to be Level 1, Level 2A or Level 2B assets, in accordance with Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 supplementing Regulation (EU) 575/2013, as regards the liquidity risk requirement for credit institutions (L 11), which are valued in accordance with this Delegated Regulation and have not been issued by the credit institution issuing the covered bonds, the parent



undertaking, unless it is a public sector entity that is not a credit institution, its subsidiary or other subsidiary of the parent undertaking or a special purpose entity by securitization, with which the credit institution has close links;

ab) short-term exposures to credit institutions that qualify for the first or second tier of credit quality or short-term deposits with credit institutions qualified in the first, second or third tier of credit quality, in accordance with point (c) of paragraph 1 of Article 129 of Regulation (EU) 575/2013.

b) The Bank of Greece may, by its decision, restrict the types of liquid assets used for the purposes of sub-point aa) and ab) of point a) hereof.

c) Claims for which there has been a breach of obligations, in accordance with Article 178 of Regulation (EU) 575/2013, and in any case claims that have a delay of more than ninety (90) days, do not contribute to the cover pool liquidity buffer.

4. Where credit institutions issuing covered bonds are subject to liquidity requirements set out in other Union legal acts that result in an overlap with the cover pool liquidity buffer, paragraphs 1, 2 and 3 shall not apply for the period provided for in those EU laws until the date of their amendment and for the duration of the overlap.

5. The calculation of the principal for extendable maturity structures shall be based on the final maturity date in accordance with the contractual terms and conditions of the covered bond.

## Article 19

### Requirements for extendable maturity structures (Article 17 of Directive (EU) 2019/2162)

1. Credit institutions may issue covered bonds with extendable maturity structures, on condition that at least the following conditions are met:

(a) The maturity may be extended due to insolvency of the capital, as well as due to objective activating factors that may be determined by decision of the Bank of Greece and not at the discretion of the credit institution issuing the covered bonds,

(b) the maturity extension triggers are specified in the contractual terms and conditions of the covered bond;

(c) the information provided to investors about the maturity structure is sufficient, so that the latter is able to determine the risk of the covered bond, and includes a detailed description:

(ca) the maturity extension triggers;

(cb) the consequences for a maturity extension of the insolvency or resolution of the credit institution issuing the covered bonds;

(cc) the role of the Bank of Greece and, where appropriate, the special administrator with regard to the maturity extension;

(d) the final maturity date of the covered bond is at all times determinable;

(e) in the event of the insolvency or resolution of the credit institution issuing the covered bonds, maturity extensions do not affect the ranking of covered bond investors or invert the sequencing of the covered bond programme's original maturity schedule;

(f) the maturity extension does not change the structural features of the covered bonds regarding dual recourse as referred to in Article 6 and bankruptcy remoteness as referred to in Article 7.

2. In cases where the maturity extension triggers of par. 1, the credit institution must immediately inform the Bank of Greece.

#### Article 20

##### Permission for covered bond programmes

(Article 19 of Directive (EU) 2019/2162)

1. For the issuance of a covered bond program, a permission must be previously obtained from the Bank of Greece.

2. Credit institutions that apply for a permission of the Bank of Greece for the issuance of a covered bond program, in accordance with the present, must have at least:

(a) Adequate program of operations implemented for the purposes of issuing covered bonds,

(b) adequate and recorded policies, procedures and methods for approving, modifying, renewing and refinancing loans included in the total coverage data;

(c) executives and staff involved in the covered bond program who have sufficient qualifications and knowledge of the issuance and management of the plan;

(d) adequate organization and computer infrastructure for the administration of the covered bond programme and their monitoring, in order to meet the requirements of the present law and the decisions issued under its authority;

(e) a predetermined risk mitigation policy and appropriate mechanisms for monitoring and managing the risks arising from the issuance and monitoring of covered bonds;

(f) a detailed description and clear definition of the responsibilities and limits of responsibility of the involved service units and any Committees of the credit institution, from which it results that there is constant monitoring of the issuance of the program.

3. The Bank of Greece may further specify the conditions of paragraph 2 and set additional conditions, as well as set the procedure and deadlines for the application of this article, the data submitted by the credit institutions and any other relevant issue.

4. The credit institutions shall inform the Bank of Greece in advance of any amendments to the approved plans, indicating substantial changes that may need reassessment of the conditions under which the permission was granted, and the approval of these changes by the Bank of Greece. In addition, the credit institutions shall inform the Bank of Greece about the individual issues of covered bonds that take place within the approved program.

## Article 21

Covered bond supervision in the event of insolvency or resolution  
(Article 20 of Directive (EU) 2019/2162)

1. In case of consolidation of a credit institution that has issued covered bonds, the Bank of Greece shall cooperate with the consolidation authority, in order, among other things, to verify the continuous and good management of the covered bond program during the consolidation process.

2. (a) In case of insolvency or reorganization of a credit institution that has issued covered bonds, the appointment of a special administrator shall be required, who shall safeguard the rights and interests of the investors in those bonds, including at least through the verification of its continuous and sound management. covered bond program for the period deemed necessary.

(b) The special administrator shall be appointed by the representative of the bondholders. For this appointment and termination of the special administrator, the consent of the Bank of Greece is requested. The duties of a special administrator may be assumed by the representative of the bondholders.

The Bank of Greece may appoint the special administrator, unless the representative of the bondholders does so.

3. The duties and responsibilities of this Special Administrator shall be:

(a) The fulfillment of obligations related to the covered bonds,

(b) the management and liquidation of covered items, including their transfer, together with the liabilities of the covered bonds, to another credit institution issuing covered bonds;

(c) the guarantee that the amounts resulting from collection of receivables included in the legal pledge and liquidation of other assets subject to it are available for the repayment of bonds and other pledged receivables in accordance with their legal pledge of the covered bond program,

(d) the implementation of the legal acts which are necessary for proper management of the total cover data for the continuous monitoring of the coverage of liabilities related to the covered bonds, for the initiation of procedures for the return of assets to the total cover data and the transfer of the remaining assets to the liquidated assets of the credit institution that issued the covered bonds, after fulfillment of all the obligations of the covered bonds.

4. The Special Administrator shall have the qualifications, skills and knowledge required to carry out his duties.

5. For the purposes of the insolvency or resolution procedure, an exchange of information may take place between the Bank of Greece, the special administrator, and, in case of resolution, the resolution authority.

## Article 22

### Submission of reports to the Bank of Greece (Article 21 of Directive (EU) 2019/2162)

1. Credit institutions that issue covered bonds shall submit to the Bank of Greece ordinary and, as the case may be, extraordinary reports with the information specified in par. 2, regarding the covered bond programs.

2. The reporting made in par. 1 shall include information at least as follows:

(a) The eligibility of the assets and cover pool requirement, in accordance with Articles 8 to 13;

(b) the segregation of cover assets in accordance with Article 14;

(c) the functioning of the cover pool monitoring, in accordance with Article 15;

(d) the coverage requirements in accordance with Article 17;

(e) the cover pool liquidity buffer, in accordance with Article 18;

(f) the conditions for extendable maturity structures in accordance with Article 19.

3. The Bank of Greece may, by its decision, establish rules regarding the frequency and any other details for the regular submission of the reports indicated in par. 1, specify the information indicated in par. 2 and determine additional information submitted. by credit institutions issuing covered bonds.

4. The Bank of Greece may, by its decision, establish rules regarding the information provided to it, in accordance with par. 2, in case the credit institutions issuing covered bonds are placed in insolvency or in resolution regime.

#### Article 23

Powers of the Bank of Greece for the purposes of covered bonds supervision  
(Article 22 of Directive (EU) 2019/2162)

1. When performing its duties, as part of the present law, the Bank of Greece shall have the following powers of supervision, investigation and imposition of sanctions:

(a) The power to grant or refuse permission for the issuance of covered bond programs in accordance with Article 20,

(b) the power to regularly review the covered bond programs, with the purpose of assessing their compliance with this and the decisions issued under its authority;

(c) the power to carry out on-site and off-site inspections;

(d) the power to impose administrative penalties and other administrative measures in accordance with Article 24;

(e) the power to adopt supervisory guidelines and relevant decisions relating to the issue of covered bonds, where appropriate;

(f) the specialization of rules and issues of application hereof.

#### Article 24

Administrative penalties and other administrative measures  
(Article 23 of Directive (EU) 2019/2162)

Without prejudice to the supervisory powers of the Bank of Greece referred to in the applicable legislation, as well as in the criminal legislation, the Bank of Greece shall impose, disjunctively or cumulatively, administrative penalties and administrative measures for infringements of the present law and its authorized regulatory acts and, in particular in cases where the credit institution:

(a) has acquired a permission for a covered bond programme by means of false statements or in any other unlawful manner;

(b) no longer fulfils the conditions under which the covered bond program was granted;

(c) has issued covered bonds without obtaining a permission in accordance with Article 20;

- (d) does not comply with the requirements of Article 6;
- (e) does not comply with the requirements of Article 7;
- (f) has issued covered bonds that are not collateralised in accordance with Article 8;
- (g) has issued covered bonds, that are collateralised by assets located outside the EU, in breach of the requirements of Article 9;
- (h) collateralises covered bonds in an intragroup pooled covered bond structure in breach of the requirements laid down in Article 10;
- (i) fails to fulfil the conditions for joint funding of Article 11;
- (j) fails to meet the requirements of composition of the cover pool of Article 12;
- (k) fails to meet the requirements of Article 13 relating to derivative contracts in the cover pool;
- (l) fails to comply with the requirements of Article 14 for segregation of cover assets;
- (m) fails to report information or provides incomplete or inaccurate information intended to inform investors in breach of the requirements of Article 16;
- (n) repeatedly and persistently fails to maintain a cover pool liquidity buffer in breach of the requirements of Article 18;
- (o) as regards covered bonds issued with an expandable maturity structure, it does not comply with the requirements of Article 19;
- (p) fails to report information or provides incomplete or inaccurate information in breach of the reporting requirements of Article 22.

2. Without prejudice to par. 2 of article 59 of law 4261/2014 (A` 107), the penalties and measures for the violations mentioned in par. 1 shall be effective, proportionate and dissuasive and shall include, in particular:

- (a) Withdrawal of permission for a covered bond program,
- (b) a public notice stating the identity of the natural or legal person and the nature of the breach;
- (c) an order requiring the natural or legal person to cease the conduct and to desist from a repetition of that conduct;
- (d) administrative pecuniary penalties.

3. The Bank of Greece, when determining the type of administrative penalties or other administrative measures as well as the amount of administrative fines, shall take into account the following, as the case might be:

- (a) The gravity and duration of the breach,
- (b) the degree of responsibility of the natural or legal person liable for the breach;
- (c) the financial strength of the natural or legal person liable for the breach, as shown, inter alia, from the total turnover of the legal person or the annual income of the natural person;
- (d) the importance of the gains made or the losses avoided as a result of the breach made by the natural or legal person liable for the breach, in so far as those gains or losses can be determined;
- (e) losses to third parties caused by the breach, to the extent that they can be determined;
- (f) the level of cooperation of the natural or legal person responsible for the breach with the Bank of Greece;
- (g) any previous breaches of the natural or legal person liable for the breach;
- (h) any actual or potential systemic consequences of the breach.

4. In case par. 1 applies for legal entities, the Bank of Greece shall impose the administrative penalties and other administrative measures of par. 2 to members of the Board of Directors of the legal entity and to other natural persons who, based on the national legal framework, shall be liable for the breach, act or omission, if this was made during performance of the tasks assigned to them. As far as the other provisions are concerned, Law 4261/2014 shall apply, especially paragraphs 2 and 4 of Article 62.

5. Before the decision for the imposition of administrative penalties or other administrative measures, according to par. 2, the Bank of Greece shall give the natural or legal person the opportunity to be heard. Exceptions from the right to be heard may apply where such other administrative measures are required in cases where urgent action is required to prevent significant damage to third parties or significant damage to the financial system. In such cases, the person concerned shall be given the opportunity to be heard as soon as possible after imposition of the administrative measure and, if necessary, the measure in question shall be revised.

6. The decision of the Bank of Greece on the imposition of administrative penalties or other administrative measures of par. 2 shall be duly justified and shall be subject to an application for annulment before the Council of State.

## Article 25

### Publication of administrative penalties and other administrative measures (Article 24 of Directive (EU) 2019/2162)

1. Administrative penalties and other administrative measures shall be published, without undue delay, on the official website of the Bank of Greece.
2. The publication of par. 1 shall include at least the publication of any penalty for the breach of the present law, against which either no application for annulment has been filed or the application has been rejected, in accordance with the above.
3. (a) The above disclosures shall include information on the type and nature of the infringement, as well as the identity of the natural or legal person to whom the penalty or measure shall be imposed.  
  
b) Without prejudice to paragraph 4, such information shall be made public, without undue delay, upon information of the recipient of such penalty or measure and publication of the decision imposing the penalty or measure, on the official website of the Bank of Greece.
4. In case of publication of a decision imposing penalties or other measures against which an application for annulment is pending, the Bank of Greece shall also publish, without undue delay, on its official website, any information on the status of the application for cancellation and its outcome.
5. The Bank of Greece shall publish the decision imposing penalties or measures on an anonymous basis and in accordance with the legislation, in any of the following cases:
  - (a) When the penalty or measure is imposed on a natural person and the disclosure of personal data is considered disproportionate,
  - (b) where publication would jeopardize the stability of financial markets or an ongoing criminal investigation;
  - (c) where disclosure would, to the extent that it may be determined, cause disproportionate damage to the credit institutions or natural persons involved.
6. In case the decision imposing a sanction or measure is made public on an anonymous basis, the Bank of Greece may postpone the publication of the relevant data.
7. In case of an irrevocable court decision annulling a decision imposing a penalty or measure, the Bank of Greece shall make this fact public.



8. a) The information published in accordance with paragraphs 2 to 6 shall remain on the official website of the Bank of Greece for five (5) years.

b) The personal data contained in the publication shall remain on the above official website only for the necessary period of time, in accordance with the applicable rules for the protection of personal data.

9. Without prejudice to par. 1 of Article 61 of law 4261/2014 (A` 107), the Bank of Greece shall inform the European Banking Authority on any imposed administrative penalties and other administrative measures, including, as the case might be, any requests for their cancellation, as well as their outcome.

#### Article 26

##### Cooperation obligations

(Article 25 of Directive (EU) 2019/2162)

1. The Bank of Greece shall closely cooperate with the competent supervisory authority of credit institutions, as well as with the consolidation authority, in the event the credit institution that has issued the covered bonds has entered into a resolution regime.

2. The Bank of Greece, if it realizes that any kind of information may significantly affect the assessment of the issuance of covered bonds in other Member States, shall disclose this information on its own initiative to the competent authorities designated in those Member States, in accordance with paragraph 2 of Article 18 of Directive (EU) 2019/2162.

3. The Bank of Greece shall cooperate with the European Banking Authority for the purposes indicated hereof.

#### Article 27

##### Labelling

(Article 27 of Directive (EU) 2019/2162)

1. Credit institutions issuing covered bonds may use the "European Cover Bond" label and its official translation into all official EU languages only for covered bonds that meet the requirements set out herein.

2. Credit institutions issuing covered bonds may use the "European Bonded (Premium)" label and its official translation into the official languages of the EU only for covered bonds that meet the requirements set out herein and the requirements of Article 129 of Regulation (EU) 575/2013, as amended by Regulation (EU) 2019/2160.

3. The credit institutions shall notify the Bank of Greece, as part of the issuance of covered bonds, on condition that they meet the conditions for the use of the label indicated in par. 1 or of par. 2 and if they intend to use such label.

4. By decision of the Bank of Greece, any other necessary details for the application of this article may be regulated.

#### Article 28

##### Disclosure requirements

(Article 26 of Directive (EU) 2019/2162)

1. The Bank of Greece shall publish on its official website:

(a) The texts of the national legislation and the decisions that it has issued on specific requirements and rules, as regards the application of the requirements of the present law, in relation to the issuance of covered bonds,

(b) the list of credit institutions that permitted to issue covered bonds;

(c) a list of covered bonds that are entitled to use the label "European Covered Bond", as well as a list of covered bonds that are entitled to use the label "European Covered Bond (Premium)" mark.

2. The information in par. 1 shall be updated to take account of any changes.

3. The Bank of Greece shall notify the European Banking Authority on an annual basis of the list of credit institutions referred to in paragraph b) of paragraph 1 and the lists of covered bonds referred to in paragraph c) of paragraph 1.

#### Article 29

##### Investment limits of UCITS - Amendment of Article 61 of law 4099/2012

(Article 28 of Directive (EU) 2019/2162)

The point b) of par. 4 of Article 61 of law 4099/2012 (A` 250) shall be replaced as follows:

"B) By way of derogation from par. 1, the placement of up to twenty-five percent (25%) of UCITS net assets is allowed in bonds issued before 8.7.2022 that meet the requirements set out in this case, as currently in force at the issue date, or in case the bonds fall within the definition of covered bonds, as provided in case 1 of Article 3 of Directive (EU) 2019/2162 (L 328) and national transposition measures.

The UCITS investments in bonds of the present law which are more than 5% per issuer may not cumulatively exceed eighty percent (80%) of UCITS net assets, considering the limit of 25% per issuer. "

## Article 30

Definitions – Amendment of the internal Article 2 of Article 2 of Law 4335/2015  
(Article 29 of Directive (EU) 2019/2162)

Point 48 of par. 1 of the internal Article 2 of Article 2 of Law 4335/2015 shall be replaced as follows;

"48) "covered bond": as defined in Article 1 (3) of Directive 2019/2162 (L 328) and in its national implementation measures or in respect of an instrument issued before 8.7.2022, as mentioned in point b` of par. 4 of Article 61 of law 4099/2012 (A` 250), as it was applicable on its issuance date."

## Article 31

Transitional measures  
(Article 30 of Directive (EU) 2019/2162)

1. The covered bonds which have been issued before 8.7.2022 and meet the requirements of point b) of par. 4 of Article 61 of Law 4099/2012 (A` 250), as it was valid on their issuance date, shall not be subject to the requirements of Articles 7 to 14 and 17 to 20 hereof, but may continue to be referred to as covered bonds, in accordance with the present law until their expiration.

2. The Bank of Greece shall monitor compliance of the covered bonds referred to in par. 1, with the requirements of Article 152 of law 4261/2014 (A` 107), as in force at the date of their issuance, as well as with the requirements of the present law, if they apply in accordance with par. 1 hereof.

3. The provision of par. 1 shall also apply to continuous issues of covered bonds for which the opening of the ISIN (International Securities Identification Number) code took place before 8.7.2022 and for up to twenty-four (24) months after this provided that such issues shall comply with all of the following requirements:

- a) The maturity date of the covered bond is before 8.7.2027,
- (b) the total issuance size of tap issues made after 8.7.2022 shall not exceed twice the total issue size of the covered bonds outstanding on that date;
- (c) the total issue size of the covered bond at maturity does not exceed EUR 6,000,000,000;
- (d) the collateral assets are located in Greece.

## Article 32

## Review and reports

(Article 31 of Directive (EU) 2019/2162)

1. By 8.7.2024 the Ministry of Finance shall submit to the European Commission information on the following issues:

- (a) Developments regarding the number of permissions to issue covered bonds;
- (b) developments regarding the number of covered bonds issued in compliance with this law and with Article 129 of Regulation (EU) No 575/2013;
- (c) developments regarding the assets collateralising the issue of covered bonds;
- (d) developments regarding the level of overcollateralisation;
- (e) cross-border investments in covered bonds, including inward investments from third countries and outward investments to third countries;
- (f) developments regarding the issue of covered bonds with extendable maturity structures;
- (g) developments regarding the risks and benefits of the use of exposures, as referred to in Article 129 (1) of Regulation (EU) 575/2013;
- h) the functioning of the covered bond market.

## Article 33

### Repealed provisions

From the entry into force of the present, Article 152 of law 4261/2014 (A` 107), on covered bonds shall be repealed and any reference to it shall be understood as reference to the respective provisions of the present law.

## PART B`

INTEGRATION OF DIRECTIVE (EU) 2019/1153 OF THE EUROPEAN PARLIAMENT AND COUNCIL ON THE LAYING DOWN RULES FACILITATING THE USE OF FINANCIAL AND OTHER INFORMATION FOR THE PREVENTION, DETECTION, INVESTIGATION OR PROSECUTION OF CERTAIN CRIMINAL OFFENCES AND REPEALING OF DECISION 2000/642 /JHA OF THE COUNCIL

## CHAPTER A

## GENERAL PROVISIONS

### Article 34

#### Purpose

The purpose of the present law is to provide effective and timely access to and exchange of financial information, to strengthen both domestic and cross-border cooperation in conducting financial investigations into serious crime and terrorism, as well as operational cooperation between financial information units. This purpose shall be achieved through the transposition into Greek law of Directive (EU) 2019/1153 of the European Parliament and Council of June 20th, 2019 establishing rules to facilitate the use of financial and other information for the prevention, detection, investigation or prosecution of certain criminal offences and repeal of Decision 2000/642/ΔΕΥ of the Council (L 186).

### Article 35

#### Object

(Article 1 of Directive EU) 2019/1153)

The purpose of the present law is to introduce a unified institutional framework to access, exchange and use financial information and bank account information for the prevention, detection, investigation and prosecution of serious crimes, as well as to facilitate the access and cooperation of the First Unit of the Authority and other financial intelligence units on information regarding the implementation of the law on prevention and control of money laundering, associate predicate offences and terrorist financing, as well as the establishment of clear procedures and guarantees during the exchange of information with Europol.

### Article 36

#### Definitions

(Article 2 of Directive (EU) 2019/1153)

For the purposes of the present law, the following terms shall be considered as follows:

(a) The "Bank Accounts and Payment Accounts Register System": means The Bank Accounts and Payment Accounts Register System of Article 62 of law 4170/2013 (A` 163), which is defined as the national central register of bank accounts and constitutes the central automated mechanism of electronic data retrieval, according to what is provided in Article 21A of law 4557/2018 (A` 139).

(b) "Asset Recovery Service": Section D means the Recovery of Assets from Criminal Activities and Mutual Assistance of the Directorate of Strategic Planning and Investigation Planning of the General Directorate of the Financial Crime Prosecution Corps of the Ministry of Finance. 142/2017 (A` 181).

(c) "Financial Intelligence Unit ("FIU")" means the competent national unit of the EU Member States for the prevention, detection and effective treatment of money

laundering and terrorist financing established pursuant to Article 32 of Directive (EU) 2015/849 of the European Parliament and Council of May 20th, 2015 on prevention of the use of the financial system for the purpose of money laundering or financing of amending Regulation (EU) 648/2012 of the European Parliament and Council, and repealing Directive 2005/60/EC of the European Parliament and Council and of Commission Directive 2006/70/EC. For Greece, the term "Financial Information Unit (FIU)" shall mean the First Unit of the Authority for Combating Money Laundering from Article 47 of Law 4557/2018.

(d) "Principle" means The Principle for Combating Money Laundering from Article 47 of Law 4557/2018.

(e) "Obligated persons" means what is defined in the provisions of par. 1 of Article 5 of law 4557/2018.

(f) "Financial information" means any type of information or data, especially data related to financial assets, capital movements or financial business relationships, which are kept by the Anti-Money Laundering Authority of article 47 of law 4557/201.

(g) "law enforcement information" means:

(ga) Any type of information or data held by the competent authorities referred to in Article 37 as part of the prevention, detection, investigation or prosecution of criminal offences;

(gb) any information or data held by public authorities or private entities which may be made available to the competent authorities referred to in Article 37 as part of the prevention, investigation or prosecution of criminal offences without compulsory action. The information referred to in the first subparagraph shall particularly include criminal records, information on investigations carried out, seizure or seizure of property or other investigative or interim measures, and convictions and confiscation of property.

(h) "Bank Account Information" means the following information on bank accounts, payment accounts and safe deposits contained in the Bank Accounts and Payment Accounts System:

(ha) For the account holder - customer and any person who claims to act on behalf of the customer: The name, accompanied by either the other identification data, required, according to case a) of par. 1 of Article 13 of Law 4557/2018, for verification of the identity of the customer, or from a unique identification number, especially the VAT No.

(hb) for the real beneficiary of the account holder - customer: the name, accompanied by either the other identification data, required, according to case b) of par. 1 of Article 13 of law 4557/2018, for verification of the identity of the beneficial owner, or by a unique identification number,

(hc) for bank account or payment account: the IBAN number and the date of opening and closing of the account;

(hd) for the safe deposit: the name of the lessee, accompanied by other identification data required in accordance with article 13 of law 4557/2018 for verification of the identity of the customer and the real beneficiary, or from a unique ID number and duration of the lease period.

(i) "Money laundering" means the criminal act provided for in its objective and subjective nature in articles 2 and 39 of law 4557/2018.

(j) "Basic offences" means the crimes defined in article 4 of law 4557/2018.

(ia) "Financing of terrorism" means the criminal act described in point b) of Article 4 of law 4557/2018, which is the criminal support of terrorist acts and terrorist organization, as defined in Articles 187A and 187B of the Penal Code; and in Articles 32 to 35 of law 4689/2020 (A` 103).

(ib) "Financial analysis" means the results of the operational and strategic analysis that has already been carried out by the IFRS for the execution of their duties, pursuant to article 48 of law 4557/2018.

(ic) "Serious crimes" means the criminal offences set out in Annex I to Regulation (EU) 2016/794 (L 135), annexed hereto, and provided for in their objective and subjective substance in the Penal Code; and the special criminal laws and are punished with the provided penalties as follows:

(id) The terrorist acts, the terrorist organization and their criminal support and financing, pursuant to Articles 187A, 187B of the Penal Code and 32 to 35 of law 4689/2020,

(ie) the criminal organization, pursuant to Article 187 of the Criminal Code;

(if) the drug trafficking crimes, provided for in Articles 20 to 23 of Chapter D` of law 4139/2013 (A` 74),

(ig) money laundering from criminal activities provided for in Articles 2 and 39 of law 4557/2018,

(ih) crimes provided in par. 1 and 3 of Article 8 of n.d. 181/1974 (A` 347),

(ii) crimes provided in par. 5 to 8 of article 29 and in article 30 of law 4251/2014 (A` 80),

(ij) human trafficking, pursuant to Article 323A of the Penal Code,

(ik) the arbitrary use of a means of transport, according to article 374A of the Criminal Code and the crimes related to motor vehicles;

(il) intentional homicide pursuant to Article 299 of the Penal Code, serious body damage pursuant to Article 310 of the Penal Code, and fatal injury under Article 311 of the Criminal Code;

(im) the crimes of Article 35 of law 3984/2011 (A` 150), in combination with Article 323A of the Criminal Code,

(in) abduction under Article 322 of the Penal Code, abduction of minors under Article 324 of the Penal Code, unlawful detention under Article 325 of the Penal Code, involuntary abduction under Article 327 of the Penal Code and voluntary abduction under Article 328 of the Penal Code,

(io) crime with racist characteristics, according to article 82A of the Criminal Code and crimes provided for in Law 927/1979 (A` 139),

(ip) larceny, pursuant to article 374 of the Penal Code, as well as robbery pursuant to article 380 of the Criminal Code,

(iq) the crimes, provided in articles 53, 54, 55, 61 and 63 of law 4858/2021 (A` 220),

(ir) embezzlement under Article 375 of the Penal Code, fraud under Article 386 of the Penal Code, computer fraud under Article 386a of the Penal Code and subsidy fraud under Article 386b of the Penal Code;

(is) crimes related to the criminal protection of the financial interests of the European Union, provided for in articles 23 and 24 of law 4689/2020 (A` 103),

(it) stock market crimes, provided for in articles 28 to 31 of law 4443/2016 (A` 232),

(iu) extortion, according to article 385 of the Penal Code,

iv) crimes pursuant to Article 66 of law 2121/1993 (A` 25) and par. 1 and 2 of article 45 of law 4679/2020 (A` 71), for trademarks,

(iw) forgery and misuse of stamps, according to par. 1 of article 208C of the Penal Code, preparatory acts of article 211PC, forgery, according to article 216PC, as well as distinguished forgery of certificates, according to par. 3 of article 217 PC,

(ix) counterfeiting of currency and other means of payment, according to article 207 of the Penal Code, circulation of counterfeit coins and other means of payment, according to article 208 of the Penal Code, counterfeiting of coin, according to article 208A of the Penal Code;

(iy) crimes against telecommunications, according to par. 1 to 4 of article 292A, articles 292B, 292C, 292D, par. 1 and 2 of article 292E of the Penal Code and illegal access



to information system or data, according to Articles 370B, 370C, par. 2 and 3 of article 370D and article 370E of the Penal Code;

(iz) bribery and accepting bribery of politicians and judicial officials, according to articles 159, 159A and 237 of the Penal Code, bribery and accepting bribery of an official, according to articles 235 and 236 of the Penal Code, influence trading, bribery and accepting bribery in the private sector, according to articles 237A and 396 of the Penal Code, as well as bribery and a for accepting bribery for the alteration of a match result, according to article 132 of law 2725/1999 (A` 121),

(jza) crimes indicated in Articles 6, 15 and 17 of law 2168/1993 (A` 147),

(izb) crimes of par. 1 to 3 of article 28 of law 1650/1986 (A` 160) and of par. 1 to 5 of article 6 of law 4037/2012 (A` 10) for maritime pollution,

(izc) facilitating insults to minors pursuant to Article 348 of the Penal Code, child pornography pursuant to Article 348A of the Penal Code, attracting children for sexual purposes pursuant to Article 348b of the Penal Code, child pornography pursuant to Article 348c of the Penal Code, pimping, pursuant to Article 349 of the Penal Code and sexual act with a minor against remuneration pursuant to article 351A of the Penal Code,

(izd) illegal trade in endangered animal species; illegal trade in endangered plant species and plant varieties;

(ize) illegal trade of hormonal substances and other growth factors, pursuant to article 128 I of law 2725/1999 (A` 121),

(izf) smuggling, as defined in article 155 and in cases b) and c) of par. 1 of Article 157 of law 2960/2001 (A` 265),

(izg) crime of genocide, crimes against humanity and war crimes under Articles 6, 7 and 8 of the Statute of the International Criminal Court, as ratified in Greek law by Law 3003/2002 (A` 75).

This also applies in case of offenses referred to in Annex I to Regulation (EU) 2016/794, which have been annexed, and which are not defined in cases ia to izg. In case of difference between the definitions of serious crimes in the list in Annex I to Regulation (EU) 2016/794, in the Penal Code and in the special criminal laws does not prevent the application of the present law.

(id) Data controller means that the Independent Public Revenue Authority is responsible for processing the Bank Accounts and Payment Accounts Register System in the capacity of administrator in accordance with Article 62 of law 4170/2013. The competent authorities shall remain responsible for the processing carried out while exercising their powers to prevent, detect, investigate or prosecute serious crimes.

Article 37

Competent authorities

(Article 3 of Directive (EU) 2019/1153)

Competent authorities when performing their duties, and in any case with the responsibility for prevention, detection, investigation or prosecution of serious crimes or the support of criminal investigations concerning such serious crimes or the detection, detection and seizure of assets associated with such a criminal investigation are defined as follows:

- (a) the judicial and prosecutorial authorities;
- (b) the Financial Crime Department of the Athens Appellate Prosecutor's Office,
- (c) the Greek Police,
- (d) the Coast Guard,
- (e) the Internal Affairs Service of Security Bodies,
- (f) the National Transparency Authority,
- (g) the Special Service of the Assets Audit Committee of the Hellenic Parliament,
- (h) the Financial Crime Prosecution Corps (SDOE) of the Ministry of Finance,
- (i) the Internal Audit Unit of the Ministry of Finance,
- (j) the Economic Crime Investigation Directorate of the Ministry of Finance,
- (ja) the Department of 4th Recovery of Assets from Criminal Activities and Mutual Assistance of the Directorate of Strategic Planning and Research Planning of the General Directorate of SDOE of the Ministry of Finance,
- (jb) the Independent Public Revenue Authority, which manages the System of Bank Accounts and Payment Accounts, pursuant to Article 62 of Law 4170/2013 (A` 163),
- (jc) the B` and C Unit of the Authority.

2. The competent authorities of par. 1 may request and receive financial information or financial analysis from the First Unit of the Authority.

3. The Independent Public Revenue Authority shall notify the European Commission of the competent authorities of paragraphs 1 and 2 by 30.6.2022, as well as any relevant amendments. Within the month of January of each year, the list of the

competent authorities of the first paragraph of the present law shall be published on the official website of the Independent Public Revenue Authority.

## CHAPTER B

### ACCESS BY COMPETENT AUTHORITIES TO BANK ACCOUNT INFORMATION

#### Article 38

Access to and searches of bank account information  
(Article 4 of Directive (EU) 2019/1153)

1. The competent authorities shall have direct access to the Bank Accounts and Payment Accounts Register System, in order to search for bank account information, in the exercise of their powers to prevent, detect, investigate or prosecute a serious crime or to support a criminal investigation concerning to a serious crime for the purposes of the present law, including the detection, tracing and seizure of assets related to such investigation. The access and research are carried out directly and in any case within a working day electronically, pursuant to the provisions of par. 2 of article 62 of law 4170/2013 (A` 163), with the rapid transmission of information of bank accounts to the competent authorities referred to in Article 37 through an automated mechanism, without the intermediary intervention of the body in the requested data or in the information provided.

2. The additional information considered necessary and provided by the Bank Accounts and Payment Accounts Register System, pursuant to par. 3 of Article 21a of law 4557/2018 (A` 139) and the provisions of Article 62 of law. 4170/2013, shall not be accessible and searchable by the competent authorities, subject to the terms and conditions of the legislation for waiving of banking secrecy, according to the provisions of the LD 1059/1971 (A` 270) and in any more special provision. The information deemed necessary and provided by the Bank Accounts and Payments Accounts Register System for purposes other than or in connection with other criminal offenses other than those referred to in Article 36, shall not be accessible and searchable by the competent authorities at this time.

#### Article 39

Conditions for access and for searches of bank account information  
(Article 5 of Directive (EU) 2019/1153)

1. The access and research of bank account information shall be carried out only by persons specifically designated and authorized to this end by each competent authority, as the case may be.

2. The competent authorities shall ensure that the persons indicated in par. 1 shall maintain high professional standards in issues of confidentiality and data protection, in

accordance with Article 63 of law 4170/2013 (A` 163), the provisions on confidentiality of Article 26 of Law 3528/2007 (A` 26) and Law 4624/2019 (A` 137), which are characterized for their integrity, have the necessary qualifications to perform their duties and receive, if necessary and special training to ensure of these standards. The authorization of users is made upon request of the competent authorities of Article 37 to the Independent Public Revenue Authority, according to the procedure defined in the decision no. 1258/2013 (B` 3101) of the Minister of Finance or any subsequent regulatory act, issued by authorization of article 62 of law 4170/2013.

3. The access and research of bank account information by the competent authorities shall be carried out under the terms and guarantees of the implementation of appropriate technical and organizational measures and procedures, in order to ensure confidentiality of the processing and the appropriate level of security in relation to the risks present the processing and nature of the data, in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council and of Law 4624/2019 and in compliance with the terms and conditions set out in Decision No. 1258/2013 of the Ministry of Finance or any subsequent regulatory act, by authorization of Article 62 of law 4170/2013, especially in Annex D` thereof, as regards the Regulation of Management and Operation of Bank Accounts and Payments Accounts Register System.

4. Bank account information shall be made available pursuant to the terms and conditions of the legislation on waiving of banking secrecy, waiving of confidentiality of data from the above competent authorities and automated access to them, in accordance with Article 62 of Law 4170/2013, Article 3 of Law 1059/1971 (A` 270) and article 32 of law 3986/2011 (A` 152), as well as any other more specific provision for each competent authority.

5. The Independent Public Revenue Authority shall be obliged before the assignment of access rights to the System to examine in detail the assistance of the relevant conditions, so that access is made only for the purposes hereof and shall only be only limited to the designated competent authorities.

#### Article 40

##### Records of logs requests

(Article 6 of Directive (EU) 2019/1153)

1. The Independent Public Revenue Authority shall ensure the keeping of records of requests for access of the competent authorities to bank account information. These entries include, the following among others:

- (a) The facts of the case;
- (b) the date and time of the query or search;
- (c) the type of data used to query or search;

(d) the unique identifier of the results;

(e) the name of the authority consulted the Bank Accounts and Payment Accounts Register System;

(f) the unique user identifier of the official who carried out the query or search of the supervisor who gave the relevant approval and the unique user identifier of the recipient of the results of the query or search.

2. Request records are regularly monitored by the data protection officer of the Independent Public Revenue Authority. The Independent Public Revenue Authority may grant the files indicated in the first paragraph, upon request, to the Personal Data Protection Authority.

3. The request records referred to in paragraph 1 shall only be used to monitor the data protection, including monitoring of the admissibility of a request and lawfulness of the data processing and safeguarding. They are protected by appropriate measures against unauthorized access and are deleted five (5) years after their creation, unless they are necessary for monitoring procedures which are already in progress and another law or regulation enables or obliges their safeguarding for a longer period, which may not exceed ten years.

4. The Independent Public Revenue Authority shall take appropriate measures, mainly organizing special training programs, where necessary, so that the relevant officials are aware of the legislation, including the relevant data protection rules.

## CHAPTER C

### EXCHANGE OF INFORMATION BETWEEN COMPETENT AUTHORITIES AND FIUs, AND BETWEEN FIUs

#### Article 41

Requests for information by the competent authorities to Authority Unit A  
(Article 7 of Directive (EU) 2019/1153)

1. Authority Unit A cooperates with the competent authorities of par. 2 Article 37 and answers, in a timely manner, to reasoned requests for financial information or financial analysis by those authorities, where that financial information or financial analysis is necessary on a case-by-case basis, for the prevention, detection, investigation or prosecution of serious criminal offences for the purpose of the present, under the conditions of Article 34 L. 4557/2018 (A` 139) and without prejudice to the limitations of Article 48 hereof. During the exchange of the information of the first subparagraph hereof, the secrecy of the criminal proceedings is taken into account and the confidentiality of the information provided is ensured.

2. Personal data included in financial information or analysis shared by Authority Unit A for the purposes of prevention, detection, investigation or prosecution of serious criminal offences, may be processed by the competent authorities for purposes other than those for which they were collected, in any case exclusively for the purposes of prevention, detection, investigation or prosecution of serious criminal offences, pursuant to the present and according to articles 43 and 47 of L. 4624/2019 (A` 137).

#### Article 42

Requests of information by Authority Unit A to competent authorities  
(Article 8 of Directive (EU) 2019/1153)

The competent authorities of par. 2 of Article 37 reply in a timely manner and on a case-by-case basis, to requests for the provision of information related to law enforcement received by Authority Unit A, where the information is necessary for the prevention, detection and combating of money laundering, associate predicate offences and terrorist financing, beyond the provisions of Articles 34 and 49 of L. 4557/2018 (A` 139) and under their conditions. During the exchange of the information of the first subparagraph hereof, the secrecy of the criminal proceedings is taken into account and the confidentiality of the information provided is ensured.

#### Article 43

Exchange of information between the Authority of Unit A and FIUs of other Member States  
(Article 9 of Directive (EU) 2019/1153)

1. In exceptional and urgent cases, Authority Unit A may exchange with FIUs of other Member States financial information or analysis which may relevant for the processing or analysis of information related to terrorism or organized crime associated with terrorism.

2. In the cases of par. 1 and subject to possible operational limitations, the Authority endeavours to exchange such information promptly.

#### Article 44

Exchange of information between competent authorities of the Member States (article 10 of Directive (EU) 2019/1153)

1. The competent authorities of par. 2 Article 37 may exchange financial information or financial analysis obtained shared by Unit A of the Authority, upon request and on a case-by-case basis, with the designated competent authorities of other Member States, where that financial information or financial analysis is necessary for the prevention, detection and combating of money laundering, associate predicate offences and terrorist financing.

2. In order to ensure high-level data security, the exchange of information or analysis of the present article takes place using dedicated secure electronic communications.

## CHAPTER D

### EXCHANGE OF INFORMATION WITH EUROPOL

#### Article 45

Provision of bank account information to Europol  
(Article 11 of Directive (EU) 2019/1153)

Pursuant to the conditions of par. 6 and 7 of Article 7 of Regulation (EU) 2016/794 of the European Parliament and the Council of 11<sup>th</sup> May 2016, about the European Union Agency for Law Enforcement Cooperation (Europol) and the replacement and repeal of the decisions of the Council 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA (L 135), the competent authorities may reply on a case-by-case basis to duly justified requests by Europol for the provision of bank account information made within the limits of its responsibilities and for the performance of its tasks, either through the national Europol unit or by direct contacts with Europol on condition of access to communication channels of Article 47 and pursuant to its provisions.

#### Article 46

Exchange of information between Authority Unit A and Europol  
(Article 12 par. 1 and 2 of Directive (EU) 2019/1153)

Authority Unit A may reply, on a case-by-case basis, to duly justified requests made by Europol for the provision of financial information or analysis carried out within the limits of its responsibilities and for the performance of its tasks either through the Europol national unit or directly, pursuant to Article 47 hereof, under the conditions of par. 6 and 7 of Article 7 of Regulation (EU) 2016/794 and Article 34 of L. 4557/2018 (A` 139).

#### Article 47

Detailed arrangements for the exchange of information with Europol  
(Article 13 of Directive (EU) 2019/1153)

1. The exchange of information pursuant to Article 45 and 46 takes place electronically and in a timely manner, either through SIENA or its successor in the language applicable to SIENA or through the FIU.Net or its successor, under the conditions of Regulation (EU) 2016/794 and Article 34 and 49 of L. 4557/2018 (A` 139).

2. Requests made by Europol to Authority Unit A are treated as if they originate from the FIU of another member state.

#### Article 48

Conditions for the exchange of financial information or analysis

(par. 2 to 4 of Article 7, second and third subparagraphs of par. 1 of Article 10 and par. 3 of Article 12 of Directive (EU) 2019/1153)

1. In the cases of requests for the provision of information or analyses pursuant to Article 41 and 46, the satisfaction of which may have a negative impact on ongoing investigations or analyses, or be clearly disproportionate to the legitimate interests of a natural or legal person or irrelevant with regard to the purposes for which it has been requested, the Authority Unit A is not obliged to comply.

2. Any use of financial information or analysis for purposes beyond those they were provided for, and any further transmission to another authority or body, requires the previous approval of Authority Unit A`. Any refusal to reply to requests received pursuant to Article 41, 43, 44 and 46 is justified by Authority Unit A`.

3. The final decision about dissemination of financial information or analyses remains with Authority Unit A.

4. Pursuant to Article 34 of L. 4557/2018 (A` 139), the financial information or analyses disseminated by Authority Unit A are confidential, provided exclusively for informational purposes and cannot be considered or used as evidence in criminal proceedings as defined in Article 178 Code of Criminal Procedure.

## CHAPTER E

### ADDITIONAL PROVISIONS RELATED TO THE PROCESSING OF PERSONAL DATA

#### Article 49

Scope

(Article 15 of Directive (EU) 2019/1153)

The present chapter applies only during the exchange of financial information and financial analysis pursuant to Article 41 to 48 incl.

#### Article 50

Processing of sensitive personal data

(Article 16 of Directive (EU) 2019/1153)



1. The processing of personal data revealing a person's racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership or of data concerning a natural person's health, sex life or sexual orientation is only allowed by persons who have been specially authorized by the controller and on condition that the processing is necessary and proportional for the fulfillment of their duties for the purposes hereof pursuant to the provisions of Regulation (EU) 2016/679 of the European Parliament and the Council, L. 4624/2019 (A` 137) and Regulation (EU) 2016/794 of the European Parliament and the Council, in the respective field of application.

2. The persons of par. 1 receive special training on matters of personal data protection and safety practices regarding data access, processing and exchange under the guidance of the data protection officer of their organization.

#### Article 51

Content and records of information requests  
(Article 17 of Directive (EU) 2019/1153)

1. The competent authorities and Authority Unit A` keep records about the requests for information and adopt special safety measures, in particular regarding the physical files. Records are kept for a period of five (5) years after their creation and are used solely for the purpose of identification, self-check and ascertaining data integrity and safety, and also for the purpose of checking the lawfulness of the processing of personal data. Upon request, the authorities provide access to the specific records to the Data Protection Authority.

2. The records of the information provision requests include:

- a) The name of the authority or organization, the full name and contact details of the authority or organization member requesting the information, and the full name and contact details of the recipient of the reply regarding the request or search,
- b) The reference to the national case in relation to which the information is requested,
- c) The subject matter of the requests and
- d) Any executing measures of such requests.

#### Article 52

Restrictions to data subjects' rights  
(Article 18 of Directive (EU) 2019/1153)

1. The restriction in whole or in part, of the data subject's right of access to personal data relating to them, i.e. financial information and financial analysis exchanged pursuant to Article 41 to 44 incl. hereof applies in the cases where the competent

authorities of Article 37 or Authority Unit A` as controllers in each case of the records referred to in Article 41 to 48 incl. fulfill their tasks solely for the purposes of the present, in a way that does not hamper official or legal investigations, analyses or processes and in order to ensure that the prevention, investigation and identification of criminal offenses hereof are not endangered, nor is the execution of the criminal penalties for them, the protection of public and national security, taking duly into account the fundamental rights and legitimate interests of the subjects or the right to access and in any case fulfilling the obligations set out in Article 50 and 51.

2. The controller informs in writing and without delay the data subject regarding any access refusal or restriction and about the reasons for the refusal or restriction. Said information may be omitted, if the provision of the relevant information undermines the purposes of par. 1. The controller informs the data subject regarding the possibility to file a complaint to the Data Protection Authority and to file an action before the courts.

3. The controller justifies the real or legal reasons on which the decision is based. This information is made available to the Data Protection Authority.

4. The authorities of par. 1 review regularly the restriction of access hereof, in order to ensure that the conditions of par. 1 continue to apply.

5. As part of a criminal investigation and procedure, the rights of information about processing, the rights of access, correction or deletion and restriction of personal data, pursuant to Article 54 to 56 incl. of L. 4624/2019 (A` 137), are exercised pursuant to the provisions of the Code of Criminal Procedure, special procedural provisions and the Code of Courts Organization and Status of Judicial Officers (L. 1756/1988, A` 35).

6. The above apply subject to the fact that the data subjects' right of access is not restricted pursuant to a more specific provision applying to the authorities of par. 1 regarding the purposes of criminal offense detection, investigation or prosecution.

## CHAPTER F

### ADDITIONAL PROVISIONS REGARDING STATISTICS, RELEVANCE TO INTERNATIONAL AGREEMENTS AND FINAL PROVISIONS

#### Article 53

Collection, maintenance and processing of statistics

(Article 19 and par. 6 of Article 21 of Directive (EU) 2019/1153)

1. As part of the control of the effectiveness of the systems for combating serious crime comprehensive statistics are maintained on a national level, as follows:

a) The Independent Authority for Public Revenue maintains complete and updated statistics, including information about the number of searches carried out pursuant to Article 38.

b) The competent authorities and Authority Unit A` maintain complete and updated statistics about the volume of requests, including the number of searches by natural and legal persons issued by each competent authority pursuant to Article 38, the follow-up given to those requests, the number of cases investigated, the data measuring the time an authority needs from the reception of a request until its answer, data measuring the cost in human resources and information technology resources used for domestic and cross-border requests, which fall under the present, if said information is available.

c) The Ministry of Justice maintains complete and updated statistics, including information about the number of persons being prosecuted and the number of persons condemned for the serious crimes hereof, if said information is available.

2. The Independent Authority for Public Revenue, the competent authorities and Authority Unit A` transmit to the Ministry of Justice the full and updated statistics of par. 1 in January of each year and are responsible for its maintenance and accuracy. The Ministry of Justice transmits to the European Commission the data of par. 1. A joint decision by the Ministers of Finance, Citizens' Protection and Justice, issued after a proposal by the Governor of the Independent Authority of Public Revenue, settles all specific issues from the application hereof, in particular matters of organization, production, collection and transmission to the European Commission a) of annual statistics of par. 1, as well as additional information thereon, b) the necessary information for the compilation of reports and carrying out evaluations provided for in Article 21 of Directive (EU) 1153/2019 of the European Parliament and the Council of the 20<sup>th</sup> June 2019, laying down rules aiming at facilitating the use of financial and other information for the prevention, detection, investigation or prosecution of some criminal offenses and the repeal of decision 2000/642/JHA of the Council (L 186).

## Article 54

Relevance to other provisions and international agreements  
(par. 2 Article 1 and Article 20 of Directive (EU) 2019/1153)

1. The conclusion or maintenance of the validity of international bilateral or multilateral agreements or memoranda of understanding or cooperation regarding the settlement of technical matters with other EU member states for the exchange of information between competent authorities is allowed insofar as their provisions are not contrary to Union and national law, and in particular hereto.

2. The present law applies without prejudice to the provisions of bilateral or multilateral agreements or memoranda of understanding or cooperation in force with third countries concluded either by Greece or by the EU.

3. Subject to Article 4 and 5 of the Treaty on the European Union, the European Commission is informed about the intention to enter into negotiations and conclude agreements or memoranda of understanding or cooperation with third countries which are contracting parties of the European Economic Area on matters falling within the scope of Article 38 to 40 incl. hereof. The Commission is kept regularly informed about the negotiations of the first subparagraph hereof and, where appropriate, is invited to participate in them as an observer. The provisions of the second and third subparagraphs do not prevent the provisional application or conclusion of the agreements or memoranda of cooperation of the first subparagraph on condition that their provisions are compatible with Union law and do not affect the target and purpose of the relevant EU policies.

4. The present law does not affect bilateral or multilateral agreements or settlements between Greece and other EU member states or third countries, or Union law, regarding mutual legal assistance or mutual recognition of criminal decisions, including conditions potentially presented by third countries regarding the use of the information provided, or P. D. 135/2013 (A` 209).

#### Article 55

National Financial Intelligence Unit -  
Amendment of Article 3 of L. 4557/2018

Par. 22 of Article 3 of L. 4557/2018 (A` 139) is replaced as follows:

“22. “Financial Intelligence Unit (FIU)”: The competent national Unit of EU member states for the prevention, detection and effective combating of money laundering and terrorist financing, established in application of Article 32 of Directive (EU) 2015/849 of the European Parliament and the Council of 20 May 2015, regarding the prevention of the use of the financial system for money laundering or terrorist financing, the amendment of Regulation (EU) 648/2012 of the European Parliament and the Council, and the repeal of Directive 2005/60/EC of the European Parliament and the Council and of Directive 2006/70/EC of the Commission (L 141). For Greece, the “Financial Intelligence Unit” (FIU) refers to Unit A of the Anti-Money Laundering Authority of Article 47 hereof.”

#### PART C

INCORPORATION OF DIRECTIVE (EU) 2019/2034 OF THE EUROPEAN PARLIAMENT AND THE COUNCIL ON THE PRUDENTIAL SUPERVISION OF INVESTMENT FIRMS, AMENDMENT OF DIRECTIVES 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/36/EU, 2014/59/ EU AND 2014/65/EU AND ADJUSTMENT TO REGULATION (EU) 2019/2033 ON THE PRUDENTIAL REQUIREMENTS OF INVESTMENT FIRMS AND AMENDMENT OF REGULATIONS (EU) 1093/2010, (EU) 575/2013, (EU) 600/2014 AND (EU) 806/2014

## TITLE I

### SUBJECT, PURPOSE AND DEFINITIONS

#### Article 56

##### Purpose

The provisions of Article 57 to 139 incl. incorporate into law the Directive (EU) 2019/2034 of the European Parliament and the Council of 27 November 2019 about prudential supervision of investment firms and amendment of directives 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU and καί 2014/65/EU and Greek legal order adjusts to Regulation (EU) 2019/2033 about prudential requirements of investment firms and amendment of regulations (EU) 1093/2010, (EU) 575/2013, (EU) 600/2014 and (EU) 806/2014.

#### Article 57

##### Subject

(Article 1 of Directive 2019/2034/EU)

Subject of the present is the establishment of rules about:

- a) The initial capital of Investment Service Sociétés Anonymes (AEPEYs)
- b) Supervisory powers and tools for the prudential supervision of AEPEYs by the Hellenic Capital Market Commission,
- c) The prudential supervision of AEPEYs by the Hellenic Capital Market Commission in a manner that is consistent with the rules set out in Regulation (EU) 2019/2033,
- d) Publication requirements for the Hellenic Capital Market Commission regarding prudential regulation and supervision of AEPEYs.

#### Article 58

##### Scope

(Article 2 of Directive 2019/2034/EU)

1. Part C applies to AEPEYs with operation permit supervised pursuant to L. 4514/2018 (A` 14).
2. By way of derogation from par. 1, Article 68 to 111 incl. do not apply to AEPEYs referred to in par. 2 and 5 of Article 1 of Regulation (EU) 2019/2033, which are supervised for compliance with prudential requirements pursuant to Articles 50 to 136 incl. and 154 of L. 4261/2014 (A` 107), in accordance with the second subparagraph

of par. 2 of Article 1 and third subparagraph of par. 5 of Article 1 of Regulation (EU) 2019/2033.

## Article 59

### Definitions

(Article 3 of Directive 2019/2034/EU)

For the purposes hereof, the following definitions apply:

1. “Ancillary services undertaking”: an undertaking, the principal activity of which consists of owning or managing property, managing data- processing services, or a similar activity which is ancillary to the principal activity of one or more investment firms.
2. “Authorization”: authorization of an AEPEY, in accordance with Article 5 of L. 4514/2018 (A` 14).
3. “Branch”: means a branch as defined in par. 30 of Article 4 of L. 4514/2018.
4. “Close links”: close links as defined in par. 35 of art 4 of L. 4514/2018.
5. “Competent authority”: a public authority or body that is officially recognized and empowered by national law to supervise investment firms in accordance with Directive 2019/2034/EU, as part of the supervisory system in operation in that Member State. In Greece the competent authority is the Hellenic Capital Market Commission.
6. “Commodity and emission allowance dealer”: a commodity and emission allowance dealer as defined in point 150) par. 1 Article 4 of Regulation (EU) 575/2013.
7. “Control”: the relationship between a parent undertaking and a subsidiary, as described in par. 2 Article 32 of L. 4308/2014 (A` 251) or in the accounting standards to which an investment firm is subject under Regulation (EC) 1606/2002 of the European Parliament and of the Council, or a similar relationship between any natural or legal person and an undertaking. Each subsidiary of a subsidiary undertaking is also considered a subsidiary of the parent undertaking which is at the head of these undertakings.
8. “Compliance with the group capital test”: compliance by a parent undertaking in an investment firm group with the requirements of Article 8 of Regulation (EU) 2019/2033.
9. “Credit institution”: a credit institution as defined in point (1) of par. 1 of Article 4 of Regulation (EU) 575/2013.
10. “Derivatives”: derivatives as defined in point 29) of par. 1 of Article 2 of Regulation (EU) No 600/2014 of the European Parliament and of the Council.

11. “Financial institution”: a financial institution as defined in point 14) of par. 1 of Article 4 of Regulation (EU) 2019/2033.

12. “Gender neutral remuneration policy”: gender neutral remuneration policy as defined in point 67 of par. 1 of Article 3 of L. 4261/2014 (A` 107).

13. “Group”: a group as defined in Appendix A` of L. 4308/2014 (A` 251).

14. “Consolidated situation”: a consolidated situation as defined in point 11) of par. 1 of Article 4 of Regulation (EU) 2019/2033.

15. “Group supervisor”: a competent authority responsible for the supervision of compliance with the group capital test of Union parent investment firms and investment firms controlled by Union parent investment holding companies or Union parent mixed financial holding companies.

16. “Home Member State”: a home Member State (member state of origin), as defined in point a) of par. 55) of Article 4 of L. 4514/2018.

17. “Host Member State”: a host Member State as defined in par. 56) of Article 4 of L. 4514/2018.

18. “Initial capital”: the capital which is required for the purposes of authorization as an AEPEY the amount and type of which are specified in Articles 65 and 67 hereof.

19. “Investment firm”: an investment firm as defined in point α) of par. 1 of article 4 of L. 4514/2018.

20. Investment Services Société Anonymes (AEPEYs) as defined in point b) of par. 1 of Article 4 of L. 4514/2018.

21. “Investment firm group”: an investment firm group as defined in par. 25) of par. 1 of Article 4 of Regulation (EU) 2019/2033.

22. “Investment holding company”: an investment holding company as defined in point 23) of par. 1 of Article 4 of Regulation (EU) 2019/2033.

23. “Investment services and activities”: investment services and activities as defined in par. 2 of Article 4 of L. 4514/2018.

24. “Management body”: a management body as defined in par. 36) of Article 4 of L. 4514/2018.

25. “Management body in its supervisory function”: the management body acting in its role of overseeing and monitoring management decision- making.

26. “Mixed financial holding company”: a mixed financial holding company (financial holding company), as defined in par. 15) of Article 2 of Directive 2002/87/EC of the European Parliament and of the Council.

27. “Mixed- activity holding company”: a parent undertaking other than a financial holding company, an investment holding company, a credit institution, an investment firm, or a mixed financial holding company within the meaning of Directive 2002/87/EC, the subsidiaries of which include at least one investment firm.

28. “Senior management”: senior management as defined in par. 37) of Article 4 of L. 4514/2018.

29. “Parent undertaking”: a parent undertaking as defined in par. 32) of Article 4 of L. 4514/2018.

30. “Subsidiary”: a subsidiary (subsidiary undertaking), as defined in par. 33) of Article 4 of L. 4514/2018.

31. “Systemic risk”: systemic risk as defined in point 10) of par. 1 of Article 3 of L. 4261/2014.

32. “Union parent investment firm”: a Union parent investment firm as defined in point 56) of par. 1 of Article 4 of Regulation (EU) 2019/2033.

33. “Union parent investment holding company”: a Union parent investment holding company as defined in point 57) of par. 1 of Article 4 of Regulation (EU) 2019/2033.

34. “Union parent mixed financial holding company”: a Union parent mixed financial holding company as defined in point 58) of par. 1 of Article 4 of Regulation (EU) 2019/2033.

## TITLE II

### COMPETENT AUTHORITIES

#### Article 60

#### Powers of the Competent Authorities (Article 4 of Directive 2019/2034/EU)

1. The Hellenic Capital Market Commission shall, as a competent authority, supervise the activities of the AEPEYs and, where applicable, investment holding companies and mixed financial holding companies, in order to assess their compliance with the requirements hereof and Regulation (EU) 2019/2033.



2. The Hellenic Capital Market Commission shall have all the necessary supervisory powers, including the power to carry out on-site inspections, in accordance with Article 70, and shall impose measures and sanctions necessary for the exercise of its powers in order to obtain the information necessary to assess compliance of the AEPEYs and, where appropriate, investment holding companies and mixed financial holding companies to the requirements of this law and Regulation (EU) 2019/2033, and to investigate possible breaches of the aforementioned requirements.

3. The AEPEYs must provide the Hellenic Capital Market Commission with all the necessary information to assess their compliance with this Regulation and Regulation (EU) 2019/2033. The internal control mechanisms and the administrative and accounting procedures of the AEPEYs shall allow, at any time, the Hellenic Capital Market Commission to check their compliance with these provisions.

4. The AEPEYs shall record all their transactions and register the systems and procedures governed by this and Regulation (EU) 2019/2033, so that the Hellenic Capital Market Commission can verify, at any time, the compliance of the AEPEYs with this law and Regulation (EU) 2019/2033.

#### Article 61

Discretion of competent authorities to subject certain investment firms to the requirements of Regulation (EU) 575/2013  
(Article 5 of Directive 2019/2034/EU)

1. The HCMC may decide to apply the requirements of Regulation (EU) No 575/2013 pursuant to point (c) of the first subparagraph of Article 1(2) of Regulation (EU) 2019/2033 to AEPEY that carries out any of the Activities listed in points (3) and (6) of Section A of Annex I of Law 4514/2018 (A` 14), where the total value of the consolidated assets of the investment firm, calculated as an average for the period of twelve (12) previous months, is equal to at least five billion (5.000.000.000) Euros and one or more of the following criteria apply:

- (a) AEPEY carries out those activities on such a scale that the failure or the distress of the investment firm could lead to systemic risk;
- (b) AEPEY is a clearing member as defined in point (3) of Article 4(1) of Regulation (EU) 2019/2033;
- (c) the HCMC considers it to be justified in light of the size, nature, scale and complexity of the activities of AEPEY, taking into account the principle of proportionality and having regard to one or more of the following factors:
  - i) The important of AEPEY for the economy of the Union or Greece.
  - ii) The significance of the AEPEY's cross-border activities.

iii) The interconnectedness of the AEPEY with the financial system.

2. Paragraph 1 shall not apply to commodity and emission allowance dealers, collective investment undertakings or insurance undertakings.

3. When the HCMC decides to apply the requirements of Regulation (EU) 575/2013 of the European Parliament or Council of June 26th, 2013 (L 176/1) to an AEPEY, in accordance with paragraph 1, that AEPEY shall be supervised for compliance with prudential requirements under Articles 50-96, 98-132, 134 and 135 of Law 4261/2014 (A` 107).

4. Where the HCMC decides to revoke a decision taken in accordance with par. 1, it shall inform the AEPEY without delay. Any decision taken by a competent authority under paragraph 1 shall cease to apply where an AEPEY no longer meets the threshold referred to in that paragraph, calculated over a period of 12 consecutive months.

5. The HCMC shall inform EBA without delay of any decision taken pursuant to paragraphs 1,3 and 4.

#### Article 62

##### Cooperation of the competent authorities

(Article 6 of Directive 2019/2034/EU)

The Hellenic Capital Market Commission shall closely cooperate with the Bank of Greece and shall exchange, without delay, any information of particular importance or related to the performance of operations and the performance of their duties, through the mechanism established in Article 67 of Law 4514/2018 (A` 14).

#### Article 63

##### Cooperation within the European System of Financial Supervision

(Article 7 of Directive 2019/2034/EU)

1. In the exercise of their duties, the HCMC shall take into account the convergence of supervisory tools and supervisory practices in the application of the legal provisions adopted pursuant to this Directive and to Regulation (EU) 2019/2033.

2. The HCMC:

a) As part of the European System of Financial Supervision (ESFS), shall cooperate with confidence and absolute mutual respect, to particularly ensure the exchange of appropriate, reliable and comprehensive information between them and the other parts of the ESFS;

b) Shall participate in the activities of the European Banking Authority (EBA) and, where appropriate, in the supervisory bodies referred to in Article 103 hereof and Article 109 of Law 4261/2014 (A` 107);

c) Shall make every possible effort to ensure compliance with the guidelines and recommendations issued by EBA in accordance with Article 16 of Regulation (EU) 1093/2010, and to comply with the warnings and recommendations issued by the EBA; European Systemic Risk Council (ESRB), pursuant to Article 16 of Regulation (EU) 1092/2010 of the European Parliament and Council of 24 November 2010 (L 331/1);

d) Shall closely cooperate with the ESRB;

e) Shall not be prevented from performing its duties as a member of the EBA or the ESRB or under the Regulation (EU) 2019/2033 by the duties and powers conferred on it.

#### Article 64

##### Union dimension of supervision

(Article 8 of Directive 2019/2034/EU)

The HCMC shall, in the exercise of their general duties, duly consider the potential impact of their decisions on the stability of the financial system in other Member States concerned as well as in the Union as a whole and, in particular, in emergency situations, based on the information available at the relevant time.

### TITLE III

#### INITIAL CAPITAL

#### Article 65

##### Initial capital

(Article 9 of Directive 2019/2034/EU)

1. The initial capital required pursuant to Article 15 of Law 4514/2018 (A` 14), for granting the authorisation to an AEPEY, with the purpose of providing any of the investment activities listed in par. 3 and 6 of Section A of Annex I of Law 4514/2018, shall be EUR 750 000.

2. The initial capital of an investment firm required pursuant to Article 15 of Law 4514/2018 for granting an authorisation to an AEPEY with the purpose of providing any of the investment services or perform any of the investment activities listed in par. 1, 2,4,5, and 7 of Section A of Annex I of Law 4514/2018, which is not permitted to hold client money or securities belonging to its clients shall be EUR 75,000.

3. The initial capital required pursuant to Article 15 of Law 4514/2018 for AEPEYs other than those referred to in par. 1, 2 and 4 hereof, shall be EUR 150,000.

4. The initial capital of an AEPEY authorized to provide the investment services or perform the investment activity listed in point (9) of Section A of Annex I of Law 4514/2018, where the AEPEY in question engages in dealing on own account or is permitted to do so, shall be EUR 750,000.

#### Article 66

References to initial capital in Directive 2013/36/EU and Law 4261/2014  
(Article 10 of Directive 2019/2034/EU)

References to the level of initial capital set by Article 65 of this Directive shall, from 26 June 2021, be construed as replacing references in other Union legal acts to the levels of initial capital set by Directive 2013/36/EU or Law 4261/2014 (A` 107), as follows:

a) References to initial capital of investment firms in Article 28 of Directive 2013/36/EU or AEPEYs of par. 2 of Article 29 of Law. 4261/2014 shall be construed as references to par. 1 of Article 65 hereof.,

b) references to initial capital of investment firms in Articles 29 and 31 of Directive 2013/36/EU or AEPEYs of paragraphs other than par. 2 of Article 29 of Law 4261/2014, shall be construed as references to par. 2, 3 or 4 of Article 65 hereof, depending on the types of investment services and activities of the investment firm;

c) References to initial capital in Article 30 of Directive 2013/36/EU or Law. 4261/2014 shall be construed as references to par. 1 of Article 65 hereof.

#### Article 67

Composition of initial capital  
(Article 11 of Directive 2019/2034/EU)

The initial capital of an AEPEY shall be constituted in accordance with Article 9 of Regulation (EU) 2019/2033.

### TITLE IV

#### PRUDENTIAL SUPERVISION

##### CHAPTER 1

##### Principles of prudential supervision

## SECTION 1

### COMPETENCES AND DUTIES OF HOME AND HOST MEMBER-STATES

#### Article 68

Competence of the competent authorities of the home and host Member State (Article 12 of Directive 2019/2034/EU)

The prudential supervision of AEPEYs shall be the responsibility of the HCMC without prejudice to the provisions of Directive 2019/2034 for the prudential supervision of the competent authorities of the host member-state. The prudential supervision of investment firms from other member-states shall be exercised by the competent authorities of the home member-state, without prejudice to the provisions hereof which confer responsibility on the HCMC as a competent authority of the host member-state.

#### Article 69

Cooperation between competent authorities of different Member States (Article 13 of Directive 2019/2034/EU)

1. The Hellenic Capital Market Commission shall work closely with the competent authorities of the other Member States for the purposes of their duties pursuant to this Directive 2019/2034 / EU, this Law and Regulation (EU) 2019/2033, in particular by exchanging information without delay, regarding the AEPEY or investment firms, including:

- a) Information about the management and the ownership structure of the AEPEY or the investment firm,
- b) Information about compliance with own funds requirements by the AEPEY or the investment firm,
- c) Information about compliance with concentration risk requirements and liquidity requirements of the AEPEY or the investment firm,
- d) Information about the administrative and accounting procedures and internal control mechanisms of the AEPEY or the investment firm,
- e) Any other relevant factors that may influence the risk posed by the AEPEY or the investment firm.

2. The Hellenic Capital Market Commission, as the competent authority of the home Member State, shall immediately provide the competent authorities of the host Member State with any information and findings about the potential problems and risks posed by an AEPEY to the protection of clients or the stability of the financial system in the

host Member State, which they have identified when supervising the activities of the AEPEY.

3. The Hellenic Capital Market Commission, as the competent authority of the home Member State, shall act upon information provided by the competent authorities of the host Member State by taking all necessary measures to avert or remedy potential problems and risks as referred to in paragraph 2. Upon request, the HCMC shall explain in detail to the competent authorities of the host Member State how they have taken into account the information and findings provided by the competent authorities of the host Member State.

4. When the Hellenic Capital Market Commission, as the competent authority of the host Member State, following the communication of the information and findings referred to in paragraph 2, the competent authorities of other Member States, considers that the competent authorities of the home Member State have not taken the necessary measures referred to in paragraph 3, may, after having informed the competent authorities of the home Member State, the European Banking Authority (EBA) and the European Securities and Markets Authority (ESMA), take appropriate measures to protect clients to whom services are provided or to protect the stability of the financial system.

The Hellenic Capital Market Commission, as the competent authority, may refer to EBA cases in which a request for cooperation and in particular a request for the exchange of information has been rejected or has not been acted within a reasonable time.

5. The Hellenic Capital Market Commission, as the competent authority of the home Member State, if it disagrees with the measures of the competent authorities of the host Member State, may refer the matter to EBA, which shall act in accordance with the procedure laid down in Article 19 of the Rules of Procedure (EU) 1093/2010.

6. For the purpose of assessing the condition of point c) of the first paragraph of section. 1 of Article 23 of Regulation (EU) 2019/2033, the Hellenic Capital Market Commission, as a competent authority of the home Member State of an AEPEY, may request the competent authority of a clearing member's home Member-State to provide information relating to the margin model and parameters used to calculate the margin requirement of the relevant AEPEY.

#### Article 70

On-the-spot checking and inspection of branches established in Greece  
(Article 14 of Directive 2019/2034/EU)

1. When an investment firm licensed in another Member State operates in Greece through a branch, the competent authorities of the home Member State may, after having informed the Hellenic Capital Market Commission, carry out themselves or

through intermediaries that they appoint for that purpose, on-the-spot check of the information referred to in paragraph 1 of Article 69 and to inspect such branches.

2. The Hellenic Capital Market Commission, as the competent authority of the host Member State, for supervisory purposes and where they consider it to be relevant for reasons of stability of the Greek financial system, has the power to carry out, on a case-by-case basis, on-the-spot checks and inspections of the activities carried out by branches of investment firms on their territory and require information from a branch about its activities. Before carrying out such checks and inspections, the Hellenic Capital Market Commission, as the competent authority of the host Member State, shall, without delay, consult the competent authorities of the home Member State. As soon as possible following the completion of those checks and inspections, the Hellenic Capital Market Commission shall forward to the competent authorities of the home Member State the information obtained and findings that are relevant for the risk assessment of the investment firm concerned.

## SECTION 2

### PROFESSIONAL SECRECY AND DUTY TO REPORT

#### Article 71

Professional secrecy and exchange of confidential information  
(Article 15 of Directive 2019/2034/EU)

1. The Hellenic Capital Market Commission and all persons who work or have worked for it, including the persons referred to in par. 1 of article 74 of law 4514/2018 (A` 14), are bound by the obligation of professional secrecy for the purposes of this Directive and Regulation (EU) 2019/2033. Confidential information, which the Hellenic Capital Market Commission and persons, receive in the course of their duties, may be disclosed only in summary or aggregate form, provided that individual AEPEY or persons cannot be identified, without prejudice to cases falling under criminal law. In case the AEPEY declared bankrupt or is being compulsory wound up, confidential information, which does not concern third parties, may be disclosed in civil or commercial proceedings, where such disclosure is required for carrying out of such proceedings.

2. The HCMC shall use the confidential information collected, exchanged or transmitted pursuant to this Directive and Regulation (EU) 2019/2033 only for the purpose of carrying out its duties and in particular for the following purposes:

- (a) To monitor the prudential rules set out in this Directive and Regulation (EU) 2019/2033,
- (b) To impose sanctions,
- (c) In administrative appeals against decisions of the competent authorities;

(d) In court proceedings instituted under Article 79 hereof.

3. Natural and legal persons and other bodies, other than the Hellenic Capital Market Commission, which receive confidential information under this and Regulation (EU) 2019/2033, shall use that information only for the purposes for which the competent authority expressly provides or in accordance with national law.

4. The Hellenic Capital Market Commission may exchange confidential information with the relevant competent authorities of other Member States for the purposes of paragraph 2, may expressly state how that information is to be treated and may expressly restrict any further transmission of that information.

5. The obligation referred to in paragraph 1 shall not prevent the Hellenic Capital Market Commission from transmitting confidential information to the Commission, when that information is necessary for the exercise of the powers of the Commission.

6. The Hellenic Capital Market Commission may, on a case-by-case basis, provide EBA, ESMA, the European Systemic Risk Board (ESRB), the central banks of the Member States, the European System of Central Banks (ESCB) and the European Central Bank in their capacity as monetary authorities, and, where necessary, public authorities responsible for overseeing payment and settlement systems, confidential information when such information is necessary for the performance of their tasks.

## Article 72

Cooperation arrangements with third countries for the exchange of information (Article 16 of Directive 2019/2034/EU)

For the purpose of performing their supervisory tasks hereof or pursuant to Regulation (EU) 2019/2033 and for the purpose of exchanging information, the Hellenic Capital Market Commission may, as appropriate, conclude cooperation arrangements with third-party supervisory authorities, as well as with authorities or bodies responsible for the following tasks, provided that the information disclosed is subject to guarantees of professional secrecy that are at least equivalent to those laid down in Article 71 hereof:

(a) Supervision of financial institutions and financial markets, including the supervision of financial entities licensed to operate as central counterparties, when central counterparties have been recognized under Article 25 of Regulation (EU) 648/2012 Parliament and Council of 4 July 2012 (L 201/1),

(b) The liquidation and bankruptcy of investment firms and similar procedures;

(c) The oversight of bodies involved in the liquidation and bankruptcy proceedings of investment firms and similar proceedings;

(d) The carrying out of statutory audits of financial institutions or institutions which administer compensation schemes;



(e) The oversight of persons charged with carrying out statutory audits of the accounts of financial institutions;

(f) The oversight of persons active on emission allowance markets for the purpose of ensuring a consolidated overview of financial and spot markets;

(g) The oversight of persons on agriculture commodity derivatives markets for the purpose of ensuring a consolidated overview of financial and spot markets.

#### Article 73

Duties of persons responsible for the control of annual and consolidated accounts  
(Article 17 of Directive 2019/2034/EU)

Each person to whom an authorisation has been granted, in accordance with Law 4449/2017 (A` 7), and carries out audits in an investment firm, in accordance with par. 1 and the points (c) to (e) of par.5 of subpar. A.1 of par. A of article 2 of law 4336/2015 (A` 94), or according to par. 4 of article 77 of law 4099/2012 (A` 250), or exercises any other control duties, in accordance with the provisions of the current legislation, is obliged to promptly notify the Hellenic Capital Market Commission of any event or decision concerning the said AEPEY concerns a company that has close relationship with the said AEPEY and where:

(a) constitutes a material breach of the laws, regulations or administrative provisions laid down pursuant to this Directive;

(b) may affect the continuous functioning of the AEPEY or

(c) may lead to a refusal to certify the accounts or can lead to the expression of reservations.

### SECTION 3

#### SANCTIONS, INVESTIGATORY POWERS AND RIGHT OF APPEAL

#### Article 74

Administrative sanctions and other administrative measures  
(Article 18 of Directive 2019/2034/EU)

1. Without prejudice to the supervisory powers referred to in Articles 94 to 101, including powers to investigate and impose remedial measures, as well as to provide for and impose criminal sanctions, the Hellenic Capital Market Commission shall have the power to impose administrative sanctions and other administrative measures for infringements pursuant to the provisions of this and Regulation (EU) 2019/2033, including when an AEPEY or an investment firm:

- (a) Fails to have in place internal governance arrangements as set out in Article 82.
- (b) Fails to report to the Hellenic Capital Market Commission information or provides incomplete or inaccurate information regarding its compliance with the obligation of equity requirements set out in Article 11 of Regulation (EU) 2019/2033, in violation of point (b) of par. 1 of Article 54 thereof,
- (c) Fails to report to the Hellenic Capital Market Commission, in violation of item e) of par. 1 of Article 54 of Regulation (EU) 2019/2033, information on the risk of concentration, or provides inaccurate or incomplete information;
- (d) Incurs a concentration risk in excess of the limits set out in Article 37 of Regulation (EU) 2019/2033, without prejudice to Articles 38 and 39 thereof;
- (e) Repeatedly or persistently fails to hold liquid assets in breach of Article 43 of Regulation (EU) 2019/2033, without prejudice to Article 44 thereof;
- (f) Fails to disclose information or provides inaccurate or incomplete information, in breach of the provisions set out in Part Six of Regulation (EU) 2019/2033;
- (g) Makes payments to holders of instruments included in the own funds of the AEPEY, where articles 28, 52 or 63 of Regulation (EU) 575/2013 prohibit such payments to holders of instruments included in equity,
- (h) Is found liable for a serious breach of law 4557/2018 (A` 139)
- (i) Allows one or more persons that do not comply with Article 83 of law 4261/2014 (A` 107) to become or remain a member of the management board.

The administrative sanctions and other administrative measures imposed by the Hellenic Capital Market Commission shall be effective, proportionate and dissuasive.

2. The administrative sanctions and other administrative measures referred to in the first subparagraph of paragraph 1 shall include the following:

- a) A public statement which identifies the natural or legal person, AEPEY or investment firm, holding investment company or mixed financial holding company responsible and the nature of the breach,
- b) An order requiring the natural or legal person responsible to cease the conduct and to abstain from repeating that conduct;
- c) A temporary ban for members of the AEPEY's management body or any other natural persons who are held responsible on exercising functions in AEPEYs;
- d) In case of a legal person, administrative pecuniary sanctions of up to ten percent (10%) of the total annual net turnover, including the gross income consisting of interest

receivable and similar income, income from shares and other variable or fixed securities commissions or fees of the company in the previous year,

e) In the case of a legal person, administrative pecuniary sanctions of up to twice the amount of the profits gained or the losses avoided as a result of the infringement, where those profits or losses can be determined;

f) In the case of a natural person, administrative pecuniary sanctions of up to five million (5,000,000) Euros.

Where an undertaking referred to in point d) is a subsidiary, the relevant gross income shall be the gross income resulting from the consolidated account of the ultimate parent undertaking in the preceding business year.

In case of violation of this law or Regulation (EU) 2019/2033 by an AEPEY, the Hellenic Capital Market Commission may impose administrative sanctions on the members of its administrative body and other natural persons who are responsible for the violation.

3. When determining the type of administrative sanctions or other administrative measures referred to in paragraph 1 and the level of administrative pecuniary sanctions, the Hellenic Capital Market Commission shall take into account all relevant circumstances, where appropriate:

- (a) The gravity and duration of the breach,
- (b) The degree of responsibility of the natural or legal persons responsible for the breach;
- (c) The financial strength of the natural or legal persons liable for the breach, including the total turnover of the legal persons or the annual income of the natural persons;
- (d) The importance of profits gained or losses avoided by the legal persons responsible for the breach.
- (e) Any losses incurred to third parties as a result of the breach.
- (f) The level of cooperation with the Hellenic Capital Market Commission;
- (g) Previous breaches by the natural or legal persons responsible for the breach;
- (h) Any potential systemic consequences of the breach.

#### Article 75

#### Investigatory powers

(Article 19 of Directive 2019/2034/EU)

The Hellenic Capital Market Commission has all the powers of gathering information and investigation that are necessary for the exercise of its functions, in particular:

- a) The power to request information from the following natural or legal persons:
  - (i) AEPEYs and investment firms established in Greece,
  - (ii) investment holding companies established in Greece;
  - (iii) mixed financial holding companies established in Greece;
  - (iv) mixed-activity holding companies established in Greece,
  - (v) persons belonging to the entities referred to in sub-points (i) to (iv)
  - (vi) third parties to whom the entities referred to in sub-points (i) to (iv) have outsourced operational functions or activities;
- b) the power to conduct all necessary investigations for any person referred to in item a), established or located in Greece, including the right:
  - (i) to require the submission of documents by the persons referred to in point (a);
  - (ii) to examine the books and records of the persons referred to in point (a) and to make copies or extracts from such books and records;
  - (iii) to obtain oral or written explanations from the persons referred to in point (a) or from their representatives or staff members;
  - (iv) to interview any other relevant person for the purpose of collecting information on the subject matter of an investigation;
- c) the power to conduct all necessary inspections at the business premises of the legal persons referred to in point (a) and any other undertaking involved in the supervision of compliance with the group capital test, when the Hellenic Capital Market Commission is the competent authority of the group, subject to the prior notification of other competent authorities concerned.

#### Article 76

Publication of administrative sanctions and other administrative measures  
(Article 20 of Directive 2019/2034/EU)

1. The Hellenic Capital Market Commission shall publish on its official website, without undue delay, any administrative sanctions and other administrative measures imposed in accordance with Article 74. That publication shall include information on the type and nature of the breach and the identity of the natural or legal person, on whom the sanction is imposed or against which the measure is taken. The information shall only be published after that person has been informed of those sanctions or measures and to the extent that the publication is necessary and proportionate.

2. In the event that an application for annulment or appeal has been lodged against administrative sanctions or other administrative measures imposed in accordance with Article 74, the Hellenic Capital Market Commission shall also publish on its official website information on the status of the application for cancellation. or appeal, respectively, and with its outcome.

3. The Hellenic Capital Market Commission shall publish the administrative sanctions or other administrative measures imposed in accordance with Article 74 anonymously in any of the following cases:

- a) The sanction or measure has been imposed on a natural person and the publication of that person's data of that person is considered disproportionate;
- b) The publication would jeopardize an ongoing criminal investigation or the stability of the financial markets;
- c) The publication would cause disproportionate damage to that AEPEY or investment firms or natural persons concerned.

4. The information published pursuant to this article remains on the official website of the Hellenic Capital Market Commission for at least five (5) years. The personal website of the Hellenic Capital Market Commission may contain personal data in accordance with the applicable provisions on the protection of personal data of Regulation (EU) 2016/679 and Law 4624/2019 (A` 118).

#### Article 77

Reporting sanctions to EBA  
(Article 21 of Directive 2019/2034/EU)

The Hellenic Capital Market Commission shall inform the European Banking Authority (EBA) of the administrative sanctions and other administrative measures imposed pursuant to Article 74, as well as of any request for annulment or appeal against such sanctions and other administrative measures and the outcome of.

#### Article 78

Reporting of breaches  
(Article 22 of Directive 2019/2034/EU)

1. By decision of the Hellenic Capital Market Commission, effective and reliable mechanisms are established to enable the prompt reporting of potential or actual breaches of provisions of this Directive and Regulation (EU) 2019/2033. These mechanisms shall include the following:

(a) Specific procedures for the reception, treatment and following up of such reports, including the establishment of secure communication channels;

(b) Appropriate protection against retaliation, discrimination or other types of unfair treatment by the AEPEY for its employees, who report breaches committed within the firm,

(c) Protection of personal data concerning both the person who reports the breach and the natural person who is allegedly responsible for that breach, in accordance with Regulation (EU) 2016/679 of the European Parliament and Council of 27 April 2016,

(d) Clear rules that ensure that confidentiality is guaranteed in all cases in relation to the person who reports the breaches committed within the AEPEY, unless disclosure is required by national law in the context of further investigations or subsequent administrative or judicial proceedings.

2. The AEPEYs have appropriate procedures in place for their employees to report breaches internally, through a specific independent channel. Those procedures may be provided by the social partners, provided that those procedures offer the same protection as the protection referred to in points b), c) and d) of paragraph 1.

#### Article 79

##### Right of appeal

(Article 23 of Directive 2019/2034/EU)

The decisions of the Hellenic Capital Market Commission issued and the measures imposed pursuant to this law, the delegated acts issued and Regulation (EU) 2019/2033 are subject, as the case may be, to an application for annulment or an appeal before the competent administrative court, according to Article 25 of law 3371/2005 (A` 178).

## CHAPTER 2

### REVIEW PROCESS

#### SECTION 1

#### INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS AND INTERNAL RISK-ASSESSMENT PROCESS

## Article 80

### Internal capital and liquid assets

(Article 24 of Directive 2019/2034/EU)

1. The AEPEY which do not meet the conditions set out in paragraph 1 of Article 12 of Regulation (EU) 2019/2033 to be classified as small and non-interconnected shall have in place sound, effective and comprehensive arrangements, strategies and processes to assess and maintain on an ongoing basis the amounts, types and distribution of internal capital and liquid assets that they consider adequate to cover the nature and level of risks they may pose to others and to which the AEPEY themselves are or might be exposed.

2. The arrangements, strategies and processes referred to in par. 1, shall be appropriate and proportionate to the nature, scale and complexity of the activities of the AEPEY concerned. They shall be subject to regular internal review. By its decision, the Hellenic Capital Market Commission may request from the investment firms which meet the conditions for qualifying as small and non-interconnected AEPEYs set out in par. 1 of article 12 of Regulation (EU) 2019/2033 to apply the requirements provided for in this Article, to the extent that it deems appropriate.

## SECTION 2

### INTERNAL GOVERNANCE, TRANSPARENCY, TREATMENT OR RISKS AND REMUNERATION

## Article 81

### Scope of application of this Section

(Article 25 of Directive 2019/2034/EU)

1. This section shall not apply where, on the basis of par. 1 of Article 12 of Regulation (EU) 2019/2033, an AEPEY determines that it meets all the conditions for qualifying as a small and non-interconnected investment firm as set out herein.

2. Where an AEPEY, which has not met all the conditions set out in par. 1 of Article 12 of Regulation (EU) 2019/2033, subsequently meets those conditions, this Section shall cease to be apply after a period of six (6) months from the date on which those conditions are met. This section shall cease to apply to an AEPEY after that period only where the AEPEY continued to meet the conditions of par. 1 of article 12 of Regulation (EU) 2019/2033 without interruption during this period and informed the Hellenic Capital Market Commission.

3. Where an AEPEY determines that it no longer meets all of the conditions of par. 1 of article 12 of Regulation (EU) 2019/2033, it shall inform the Hellenic Capital Market

Commission and complies with this Section within twelve (12) months from the date on which this assessment took place.

4. AEPEYs shall apply the provisions laid down in Article 88 to remuneration awarded for services provided or performance in the financial year following the financial year in which the assessment of paragraph 3 hereof was made. Where this Section applies and Article 8 of Regulation (EU) 2019/2033 is applied, AEPEYs shall apply this section on an individual basis. Where this Section applies and Article 7 of Regulation (EU) 2019/2033 is applied, the AEPEY shall apply this section on an individual and consolidated basis. By way of derogation from the third subparagraph, this Section shall not apply to subsidiary undertakings included in a consolidated situation that are established in third countries, where the parent undertaking in Greece can demonstrate to the competent authorities that the application of this Section is unlawful under the laws of the third country where those subsidiary undertakings are established.

#### Article 82

##### Internal governance

(Article 26 of Directive 2019/2034/EU)

1. AEPEYs shall have robust corporate governance arrangements, including all of the following:

- a) Clear organizational structure with well-defined, transparent and consistent lines of responsibilities,
- b) Effective processes to identify managing, monitoring and reporting of the risks that AEPEYs are or might be exposed to or the risks that they pose or might pose to others,
- c) Adequate internal control mechanisms, including sound administration and accounting procedures;
- d) Remuneration policies and practices that are consistent in promoting sound and effective risk management.

The remuneration policies and practices referred to in point (d) shall be gender neutral.

2. The framework referred to in paragraph 1 shall be appropriate and proportionate to the nature, scale and complexity of the risks involved in the business model and the activities of the investment firm, taking into account the criteria set out in Articles 84 to 89.

#### Article 83

##### Country- by- country reporting

(Article 27 of Directive 2019/2034/EU)



1. The AEPEY that have a branch or subsidiary that is a financial institution as defined in point 26 of par. 1 art. 4 of Regulation (EU) 575/2013 of the European Parliament and the Council, of 26 June 2013, in a Member State or in a third country other than that in which the authorization of the AEPEY, disclose the following information by Member State and third country on an annual basis:

- a) The name, nature of activities and location of any subsidiaries and branches,
- b) The turnover,
- c) The number of employees on a full-time equivalent basis,
- d) The profits or losses before tax,
- e) The tax on profit or loss,
- f) The public subsidies received.

2. The information referred to in paragraph 1 are audited in accordance with L. 4449/2017 (A`7) and, where possible, shall be annexed to the annual financial statements or, where applicable, to the consolidated financial statements of that AEPEY.

#### Article 84

##### Role of the management body in risk management

(Article 28 of Directive 2019/2034/EU)

1. The management body of the AEPEY approves and periodically reviews the strategies and policies on the risk appetite of the AEPEY, as well as on managing, monitoring and mitigating the risks the is or may be exposed to, taking into account the macroeconomic environment and the business cycle of the firm.

2. The management body of the AEPEY devotes sufficient time to ensure proper consideration of the matters referred to in paragraph 1 and allocates adequate resources to the management of all material risks to which the AEPEY is exposed.

3. The AEPEY establishes reporting lines to the management body for all material risks and for all risk management policies and any changes thereto.

4. All AEPEY that do not meet the criteria set out in point a) par. 4 of article 88, establish a risk committee composed of members of the management body who do not perform any executive function. Members of the risk committee referred to in the first subparagraph shall have appropriate knowledge, skills and expertise to fully understand, manage and monitor the risk strategy and the risk appetite of the AEPEY. The members of the committee ensure that the risk committee advises the

management body on the overall current and future risk appetite and strategy of the AEPEY, and assists the management body in overseeing the implementation of that strategy by senior management. The management body shall retain overall responsibility for the risk strategies and policies of the AEPEY.

5. The members of the management body with no executive function and the risk committee of that management body where a risk committee has been established, have access to information on the risks to which the AEPEY is or may be exposed.

#### Article 85

##### Treatment of risks

(Article 29 of Directive 2019/2034/EE)

1. The Hellenic Capital Market Commission ensures that AEPEY have robust strategies, policies, processes and systems for the identification, measurement, management and monitoring of the following:

- a) Material sources and effects of risk to clients and any material impact on own funds,
- b) Material sources and effects of risk to market and any material impact on own funds,
- c) Material sources and effects of risk to the AEPEY, in particular those which can deplete the level of own funds available,
- d) Liquidity risk over an appropriate set of time horizons, including intra- day, so as to ensure that the AEPEY maintains adequate levels of liquid resources, including in respect of addressing material sources of risks under points a), b) and c)

The strategies, policies, processes and systems shall be proportionate to the complexity, risk profile, and scope of operation of the AEPEY, and risk tolerance set by the management body, and shall reflect the importance of the AEPEY in each Member State in which it carries out business.

For the purposes of the first and second points of subparagraph a), the Hellenic Capital Market Commission takes into account L. 4514/2018 (A` 14) and the decision of the Board of Directors of the Hellenic Capital Market Commission 1/808/2018 (B` 812) governing segregation applicable to client money.

For the purposes of the first point of subpar. a), the AEPEY shall consider holding professional indemnity insurance as an effective tool in their management of risks.

For the purposes of point (c) of the first subparagraph, material sources of risk to the AEPEY itself shall include, if relevant, material changes in the book value of assets, including any claims on tied agents, the failure of clients or counterparties, positions in financial instruments, foreign currencies and commodities, and obligations to defined benefit pension schemes.

The AEPEY give due consideration to any material impact on own funds where such risks are not appropriately captured by the own funds requirements calculated under article 11 of Regulation (EU) 2019/2033.

2. Where AEPEY need to wind down or cease their activities, the Hellenic Capital Market Commission requires that AEPEY by taking into account the viability and sustainability of their business models and strategies, give due consideration to requirements and necessary resources which are realistic, in terms of timescale and maintenance of own funds and liquid resources, throughout the process of exiting the market.

3. By way of derogation from article 81, points a), c) and d) of par. 1 apply to AEPEY that meet the conditions of par. 1 of article 12 of Regulation (EU) 2019/2033 for qualifying as small and non-interconnected.

#### Article 86

##### Remuneration policies

(Article 30 of Directive (EU) 2019/2034)

1. The AEPEY, when establishing and applying their remuneration policies for categories of staff, including senior management, risk takers, staff engaged in control functions and any employees receiving overall remuneration equal to at least the lowest remuneration received by senior management or risk takers, whose professional activities have a material impact on the risk profile of the AEPEY or of the assets that it manages, comply with the following principles:

a) The remuneration policy is clearly documented and proportionate to the size, internal organization and nature, as well as to the scope and complexity of the activities of the AEPEY,

b) The remuneration policy is gender- neutral,

c) The remuneration policy is consistent with and promotes sound and effective risk management,

d) The remuneration policy is in line with the business strategy and objectives of the AEPEY and also takes into account long term effects of the investment decisions taken,

e) The remuneration policy contains measures to avoid conflicts of interest, encourages responsible business conduct and promotes risk awareness and prudent risk taking,

f) The management body of the AEPEY adopts and periodically reviews the remuneration policy and has overall responsibility for overseeing its implementation,

g) The implementation of the remuneration policy is subject to a central and independent internal review by control functions at least annually,

h) Staff engaged in control functions are independent from the business units they oversee, have appropriate authority, and are remunerated in accordance with the achievement of the objectives linked to their functions, regardless of the performance of the business areas they control,

i) The remuneration of senior officers in the risk management and compliance functions is directly overseen by the remuneration committee of Article 89 ḡ, or, where such a committee has not been established, by the management body,

j) The remuneration policy, taking into account national rules on wage setting, makes a clear distinction between the criteria applied to determine the following:

ja) Basic fixed remuneration, which primarily reflects relevant professional experience and organizational responsibility as set out in an employee's job description as part of his or her terms of employment,

jb) Variable remuneration, which reflects a sustainable and risk adjusted performance of the employee, as well as performance in excess of the employee's job description,

jc) The fixed component represents a sufficiently high proportion of the total remuneration so as to enable the operation of a fully flexible policy on variable remuneration components, including the possibility of paying no variable remuneration component.

2. For the purposes of point ja) of par. 1 the AEPEY set the appropriate ratios between the variable and the fixed component of the total remuneration in their remuneration policies, taking into account the business activities of the AEPEY and associated risks, as well as the impact that different categories of staff referred to in paragraph 1 have on the risk profile of the AEPEY.

3. The AEPEY establish and apply the principles referred to in paragraph 1 in a manner that is appropriate to their size and internal organization and to the nature, scope and complexity of their activities.

#### Article 87

AEPEY that benefit from extraordinary public financial support  
(article 31 of Directive 2019/2034/EU)

When an AEPEY benefits from extraordinary public financial support as defined in point 20) of par. 1 of article 2 of L. 4335/2015 (A` 87):

a) That AEPEY does not pay any variable remuneration to members of the management body,

b) Where variable remuneration paid to staff other than members of the management body would be inconsistent with the maintenance of a sound capital base of an AEPEY and its timely exit from extraordinary public financial support, variable remuneration shall be limited to a portion of net revenue.

## Article 88

### Variable remuneration

(Article 32 of Directive 2019/2034/EU)

1. The variable remuneration awarded and paid by an AEPEY to categories of staff referred to in par. 1 of article 86 complies with all of the following requirements under the same conditions as those set out in par. 3 of Article 86:

a) Where variable remuneration is performance related, the total amount of variable remuneration is based on a combination of the assessment of the performance of the individual, of the business unit concerned and of the overall results of the AEPEY,

b) When assessing the performance of the individual, both financial and non- financial criteria are taken into account,

c) The assessment of the performance referred to in point a) is based on a multi- year period, taking into account the business cycle of the AEPEY and its business risks,

d) The variable remuneration does not affect the ability of the AEPEY to ensure a sound capital base,

e) There is no guaranteed variable remuneration other than for new staff only for the first year of employment of new staff and where the investment firm has a strong capital base,

f) Payments relating to the early termination of an employment contract reflect performance achieved over time by the individual and shall not reward failure or misconduct,

g) Remuneration packages relating to compensation or buy out from contracts in previous employment are aligned with the long- term interests of the AEPEY,

h) The measurement of performance used as a basis to calculate pools of variable remuneration takes into account all types of current and future risks and the cost of the capital and liquidity required in accordance with Regulation (EU) 2019/2033,

i) The allocation of the variable remuneration components within the AEPEY takes into account all types of current and future risks,

j) At least 50 % of the variable remuneration consists of any of the following instruments:

ja) Shares or equivalent ownership interests, subject to the legal structure of the AEPEY concerned,

jb) share- linked instruments or equivalent non- cash instruments, subject to the legal structure of the AEPEY concerned,

jc) Additional Tier 1 instruments or Tier 2 instruments or other instruments which can be fully converted to Common Equity Tier 1 instruments or written down and that adequately reflect the credit quality of the AEPEY as a going concern,

jd) non- cash instruments which reflect the instruments of the portfolios managed,

l) by way of derogation from point j), where an AEPEY does not issue any of the instruments referred to in that point, the Hellenic Capital Market Commission may decide to approve the use of alternative arrangements fulfilling the same objectives,

II) at least 40 % of the variable remuneration is deferred over a three- to five- year period as appropriate, depending on the business cycle of the AEPEY, the nature of its business, its risks and the activities of the individual in question, except in the case of variable remuneration of a particularly high amount where the proportion of the variable remuneration deferred is at least 60 %,

III) up to a hundred per cent (100 %) of the variable remuneration is contracted where the financial performance of the investment firm is subdued or negative, including through malus or clawback arrangements subject to criteria set by AEPEY which in particular cover situations where the individual in question:

i) Participated in or was responsible for conduct which resulted in significant losses for the AEPEY,

ii) Is no longer considered fit and proper,

IV) Discretionary pension benefits are in line with the business strategy, objectives, values and long- term interests of the AEPEY

2. For the purposes of paragraph 1, the following apply:

a) Individuals referred to in par. 1 of Article 86 do not use personal hedging strategies or remuneration and liability- related insurances to undermine the principles referred to in paragraph 1,

b) Variable remuneration is not paid through financial vehicles or methods that facilitate non- compliance with this Law or with Regulation (EU) 2019/2033.

3. For the purposes of point j) of par. 1 the instruments referred to therein shall be subject to an appropriate retention policy designed to align the incentives of the individual with the longer- term interests of the AEPEY, its creditors and clients. The Hellenic Capital Market Commission may decide to place restrictions on the types and designs of those instruments or prohibit the use of certain instruments for variable remuneration.

For the purposes of point jb) of par. 1, the deferral of the variable remuneration shall vest no faster than on a pro- rata basis.

For the purposes of point jd) of par. 1, where an employee leaves the AEPEY before retirement age, discretionary pension benefits shall be held by the investment firm for a period of five (5) years in the form of instruments referred to in point j). Where an employee reaches retirement age and retires, discretionary pension benefits shall be paid to the employee in the form of instruments referred to in point j), subject to a five- year retention period.

4. Points j) and jb) of par. 1 and the third subparagraph of par. 3 shall not apply to:

a) An AEPEY, where the value of its on and off- balance sheet assets is on average equal to or less than one hundred (100) million Euro over the four- year period immediately preceding the given financial year,

b) An individual whose annual variable remuneration does not exceed fifty thousand (50,000) Euros and does not represent more than one fourth of that individual's total annual remuneration.

5. Where the AEPEY does not meet the criteria of par. 1 of article 88 the provisions of par. 1 of article 52 of Regulation 2020/2033.

6. By way of derogation from point a) of par. 4, the Hellenic Capital Market Commission may decide to increase the limit referred to in that point under the condition that the AEPEY meets the following criteria:

a) It is not among the biggest three AEPEY in Greece regarding total value of assets,

b) it is not subject to obligations or is subject to simplified obligations in relation to recovery and resolution planning in accordance with internal Article 4 of article 2 of L. 4335/2015 (A` 87),

c) The size of the AEPEY on and off- balance sheet trading- book business is equal to or less than one hundred and fifty (150) million Euros,

d) The size of the AEPEY on and off- balance sheet derivative business is equal to or less than one hundred (100) million Euros,

e) The threshold does not exceed three hundred (300) million Euros and

f) It is appropriate to increase the threshold, taking into account the nature and scope of the AEPEY's activities, its internal organisation, and, where applicable, the characteristics of the group to which it belongs.

7. By way of derogation from point a) of par. 4 the Hellenic Capital Market Commission may decide to lower the threshold referred to in that point, provided that it is appropriate to do so, taking into account the nature and scope of the AEPEY's activities, its internal organization, and, where applicable, the characteristics of the group to which it belongs.

8. By way of derogation from point b) of par. 4, the Hellenic Capital Market Commission may decide that staff members who are entitled to annual variable remuneration below the threshold and share referred to in that point shall not be subject to the exemption set out therein because of national market specificities in terms of remuneration practices or because of the nature of the responsibilities and job profile of those staff members.

#### Article 89

##### Remuneration Committee

(Article 33 of Directive 2019/2034/EE)

1. The AEPEY which do not meet the criteria set out in point a) par. 4 of article 88, establish a remuneration committee. That remuneration committee shall be gender balanced and shall exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk, capital and liquidity. The remuneration committee may be established at group level.

2. The remuneration committee is responsible for the preparation of decisions regarding remuneration, including decisions which have implications for the risk and risk management of the AEPEY concerned and which are to be taken by the management body. The Chair and the members of the remuneration committee shall be members of the management body who do not perform any executive function in the AEPEY concerned. Where employee representation in the management body is provided for, the remuneration committee shall include one or more employee representatives.

3. When preparing the decisions referred to in paragraph 2, the remuneration committee shall take into account the public interest and the long- term interests of shareholders, investors and other stakeholders in the AEPEY.

#### Article 90

##### Oversight of remuneration policies

(article 34 of Directive 2019/2034/EU)



1. The Hellenic Capital Market Commission collects the information disclosed in accordance with points c) and d) of the first subparagraph of Article 51 of Regulation (EU) 2019/2033, as well as the information provided by AEPEY on the gender pay gap and use that information to benchmark remuneration trends and practices. The Hellenic Capital Market Commission provides that information to EBA.

2. The AEPEY provide the Hellenic Capital Market Commission with information on the number of natural persons per AEPEY that are remunerated with one million (1,000,000) Euros or more per financial year, in pay brackets of one million (1,000,000) Euros, including information on their job responsibilities, the business area involved and the main elements of salary, bonus, long- term award and pension contribution.

The AEPEYs provide the Hellenic Capital Market Commission, upon demand, the total remuneration figures for each member of the management body or senior management. The Hellenic Capital Market Commission forward the information referred to in the first and second subparagraphs to the European Banking Authority.

### SECTION 3

#### SUPERVISORY REVIEW AND EVALUATION PROCESS

##### Article 91

##### Supervisory review and evaluation

(Article 36 of Directive 2019/2034/EU)

1. The Hellenic Capital Market Commission shall review, to the extent relevant and necessary, taking into account the AEPEY's size, risk profile and business model, the arrangements, strategies, processes and mechanisms implemented by AEPEY to comply with this Directive and with Regulation (EU) 2019/2033, and evaluates the following as appropriate and relevant, so as to ensure a sound management and coverage of their risks:

- a) The risks referred to in Article 85,
- b) The geographical location of the AEPEY exposures,
- c) The business model of the AEPEY,
- d) The assessment of systemic risk, taking into account the identification and measurement of systemic risk under Article 23 of Regulation (EU) No 1093/2010 or recommendations of the ESRB,
- e) The risks posed to the security of the AEPEY's network and information systems to ensure confidentiality, integrity and availability of their processes, data and assets,

f) The exposure of AEPEY to the interest rate risk arising from non- trading book activities,

g) Governance arrangements of AEPEY and the ability of members of the management body to perform their duties.

For the purposes of this paragraph, the Hellenic Capital Market Commission duly takes into account whether AEPEY hold a professional indemnity insurance.

2. The Hellenic Capital Market Commission establishes the frequency and intensity of the review and evaluation referred to in paragraph 1, having regard to the size, nature, scale and complexity of the activities of the AEPEY concerned and, where relevant, their systemic importance, and taking into account the principle of proportionality and L. 4514/2018 (A` 14) and the decision of the Board of Directors of the Hellenic Capital Market Commission 1/808/2018 governing segregation applicable to client money held.

The Hellenic Capital Market Commission decides, on a case- by- case basis whether and in which form the review and evaluation is to be carried out with regard to AEPEY that meet the conditions of par. 1 of article 12 of Regulation (EU) 2019/2033 for qualifying as small and non- interconnected AEPEY only where it deems it to be necessary due to the size, nature, scale and complexity of the activities of those AEPEY. When conducting the review and evaluation referred to in point g) of par. 1, the Hellenic Capital Market Commission has access to agendas, minutes and supporting documents for meetings of the management body and its committees, and the results of the internal or external evaluation of the performance of the management body of the AEPEY.

## Article 92

Ongoing review of the permission to use internal models  
(article 37 of Directive 2019/2034/EU)

1. The Hellenic Capital Market Commission reviews on a regular basis, and at least every three (3) years, the AEPEY's compliance with the requirements for the permission to use internal models as referred to in Article 22 of Regulation (EU) 2019/2033. The Hellenic Capital Market Commission shall in particular have regard to changes in an AEPEY 's business and to the implementation of those internal models to new products, and review and assess whether the AEPEY uses well- developed and up- to- date techniques and practices for those internal models. The Hellenic Capital Market Commission ensures that material deficiencies identified in the coverage of risk by an AEPEY's internal models are rectified, or take steps to mitigate their consequences, including by imposing capital add- ons or higher multiplication factors.

2. Where, for internal risk- to- market models, numerous overshootings as referred to in Article 366 of Regulation (EU) 575/2013, indicate that the internal models are not or are no longer accurate, the Hellenic Capital Market Commission shall revoke the

permission to use the internal models or impose appropriate measures to ensure that the internal models are improved promptly within a set timeframe.

3. If an AEPEY that has been granted permission to use internal models no longer meets the requirements for applying those internal models, the Hellenic Capital Market Commission requires the AEPEY either to demonstrate that the effect of non-compliance is immaterial or to present a plan and a deadline to comply with those requirements. The Hellenic Capital Market Commission shall require improvements to the presented plan where that plan is unlikely to result in full compliance or where the deadline is inappropriate.

If the AEPEY is unlikely to comply by the prescribed deadline or has not satisfactorily demonstrated that the effect of non-compliance is immaterial, the Hellenic Capital Market Commission revokes the permission to use internal models or limits it to compliant areas or to those areas where compliance can be achieved by an appropriate deadline.

The Hellenic Capital Market Commission may take into account analyses by the EBA regarding the internal models of various investment firms, and how investment firms using internal models treat similar risks or exposures, and EBA guidelines for the review of par. 1.

## SECTION 4

### SUPERVISORY MEASURES AND POWERS

#### Article 93

##### Supervisory measures

(Article 38 of Directive 2019/2034/EU)

The Hellenic Capital Market Commission requires AEPEYs to take, at an early stage, the measures necessary to address the following problems:

a) An AEPEY does not meet the requirements of this law or of Regulation (EU) 2019/2033,

b) The Hellenic Capital Market Commission has evidence that an AEPEY is likely to breach the provisions of this law or of Regulation (EU) 2019/2033 within the next twelve (12) months.

#### Article 94

##### Supervisory powers

(Article 39 of Directive 2019/2034/EU)

1. The Hellenic Capital Market Commission has the necessary supervisory powers to intervene in the exercise of its functions into the activity of AEPEYs in an effective and proportionate way.

2. For the purposes of article 91, par. 3 of article 92 and article 93 of this law, and of the application of Regulation (EU) 2019/2033, The Hellenic Capital Market Commission has the following powers:

a) To require AEPEYs to have own funds in excess of the requirements set out in Article 11 of Regulation (EU) 2019/2033, under the conditions laid down in article 95 hereof, or to adjust the own funds and liquid assets required in case of material changes in the business of those AEPEYs,

b) to require the reinforcement of the arrangements, processes, mechanisms and strategies implemented in accordance with Articles 80 and 82 hereof,

c) to require AEPEY to present, within one year, a plan to restore compliance with supervisory requirements pursuant to this law and Regulation (EU) 2019/2033, to set a deadline for the implementation of that plan and require improvements to that plan regarding scope and deadline,

d) To require AEPEY to apply a specific provisioning policy or treatment of assets in terms of own funds requirements,

e) To restrict or limit the business, operations or network of AEPEY or to request the divestment of activities that pose excessive risks to the financial soundness of an AEPEY,

f) To require the reduction of the risk inherent in the activities, products and systems of AEPEY, including outsourced activities,

g) To require AEPEY to limit variable remuneration as a percentage of net revenues where that remuneration is inconsistent with the maintenance of a sound capital base,

h) To require AEPEY to use net profits to strengthen own funds,

i) to restrict or prohibit distributions or interest payments by an AEPEY to shareholders, members or holders of Additional Tier 1 instruments where that restriction or prohibition does not constitute an event of default of the AEPEY,

j) To impose additional or more frequent reporting requirements to those set out in this law and Regulation (EU) 2019/2033, including reporting on capital and liquidity positions,

k) To impose specific liquidity requirements in accordance with Article 97 hereof,

l) To require additional disclosures,

m) To require AEPEY to reduce the risks posed to the security of the AEPEY network and information systems to ensure confidentiality, integrity and availability of their processes, data and assets.

3. For the purposes of point j) par. 2, the Hellenic Capital Market Commission may only impose additional or more frequent reporting requirements on AEPEY where the information to be reported is not duplicative and one of the following conditions is met:

- a) One of the cases referred to in points (a) and (b) of article 93 applies,
- b) The Hellenic Capital Market Commission considers it to be necessary to gather the evidence referred to in point (b) of article 93,
- c) The additional information is required for the purpose of the supervisory review and evaluation process referred to in article 93.

Information shall be deemed to be duplicative where the Hellenic Capital Market Commission already has the same or substantially the same information, where that information is capable of being produced by the Hellenic Capital Market Commission or of being obtained by the Hellenic Capital Market Commission through other means than a requirement on the AEPEY to report it. The Hellenic Capital Market Commission shall not require additional information where the information is available to it in a different format or level of granularity than the additional information to be reported and that different format or granularity does not prevent it from producing substantially similar information.

## Article 95

### Additional own funds requirement

(Article 40 of Directive 2019/2034/EU)

1. The Hellenic Capital Market Commission shall impose the additional own funds requirement referred to in point (a) par. 2 of article 94 only where, on the basis of the reviews carried out in accordance with Articles 91 and 92, it ascertains any of the following situations for an AEPEY:

- a) The AEPEY is exposed to risks or elements of risks, or poses risks to others that are material and are not covered or not sufficiently covered by the own funds requirement, and especially K- factor requirements, set out in Part Three or Four of Regulation (EU) 2019/2033,
- b) The AEPEY does not meet the requirements set out in Articles 80 and 82 and other supervisory measures are unlikely to sufficiently improve the arrangements, processes, mechanisms and strategies within an appropriate timeframe,

c) The adjustments in relation to the prudent valuation of the trading book are insufficient to enable the AEPEY to sell or hedge out its positions within a short period without incurring material losses under normal market conditions,

d) The review carried out in accordance with Article 92 shows that non-compliance with the requirements for the application of the permitted internal models will likely lead to inadequate levels of capital,

e) The AEPEY repeatedly fails to establish or maintain an adequate level of additional own funds as set out in Article 96.

2. For the purposes of point a) of par. 1 of this article, risks or elements of risks shall be considered not to be covered or to be insufficiently covered by the own funds requirements set out in Parts Three and Four of Regulation (EU) 2019/2033 only where the amounts, types and distribution of capital considered adequate by the Hellenic Capital Market Commission, following the supervisory review of the assessment carried out by AEPEY, in accordance with par. 1 Article 80 hereof, are higher than the AEPEY's own funds requirement set out in Part Three or Four of Regulation (EU) 2019/2033. For the purposes of the first subparagraph, the capital considered to be adequate may include risks or elements of risks that are explicitly excluded from the own funds requirement set out in Part Three or Four of Regulation (EU) 2019/2033.

3. The Hellenic Capital Market Commission shall determine the level of the additional own funds required pursuant to point (a) par. 2 of article 94 as the difference between the capital considered adequate pursuant to paragraph 2 hereof and the own funds requirement set out in Part Three or Four of Regulation (EU) 2019/2033.

4. The Hellenic Capital Market Commission requires the AEPEY to meet the additional own funds requirement referred to in point (a) par. 2 of article 94 with own funds subject to the following conditions:

a) At least three quarters (3/4) of the additional own funds requirement is met with Tier 1 capital,

b) At least three quarters of the Tier 1 capital is composed of Common Equity Tier 1 capital,

c) Those own funds are not used to meet any of the own funds requirements set out in points a), b) and c) of par. 1 of article 11 of Regulation (EU) 2019/2033.

5. The Hellenic Capital Market Commission shall substantiate in writing their decision to impose an additional own funds requirement as referred to in point (a) par. 2 of article 94 by giving a clear account of the full assessment of the elements referred to in paragraphs 1 to 4 hereof. Specifically for point d) par. 1, this includes a specific statement of why the level of capital established in accordance with par. 1 Article. 96 is no longer considered sufficient.

6. The Hellenic Capital Market Commission may require additional own funds in accordance with par. 1 to and incl. 5 for AEPEY meeting the conditions of par. 1 art. 12 of Regulation (EU) 2019/2033 for qualifying as small and non- interconnected AEPEY on the basis of a case- by- case assessment and where the Hellenic Capital Market Commission deems it to be justified.

#### Article 96

##### Guidance on additional own funds

(Article 41 of Directive 2019/2034/EU)

1. Taking into account the principle of proportionality and commensurate with the size, systemic importance, nature, scale and complexity of activities of AEPEY s that do not meet the conditions of par. 1 art. 12 of Regulation (EU) 2019/2033 for qualifying as small and non- interconnected AEPEYs, the Hellenic Capital Market Commission may require such AEPEY to have levels of own funds which, based on Article 80, are sufficiently above the requirements set out in Part Three of Regulation (EU) 2019/2033 and the present Law, including the additional own funds requirements referred to in point (a) par. 2 art. 94, to ensure that cyclical economic fluctuations do not lead to a breach of those requirements or threaten the ability of the AEPEY to wind down or cease activities in an orderly manner.

2. The Hellenic Capital Market Commission shall, where appropriate, review the level of own funds that has been set by each AEPEY that does not meet the conditions of par. 1 of art. 12 of Regulation (EU) 2019/2033 for qualifying as a small and non- interconnected AEPEY, in accordance with paragraph 1 of this Article and, where relevant, shall communicate the conclusions of that review to the AEPEY adjustments to the level of own funds established in accordance with paragraph 1 of this Article. Such a communication shall include the date by which the Hellenic Capital Market Commission requires the adjustment to be completed.

#### Article 97

##### Specific liquidity requirements

(Article 42 of Directive 2019/2034/EU)

1. The Hellenic Capital Market Commission shall impose the specific liquidity requirements referred to in point k) of par. 2 art. 94 only where, on the basis of the reviews carried out in accordance with Articles 91 and 92, it concludes that an AEPEY that does not meet the conditions of art. 12 of Regulation (EU) 2019/2033 for qualifying as a small and non- interconnected AEPEY or that meets the conditions set out in Article 12 of Regulation (EU) 2019/2033, but has not been exempted from liquidity requirement in accordance with Article 43 of Regulation (EU) 2019/2033 is in one of the following situations:

a) It is exposed to liquidity risk or elements of liquidity risk that are material and are not covered or not sufficiently covered by the liquidity requirement set out in Part Five of Regulation (EU) 2019/2033,

b) it does not meet the requirements set out in Articles 80 and 82 hereof and other administrative measures are unlikely to sufficiently improve the arrangements, processes, mechanisms and strategies within an appropriate timeframe.

2. For the purposes of point a) of par. 1, liquidity risk or elements of liquidity risk shall be considered not to be covered or to be insufficiently covered by the liquidity requirement set out in Part Five of Regulation (EU) 2019/2033 only where the amounts and types of liquidity considered adequate by the Hellenic Capital Market Commission following the supervisory review of the assessment carried out by AEPEY in accordance with par. 1 of art. 80 are higher than the AEPEY liquidity requirements set out in Part Five of Regulation (EU) 2019/2033.

3. The Hellenic Capital Market Commission shall determine the level of the specific liquidity required pursuant to point k) of par. 2 of Article 94 as the difference between the liquidity considered adequate pursuant to paragraph 2 hereof and the liquidity requirement set out in Part Five of Regulation (EU) 2019/2033.

4. The Hellenic Capital Market Commission requires AEPEY to meet the specific liquidity requirements referred to in point (k) of Article 94 with liquid assets as set out in Article 42 of Regulation (EU) 2019/2033.

5. The Hellenic Capital Market Commission shall substantiate in writing its decision to impose a specific liquidity requirement as referred to in point (k) of par. 2 of article 94, by giving a clear account of the full assessment of the elements referred to in paragraphs 3 hereof.

#### Article 98

Cooperation with resolution authorities  
(Article 43 of Directive 2019/2034/EU)

The Hellenic Capital Market Commission notifies the relevant resolution authorities of any additional own funds requirement imposed pursuant to point (a) of Article 94 for an AEPEY that falls under the scope of L. 4335/2015 (A` 87) and about any expectation for adjustments as referred to in par. 2 of Article 96, in respect to such AEPEY.

#### Article 99

Publication requirements  
(Article 44 of Directive 2019/2034/EU)

The Hellenic Capital Market Commission has the power to:



a) Require AEPEYs that do not meet the conditions of par. 1 art. 12 of Regulation (EU) 2019/2033 for qualifying as small and non- interconnected AEPEY and AEPEY referred to in par. 2 Article 46 of Regulation (EU) 2019/2033 to publish the information referred to in Article 46 of that Regulation more than once a year and to set deadlines for that publication,

b) Require AEPEYs that do not meet the conditions of par. 1 art. 12 of Regulation (EU) 2019/2033 for qualifying as small and non- referred to in par. 2 of Article 46 of Regulation (EU) 2019/2033 to use specific media and locations, in particular the AEPEY's websites, for publications other than the financial statements,

c) Require parent undertakings to publish annually, either in full or by way of references to equivalent information, a description of their legal structure and governance and organizational structure of the AEPEY group, in accordance with par. 1 of Article 82 hereof and Article 10 of L. 4514/2018 (A` 14).

#### Article 100

##### Obligation to inform EBA

(Article 45 of Directive 2019/2034/EU)

The Hellenic Capital Market Commission shall inform EBA of:

- a) The review and evaluation process referred to in Article 91,
- b) The methodology used for decisions referred to in Articles 94, 95 και 96,
- c) To the level of administrative sanctions in accordance with art. 74.

The Hellenic Capital Market Commission provides the European Banking Authority (EBA), if requested, additional information, in accordance with par. 2 Article 45 of Directive 2019/2034.

### CHAPTER 3

#### SUPERVISION OF INVESTMENT FIRM GROUPS

##### SECTION 1

#### SUPERVISION OF INVESTMENT FIRM GROUPS ON A CONSOLIDATED BASIS AND SUPERVISION OF COMPLIANCE WITH THE GROUP CAPITAL TEST

#### Article 101

##### Determination of the group supervisor

(Article 46 of Directive 2019/2034/EU)

1. Where an investment firm group is headed by a parent AEPEY, supervision on a consolidated basis or supervision of compliance with the group capital test is exercised by the Hellenic Capital Market Commission. When an AEPEY is a member of an investment firm group headed by a parent investment firm authorized in another member state, supervision on a consolidated basis or supervision of compliance with the group capital test is exercised by the competent authority of that investment firm.

2. Where the parent undertaking of an AEPEY is a Union parent investment holding company or a Union parent mixed financial holding company, supervision on a consolidated basis or supervision of compliance with the group capital test is exercised by the Hellenic Capital Market Commission.

3. Where one or more AEPEYs and one or more investment firms authorized in another or other Member States have the same parent investment holding company authorized in Greece or the same parent mixed financial holding company authorized in Greece, supervision on a consolidated basis or supervision of compliance with the group capital test is exercised by the Hellenic Capital Market Commission. If the parent investment firm of a holding company or the mixed financial holding company of a group with one or more AEPEY as subsidiaries is authorized in another Member state, supervision on a consolidated basis or supervision of compliance with the group capital test is exercised by the competent authority of the investment firm authorized in the Member State where the parent holding investment company or the parent mixed financial holding company is authorized.

4. Where the parent undertakings of two or more investment firms authorized in two or more Member States comprise more than one investment holding company or mixed financial holding company with head offices in different Member States and where there is an investment firm in each of those Member States, supervision on a consolidated basis or supervision of compliance with the group capital test shall be exercised by the competent authority of the investment firm with the largest balance sheet total. When this investment firm with the largest balance sheet total is an AEPEY, the competent authority for supervision on a consolidated basis or supervision of compliance with the group capital test is the Hellenic Capital Market Commission.

5. Where two or more investment firms authorized in the Union have as their parent the same Union investment holding company or Union mixed financial holding company and none of those investment firms has been authorized in the Member State in which the investment holding company or mixed financial holding company was set up, supervision on a consolidated basis or supervision of compliance with the group capital test is exercised by the competent authority of the investment firm with the largest balance sheet total. When this investment firm with the largest balance sheet total is an AEPEY, the competent authority for supervision on a consolidated basis or supervision of compliance with the group capital test is the Hellenic Capital Market Commission.

6. The Hellenic Capital Market Commission may, by common agreement with the other competent authorities supervising investment firms, waive the criteria referred to

in paragraphs 3, 4 and 5 where their application would not be appropriate for the effective supervision on a consolidated basis or supervision of compliance with the group capital test, taking into account the investment firms concerned and the importance of their activities in the relevant Member States, and designate a different competent authority to exercise supervision on a consolidated basis or supervision of compliance with the group capital test. In those cases, before adopting any such decision, the Hellenic Capital Market Commission gives the parent investment holding company authorized in Greece or the EU or the parent mixed financial holding company authorized in Greece or the EU or the AEPEY with the largest balance sheet total, as appropriate, an opportunity to state its opinion on that intended decision. The Hellenic Capital Market Commission notifies the European Commission and the EBA of any such decision.

#### Article 102

##### Information requirements in emergency situations

(Article 47 of Directive 2019/2034/EU)

An emergency situation arises, including a situation as described in Article 18 of Regulation (EU) 1093/2010 or a situation of adverse developments in markets, which potentially jeopardizes the market liquidity and the stability of the financial system in any of the Member States where entities of an AEPEY group have been authorized,, the Hellenic Capital Market Commission if it is a group supervision authority, based on Article 101, alerts, in accordance with Article 71 up to 73 incl., as soon as practicable, EBA, ESRB and any relevant competent authorities and shall communicate all information essential for the performance of their tasks.

#### Article 103

##### Colleges of supervisors

(Article 48 of Directive 2019/2034/EU)

1. When the Hellenic Capital Market Commission is a group supervisor determined pursuant to Article 101 it may, if appropriate, establish colleges of supervisors to facilitate the exercise of the tasks referred to in this Article and to ensure coordination and cooperation with relevant third- country supervisory authorities in particular where this is needed for the purpose of applying point (c) of the first subparagraph of Article 23 of Regulation (EU) 2019/2033 to exchange and update relevant information on the margin model with the supervisory authorities of the qualifying central counterparties (QCCPs).

2. Colleges of supervisors shall provide a framework for the group supervisor, EBA and the other competent authorities to carry out the following tasks:

a) The tasks referred to in Article 102,

b) The coordination of information requests where this is necessary for facilitating supervision on a consolidated basis, in accordance with Article 7 of Regulation (EU) 2019/2033,

c) The coordination of information requests, in cases where several competent authorities of investment firms that are part of the same group need to request either from the competent authority of a clearing member's home Member State or from the competent authority of the QCCP information relating to the margin model and parameters used for the calculation of the margin requirement of the relevant investment firms,

d) The exchange of information between all competent authorities and with EBA in accordance with Article 21 of Regulation (EU) 1093/2010, and with ESMA in accordance with Article 21 of Regulation (EU) 1095/2010,

e) Reaching an agreement on the voluntary delegation between competent authorities of tasks and responsibilities, where appropriate,

f) Increasing the efficiency of supervision by seeking to avoid the unnecessary duplication of supervisory requirements.

3. Where appropriate, the Hellenic Capital Market Commission, as competent group supervisor, in accordance with article 101, may establish colleges of supervisors also when subsidiaries of an investment group headed by an AEPEY, a Greek parent investment holding company or a Greek parent mixed financial holding company are located in a third country.

4. The following authorities shall be members in the college of supervisors:

a) The competent authorities responsible for the supervision of subsidiaries of an investment firm group headed by an Union investment firm, Union parent investment holding company or Union parent mixed financial holding company,

b) Where appropriate, third- country supervisory authorities, subject to confidentiality requirements that are equivalent in the opinion of all competent authorities to the requirements laid down in articles 71, 72 and 73.

5. The group supervisor determined pursuant to Article 101 shall chair the meetings of the college of supervisors and adopt decisions. That group supervisor shall keep all members of the college of supervisors fully informed in advance of the organisation of those meetings, of the main issues to be discussed and of the activities to be considered. The group supervisor shall also keep all the members of the college of supervisors fully informed, in a timely manner, of the decisions adopted in those meetings or the measures carried out.

The group supervisor shall take account of the relevance of the supervisory activity to be planned or coordinated by the authorities referred to in paragraph 4 when adopting

decisions. The establishment and functioning of the colleges of supervisors shall be formalized by means of written arrangements.

6. In the event of disagreement with a decision adopted by the group supervisor on the functioning of colleges of supervisors, any of the competent authorities concerned may refer the matter to EBA and request EBA's assistance in accordance with Article 19 of Regulation (EU) 1093/2010.

#### Article 104

##### Cooperation requirements

(Article 49 of Directive 2019/2034/EU)

1. The Hellenic Capital Market Commission, as the group supervisor and the competent authorities referred to in par. 4 of article 103, provide each other with all relevant information as required, including the following:

a) identification of the investment firm group's legal and governance structure, including its organizational structure, covering all regulated and non-regulated entities, non-regulated subsidiaries and the parent undertakings, and of the competent authorities of the regulated entities in the investment firm group,

b) Procedures for the collection of information from the investment firms in an investment firm group, and the procedures for the verification of that information,

c) Any adverse developments in investment firms or in other entities of an investment firm group, which could seriously affect those investment firms,

d) Any significant sanctions and exceptional measures taken by competent authorities in accordance with national provisions transposing Directive 2019/2034,

e) The imposition of a specific own funds requirement under Article 39 of Directive 2019/2034/EU.

2. The Hellenic Capital Market Commission, either as competent authority or as the group supervisor, may refer to EBA, in accordance with par. 1 of Article 19 of Regulation (EU) 1093/2010, where relevant information has not been communicated pursuant to paragraph 1 without undue delay or where a request for cooperation, in particular to exchange relevant information, has been rejected or has not been acted upon within a reasonable period of time.

3. The Hellenic Capital Market Commission, before adopting a decision that may be important for other competent authorities' supervisory tasks, consults them on the following:

a) Changes in the shareholder, organizational or management structure of investment firms in the investment firm group, which require the approval or authorization of competent authorities,

b) Significant sanctions imposed on investment firms by competent authorities or any other exceptional measures taken by those authorities and

c) Specific own funds requirements imposed in accordance with Article 94.

4. When the Hellenic Capital Market Commission is going to impose significant sanctions or take other exceptional measures, in accordance with point b) par. 3, consults the group supervisor.

5. By way of derogation from paragraph 3, the Hellenic Capital Market Commission is not obliged to consult other competent authorities in cases of urgency or where such consultation could jeopardize the effectiveness of its decision. In this case, the Hellenic Capital Market Commission shall inform the other competent authorities concerned of that decision not to consult without delay.

#### Article 105

Verification of information concerning entities located in Greece  
(Article 50 of Directive 2019/2034/EU)

1. Where a competent authority in one Member State needs to verify information about AEPEY, investment firms, investment holding companies, mixed financial holding companies, financial institutions, ancillary services undertakings, mixed- activity holding companies or subsidiaries that are located in Greece, including subsidiaries which are insurance companies, and makes a request to that effect, that verification is carried out by the Hellenic Capital Market Commission, in accordance with par. 2.

2. The Hellenic Capital Market Commission, when it receives a request pursuant to par. 1, does any of the following:

a) It carries out the verification itself within the framework of its competence,

b) Allows the competent authority which made the request to carry out the verification,

c) Requests an auditor or expert to carry out the verification impartially and to report the results promptly.

For the purposes of points a) and c), the competent authority that made the request shall be allowed to participate in the verification.

3. When the Hellenic Capital Market Commission needs to verify information about investment firms, investment holding companies, mixed financial holding companies, financial institutions, ancillary services undertakings, mixed- activity holding

companies or subsidiaries that are located in another Member State, including subsidiaries which are insurance companies, it makes a request to that effect to the relevant competent authority of that other Member State.

## SECTION 2

### INVESTMENT HOLDING COMPANIES, MIXED FINANCIAL HOLDING COMPANIES AND MIXED - ACTIVITY HOLDING COMPANIES

#### Article 106

Inclusion of holding companies in supervision of compliance with the group capital test (article 51 of Directive 2019/2034/EU)

Investment holding companies and mixed financial holding companies are included in the supervision of compliance with the group capital test.

#### Article 107

##### Qualifications of directors

(Article 52 of Directive 2019/2034/EU)

The members of the management body of an investment holding company or mixed financial holding company must be of sufficiently good repute and possess sufficient knowledge, skills and experience to effectively perform their duties, taking into account the specific role of an investment holding company or mixed financial holding company.

#### Article 108

##### Mixed- activity holding companies

(Article 53 of Directive 2019/2034/EU)

1. When a parent undertaking of an AEPEY is a mixed- activity holding company,, the Hellenic Capital Market Commission may:

a) Require that the mixed- activity holding company supply them with any information that may be relevant for the supervision of that AEPEY,

a) supervise transactions between the investment firm and the mixed- activity holding company and the subsidiaries of the latter, and require the AEPEY to have in place adequate risk management processes and internal control mechanisms, including sound reporting and accounting procedures to identify, measure, monitor and control those transactions.

2. The Hellenic Capital Market Commission may carry out, or have carried out by external inspectors, on- the- spot inspections to verify the information received from mixed- activity holding companies and their subsidiaries.

Article 109

Sanctions

(Article 54 of Directive 2019/2034/EU)

The Hellenic Capital Market Commission may impose administrative sanctions or other administrative measures, in accordance with art. 74 to 79 incl. hereof, aiming to end or mitigate breaches of the present chapter of Regulation (EU) 2019/2033 investment holding companies, mixed financial holding companies and mixed- activity holding companies, or their effective managers.

Article 110

Assessment of third- country supervision and other supervisory techniques

(Article 55 of Directive 2019/2034/EU)

1. Where two or more AEPEY or investment firms that are subsidiaries of the same parent undertaking, the head office of which is in a third country, are not subject to effective supervision at group level, the Hellenic Capital Market Commission assesses whether the AEPEY or investment firms are subject to supervision by the third- country supervisory authority which is equivalent to the supervision set out in this law and the first part of Regulation (EU) 2019/2033.

2. Where the assessment referred to in paragraph 1 hereof concludes that no such equivalent supervision applies, the Hellenic Capital Market Commission may apply appropriate supervisory techniques which achieve the objectives of supervision in accordance with Article 7 or 8 of Regulation (EU) 2019/2033. Those supervisory techniques shall be decided by the competent authority which would be the group supervisor had the parent undertaking been established in the Union, after consulting the Hellenic Capital Market Commission. Any measures taken pursuant to this paragraph shall be notified to the other competent authorities involved, to EBA and to the Commission.

3. The competent authority which would be the group supervisor had the parent undertaking been established in the Union may, in particular, require the establishment of an investment holding company or mixed financial holding company in the Union and apply Article 7 or 8 of Regulation (EU) 2019/2033 to that investment holding company or mixed financial holding company.

TITLE V

PUBLICATION OF INFORMATION BY THE HCMC

Article 111

Publication Requirements

(Article 57 of Directive 2019/2034/EU)



1. The HCMC shall make public all of the following information:

a) The texts of laws, regulations, administrative rules and circulars issued pursuant to this law and Directive 2019/2034;

b) The manner of exercise of the options and discretions available pursuant to this law and Directive (EU) 2019/2033;

c) The general criteria and methodologies used for the supervisory review and evaluation referred to in Article 91 hereof;

d) Aggregate statistical data on the key aspects of the implementation of this law and of Regulation (EU) 2019/2033 in Greece, including the number and nature of the supervisory measures taken, in accordance with point a) of paragraph 2 of Article 94 hereof and the administrative sanctions imposed, in accordance with Article 74 hereof.

2. The information published in accordance with paragraph 1 shall be sufficiently comprehensive and accurate to enable a meaningful comparison of the application of points (b), (c) and (d) of paragraph 1 by the competent authorities of the different Member States.

3. The publication of information shall follow a common format of par. 4 of article 57 of Directive 2034/2019 / EU, through a single website, accessible to the public and shall be updated regularly.

## TITLE VI

### AMENDMENT OF PROVISIONS PURSUANT TO DIRECTIVE 2019/2034/EU

#### Article 112

Definition of sectoral rules - Amendment of Article 2 of Law 3455/2006  
(Article 59 of Directive 2019/2034/EU)

Par. 7 of Article 2 of Law 3455/2006 (A` 84) shall be replaced as follows:

"7) " Sectoral rules "means Union legal acts relating to the prudential supervision of regulated entities, in particular Regulations of the European Parliament and Council (EU) 575/2013 and (EU) 2019/2033 and Law 4364 / 2016 (A` 13), 4261/2014 (A` 107) and 4514/2018 (A` 14), with the regulatory decisions issued under their authority through which the Directives of the European Parliament and the Council 2009/138 / EC, 2013/36 / EU, 2014/65 / EU and (EU) 2019/2034 have been transposed into national law.

#### Article 113

Minimum own funds of MFMC - Amendment of Article 13 of Law 4099/2012  
(Article 60 of Directive 2019/2034/EU)

Par. 3 of article 13 of law 4099/2012 (A` 250), regarding the minimum own funds of the Mutual Fund Management Société Anonyme (MFMC), is replaced as follows:

"3. In any case, the own funds of the MFMC must never be less than the amount provided for in Article 13 of Regulation (EU) 2019/2033 of the European Parliament and of the Council."

#### Article 114

Minimum own funds of AIFMs - Amendment of Article 9 of Law 4209/2013  
(Article 61 of Directive 2019/2034/EU)

Par. 6 of article 9 of law 4209/2013 (A` 253), regarding the minimum own funds of the Alternative Investment Fund Managers Société Anonyme (AIFM SA), is replaced as follows:

"6. Irrespective of paragraph 4, the own funds of AIFM shall never be less than the amount required under Article 13 of Regulation (EU) 2019/2033 of the European Parliament and of the Council."

#### Article 115

Replacement of title of Law 4261/2014  
(par. 1 of Article 62 of Directive 2019/2034/EU)

The title of Law 4261/2014 (A` 107) shall be replaced as follows:

"Access to the activity of credit institutions and prudential supervision of credit institutions (incorporation of Directive 2013/36 / EU), repeal of Law 3601/2007 and other provisions."

#### Article 116

Replacement of title of Chapter A of Law 4261/2014

The title of Chapter A` of Law 4261/2014 (A` 107) shall be replaced as follows:

#### CHAPTER A

SCOPE, TERMS AND CONDITIONS FOR ESTABLISHMENT AND OPERATION OF A CREDIT INSTITUTION".

#### Article 117

Subject - Purpose - Replacement of Article 1 of law 4261/2014 (par. 2 of Article 62 of Directive 2019/2034 / EU).

Par. 2 of Article 1 of law 4261/2014 (A` 107), on the object of the law shall be replaced and article 1 shall be formulated as follows:

#### “Article 1

##### Subject matter-Purpose

(Article 1 of Directive 2013/36/EU)

1. Articles 1 to 166 of this law aim at the incorporation into the Greek legal order of Directive 2013/36 / EU of the European Parliament and of the Council of 26 June 2013 "on access to the activity of credit institutions and prudential supervision amending Directive 2002/87 / EC and repealing Directives 2006/48 / EC and 2006/49 / EC '(OJ L 176).

2. This Directive lays down rules concerning:

- a) Access to the activity of credit institutions;
- b) Supervisory powers and tools for the prudential supervision of institutions by competent authorities;
- (c) The prudential supervision of credit institutions by the competent authorities in a manner compatible with the rules laid down in Regulation (EU) 575/2013;
- (d) The publication requirements for competent authorities in the field of prudential regulation and supervision of institutions.

#### Article 118

Scope - Amendment of article 2 of law 4261/2014 (par. 3 of article 62 of Directive 2019/2034 / EU)

In article 2 of law 4261/2014 (A` 107), a) par. 2, 3 and point a) of par. 5 are repealed, b) par. 6 shall be amended, in order to adapt to the repeal of par. a) of par. 5, and article 2 shall be formulated as follows:

#### “Article 2

##### Scope

(Article 2 of Directive 2013/36/EU)

- 1. The provisions of Articles 1-166 shall apply to institutions within the meaning of case 3 of paragraph 1 of Article 3.

2. [Repealed]

3. [Repealed]

4. Articles 41, 42 and 104 to 120 shall apply to financial holding companies, mixed financial holding companies and mixed-activity holding companies which have their head offices in the Union.

5. This Directive shall not apply to the following:

a) [Repealed]

b) The Bank of Greece,

c) Post Office Giro Institutions

d) The "Deposits and Loans Fund", excluding Article 150

6. The entities referred to in paragraphs c) and d) of paragraph 5 shall be treated as financial institutions for the application of Articles 41, 42 and 104 to 120.

7. Credit institutions established in other Member States which have been expressly excluded from the scope of Article 2 of Directive 2013/36 / EU shall be excluded from the provisions of Articles 34 and 38 on freedom of establishment and services. "

#### Article 119

Special requirements for authorisation of credit institutions - Addition of Article 8a to law 4261/2014 (par. 6 of article 62 of Directive 2019/2034 / EU)

In Law 4261/2014 (A`107), after article 8, article 8a is added, as follows:

#### "Article 8α

Specific requirements for authorization of credit institutions referred to in item b point 1) of par. 1 of Article 4 of Regulation (EU) 575/2013

1. The companies referred to in section b point 1) of par. 1 of Article 4 of Regulation (EU) 575/2013 and which have already received an authorisation in accordance with Article 5 to 43 of law 4514/2018 (A` 14), must apply for an authorisation in accordance with Article 8, no later than the day on which any of the following events take place:

a) The average monthly total assets, calculated over a period of twelve (12) consecutive months, shall be equal to or exceed the amount of thirty billion (30,000,000,000) Euros or

(b) the average monthly total assets, calculated over a period of twelve (12) consecutive months shall be less than thirty billion (30,000,000,000) Euros and the company shall be part of a group in which the total value of the consolidated assets of all companies within the group, which individually have assets with a total value of less than thirty billion (30,000,000,000) Euros and carry out any of the activities referred to in points 3 and 6 of Section A of Annex I of Law 4514/2018, are equal to or exceeding thirty billion (30,000,000,000) Euros, both calculated as an average over a period of twelve (12) consecutive months.

2. The companies referred to in par. 1, may continue to carry out the activities referred to in par. B) point 1) of par. 1 of Article 4 of Regulation (EU) 575/2013, until they receive the authorisation of par. 1.
3. Where the Bank of Greece, after receiving the information from the Hellenic Capital Market Commission in accordance with article 95b of law 4514/2018, considers that a company must be authorised as a credit institution, in accordance with Article 8 hereof, it shall inform the company and the Hellenic Capital Market Commission and shall initiate the licensing process from the date of such notification.
4. In cases of reauthorisation, in accordance with this Article, the Bank of Greece shall ensure that the procedure is streamlined and that the information from the existing authorisations issued by the Hellenic Capital Market Commission is taken into account. To this end, the Hellenic Capital Market Commission, after receiving the information of par. 4, shall transmit to the Bank of Greece the information that is already at its disposal and related to the licensing process of Article 8.
5. The Bank of Greece may determine, by its decision, the required information and the implementation details for the exercise of the responsibilities of this Article. "

#### Article 120

Revocation of authorisation - Amendment of Article 19 of Law 4261/2014  
(par. 7 of Article 62 of Directive 2019/2034/EU)

In article 19 of law 4261/2014 (A` 107), on revocation of an authorisation, subpar. aa) shall be added and the Article shall be formulated as follows:

#### "Article 19

Revocation of authorisation  
(Article 18 of Directive 2013/36/EU)

The Bank of Greece may revoke the authorisation of a credit institution only when the said credit institution:

- a) Expressly waives it, ceases to operate for a period longer than six (6) months or does not use the authorisation within twelve (12) months from the receipt of its license;
- aa) Uses its authorisation exclusively for the exercise of the activities referred to in section b) point 1) of par. 1 of Article 4 of Regulation (EU) 575/2013 and has, for a period of five (5) consecutive years an average of total assets less than the limits set out in that Article,
- β) Obtained the authorisation with false statements or in any other unlawful way;
- (c) No longer fulfills the requirements under which the authorisation was granted;
- (d) no longer meets all of the prudential supervision requirements set out in Articles 92 to 403 and 411 to 428 n.b. except for the requirements set out in Articles 92a and 92b of Regulation (EU) 575/2013 (L 176); or imposed under section a) of par. 1 of Article 96 or article 98 hereof or no longer provides the guarantee that it can fulfill its obligations to its creditors and particularly no longer ensures the safety of the funds its depositors have entrusted to it,
- (e) Is subject to one of the other cases of revocation provided for by the applicable legislation;
- (f) Commits one of the infringements referred to in paragraph 1 of Article 59;
- g) Is unable or refuses to increase its own funds;
- h) Obstructs in any way the control exercised by the Bank of Greece;
- i) Violates the provisions of laws related to the supervision or the exercise of the activity of credit institutions or decisions of the Bank of Greece, to the extent that the solvency of the credit institution or in general the achievement of the objectives exercised by the supervision of the Bank of Greece may be jeopardized or
- j) situations are created that refer to the second subparagraph of par. 4 of article 14 or the structure of the group of the credit institution has been changed in a way that hinders the effective exercise of its supervisory responsibilities. "

#### Article 121

EU-based Intermediary parent company

Amendment of Article 22B of Law 4261/2014

(par. 9 of Article 62 of Directive 2019/2034/EU)

Paragraph 5 of Article 22B of Law 4261/2014 (A` 107) on an intermediary parent company established in the European Union is replaced and Article 22B is formulated as follows:

"Article 22B

EU-based Intermediary parent company  
(Article 21b of Directive 2013/36 / EU)

1. Two (2) or more institutions established in the European Union (EU) and of which at least one (1) established in Greece, which are part of the same third-country group, have only one intermediary parent company which is established in the EU.

2. The Bank of Greece or the Hellenic Capital Market Commission may, by reason of competence, allow the institutions referred to in paragraph 1 to have two (2) parent intermediaries established in the EU if they consider that the establishment of only one (1) intermediary parent company established in the EU:

(a) would be incompatible with the mandatory requirement on separate activities imposed by the legislation or supervisory authorities of the third country in which the final parent company of the third country group is domiciled, or

b) would make consolidation less effective than if there were two (2) parent intermediaries established in the EU, according to an assessment carried out by the competent authority of the EU-based parent company.

3. An EU-based parent intermediary is either a credit institution authorised pursuant to Article 8 hereof or Article 8 of Directive 2013/36 / EU (L 176) or a financial holding company or a mixed financial holding company which has been approved in accordance with Article 22A hereof or Article 21a of Directive 2013/36 / EU. By way of derogation from the first subparagraph, if none of the institutions referred to in paragraph 1 is a credit institution or if the second intermediate parent company established in the EU has to be established in relation to investment activities in order to comply with the mandatory separation requirement of activities indicated in par. 2, the intermediary parent company established in the EU or the second intermediary parent company established in the EU, may be an investment company authorised in accordance with par. 1 of Article 5 of Law 4514/2018 (A` 14) or par. 1 of Article 5 of Directive 2014/65 / EU (L 173) and which is subject to Law 4335/2015 (A` 87) or to Directive 2014/59 / EU (L 173).

4. Paragraphs 1, 2 and 3 shall not apply when the total value of the assets of the third-country group in the EU is less than forty billion (40,000,000,000) Euros.

5. For the purposes of this Article:

a) The total value of assets of the third-country group in the EU shall be the sum of the following:

(aa) the total value of assets of each branch of the third-country group in the EU, as shown by its consolidated balance sheet or their individual balance sheet, where the institution's balance sheet is not consolidated, and

ab) the total value of the assets of each branch of the third-country group that has been authorised in the EU, in accordance with this law, Directive 2013/36 / EU Law 4514/2018, Directive 2014/65 / EU or Regulation (EU) 600/2014 (L 173).

b) The term "institution" also includes investment firms.

6. The Bank of Greece or the Hellenic Capital Market Commission shall communicate to the European Banking Authority (EBA), by reason of competence, the following information for each third-country group operating in Greece:

a) The company names and the total value of assets of the supervised institutions operating in Greece and belonging to a third-country group;

b) the names and the total value of assets corresponding to the branches that have obtained an authorisation in Greece, in accordance with this law, Law 4514/2018 or Regulation (EU) 600/2014 and the types of activities for which they have obtained said authorisation,

c) The name and type, as mentioned in par. 3, of any intermediary parent company based in the EU established in Greece and the name of the third-country group to which it belongs.

7. The Bank of Greece or the Hellenic Capital Market Commission shall ensure that any institution established in Greece belonging to a third-country group shall meet one of the following conditions:

(a) Have an intermediary parent company established in the EU;

(b) Be an intermediary parent company established in the EU;

(c) Be the only third-country group institution in the EU; or

(d) Belong to a third-country group with a total asset value in the EU of less than forty billion (40,000,000,000) Euros.

8. By way of derogation from paragraph 1, third-country groups operating through more than one institutions in the EU, with at least one institution or branch in Greece and with a total asset value equal to or greater than forty billion (40,000,000,000) Euros on 27 June 2019, must have by 30 December 2023 an intermediary parent company established in the EU or, if paragraph 2 applies, two (2) intermediate parent companies established in the EU.

9. The Bank of Greece or the Hellenic Capital Market Commission may determine by its decision the information required for the exercise of the responsibilities of this article. ".



Article 122

Significant branches - Amendment of Article 52 of Law 4261/2014  
(par. 11 of Article 62 of Directive 2019/2034/EU)

In article 52 of law 4261/2014 (A` 107) on significant branches, the reference to the Hellenic Capital Market Commission as a competent authority shall be deleted, the second paragraph of section a) of par. 1 shall be deleted and Article 52 shall be formulated as follows:

"Article 52

Significant branches  
(Article 51 of Directive 2013/36/EU)

1. (a) The Bank of Greece, in its capacity as the competent authority of the host Member State, may submit a request to the consolidated supervisory authority in the cases referred to in paragraph 1 of Article 105 or to the competent authorities of the home Member State so that the established in Greece branch of a credit institution is considered as significant.

b) The above request sets out the reasons why the branch should be considered significant, mainly with regard to the following parameters:

aa) if the market share of the branch in terms of deposits in Greece exceeds 2%,

bb) the possible consequences of suspension or cessation of the institution's operations on systemic liquidity and payment, settlement and liquidation systems in Greece;

cc) the size and importance of the branch in the Greek banking or financial system based on the number of its customers.

c) The Bank of Greece, in its capacity of competent authority of the host Member State, shall make every possible effort in cooperation with the competent authorities of the home Member State, as well as with the consolidating supervisory authority, in cases where paragraph 1 of Article 105 applies, in order to jointly decide on the designation of a branch as significant.

d) If within two (2) months from receipt of the request indicated in section a) no joint decision is reached, the Bank of Greece, in its capacity of the competent authority of the host Member State, shall unilaterally take the relevant decision within a new period of two (2 ) months upon expiration of the previous two-month period. This decision shall take into account the views and any reservations of the consolidating supervisory authority or the competent authorities of the home Member State.

(e) The decisions referred to in points (c) and (d) of this paragraph shall be made in writing with full justification and shall be forwarded to the competent authorities

concerned. These decisions shall be recognized and implemented by the competent authorities of the Member States concerned.

f) The designation of a branch as important shall not affect the rights and responsibilities of the competent authorities as defined by this law and Directive 2013/36 / EU.

2. The provisions of the previous paragraph 1 shall apply *mutatis mutandis* in cases where the Bank of Greece shall act in the capacity of consolidating supervisor or the competent authority of the home Member State with a branch in another Member State.

3. a) The Bank of Greece, in its capacity of the competent authority of the home Member State, shall transmit to the competent authorities of the host Member State, where a substantial branch of an institution is established, the information referred to in paragraphs c) and d) of paragraph 3 of Article 110 and shall perform the tasks referred to in Article 105 (1) (c) in cooperation with the competent authorities of the host Member State.

b) If the Bank of Greece, in its capacity of the competent authority of the home Member State, perceives an emergency situation, within the meaning of paragraph 1 of Article 107, it shall immediately notify the ESRB and the authorities referred to in sub-sections aa` and dd of section a and sub-section aa of section d of par. 6 of Article 54, including the respective authorities of the Member States involved.

c) The Bank of Greece, in its capacity of the competent authority of the home Member State, shall transmit to the competent authorities of the host Member State, where significant branch offices are located, the results of the risk assessment of the institutions to which those branches belong, as provided in Article 89 and, where appropriate, Article 106 (2). It shall also communicate to the competent authorities of the host Member State the decisions taken pursuant to Articles 96 and 98 in so far as those assessments and decisions concern the branches concerned.

d) The Bank of Greece, as the competent authority of the home Member State, shall consult with the competent authorities of the host Member State, where significant branches are located, with regard to the actions required under paragraphs 14 and 15 of Article 78, if this is deemed necessary in relation to liquidity risks in the currency of the host Member State.

4. The Bank of Greece, in its capacity of the competent authority of the host Member State, shall have the corresponding rights and duties provided for in paragraph 3.

5. The Bank of Greece, in its capacity of the competent authority of the host Member State, may refer the issue to EBA and request its assistance, in accordance with Article 19 of Regulation (EU) No 1093/2010, in the event that the competent authorities of the home member-state have not consulted it or if after consultation it considers that the actions required under paragraph 14 of Article 78 are not appropriate.

6a) In cases for which Article 109 does not apply, the Bank of Greece, acting as the competent authority for the supervision of an institution with significant branches in other Member States, shall establish a college of supervisors under its presidency, in order to facilitate the cooperation provided for in par. 3 of this article and in article 51. The formalities for the establishment and operation of the college of supervisors are prepared in writing by the Bank of Greece, upon consultation with the competent authorities involved. In this context, a decision is taken on the competent authorities participating in the meetings or activities of the college of supervisors.

(b) This Decision shall take into account the importance for the other supervisory authorities of the supervisory action sought and in particular the possible effects on the stability of the financial system in the Member States concerned, in accordance with Article 7, and the obligations laid down in par. 3 of this Article.

c) The Bank of Greece, in its capacity of the competent authority of the home Member State, shall fully inform in advance all the members of the college of supervisors of the organization of the meetings and the issues to be considered. It shall also timely and full inform all the members of the College of Supervisors of any action or measure taken at such meetings.

7. The Bank of Greece, in its capacity of the competent authority of the host Member State, shall participate in the work of the bodies referred to in the previous paragraph.”.

#### Article 123

Official - Professional secrecy - Amendment of Article 54 of Law 4261/2014  
(par. 12 of Article 62 of Directive 2019/2034/EU)

The first paragraph of par. 3 of article 54 of law 4261/2014 (A` 107) on official - professional secrecy shall be supplemented with regard to the referred provisions and Article 54 shall be formulated as follows:

"Article 54

Official - Professional secrecy  
(Article 53 - 62 of Directive 2013/36/EU)

1. The persons who exercise or have exercised activity on behalf of the Bank of Greece and the auditors or experts appointed by the Bank of Greece are obliged to comply with the professional secrecy. Without prejudice to the provisions of this Article, the cases that fall under Criminal Law and Criminal Procedure, as well as the provisions of Law 3691/2008, as currently in force, none of the confidential information that comes to their knowledge during the exercise of their official duties in relation to the responsibilities of the Bank of Greece under this law may not be disclosed to any person or public authority, except in a concise or consolidated form, so as not to reveal the identity of the specific credit institution. Exceptionally, in case of special liquidation

of a credit institution, the disclosure for the above persons is not excluded, as part of the Private Law procedures, of confidential information that does not concern third parties involved in the rescue procedures in any way of the credit institution. Disclosure of confidential information is also allowed in the fulfillment of undertaken obligations under the Financial Support Program of the Greek economy.

2. The Bank of Greece is allowed to publish the results of stress tests carried out in accordance with Article 92 of this law or Article 32 of Regulation (EU) 1093/2010 of the European Parliament and Council or to communicate the results of stress tests to the EBA for the purpose of publication of the results of the stress tests throughout the European Union by the EBA.

3. The Bank of Greece may exchange with the respective competent authorities of the other Member States or transmit to the ESRB, EBA or the European Supervisory Authority (hereinafter ESMA), established by Regulation (EU) No 1095/2010 of the European Parliament and Council (EU L 331), information relating to its competences under this Law, Regulation (EC) 575/2013 and Regulation (EU) 2019/2033 of the European Parliament and Council pursuant to Article 15 of Regulation 1092/2010 of the European Parliament and Council pursuant to Articles 31, 35 and 36 of Regulation (EU) 1093/2010 and Articles 31 and 36 Regulation (EC) 1095/2010 of the European Parliament and Council. This information is subject to the professional secrecy of par. 1 which in accordance with the relevant Union provisions also applies to the competent authorities and is not further disclosed without the consent of the Bank of Greece, which is granted in accordance with the provisions of this article.

4. The Bank of Greece shall use the information of the provisions of paragraphs 1 and 3 of this Article in the exercise of its responsibilities for the following purposes:

(a) The exercise of the supervisory duties of insurance and re-insurance businesses in accordance with the applicable law;

b) The control of conclusion of the conditions for undertaking and exercising activity on the part of the credit institution;

(c) the facilitation of supervision, on an individual and consolidated basis, in particular as regards the control of liquidity, solvency, credit risk concentration and the administrative and accounting organization and internal control mechanisms, as well as the imposition of sanctions; or as part of administrative or judicial disputes relating to the exercise of its powers, as well as in the context of its powers relating to the conduct of monetary policy within the Eurosystem and to the oversight of payment systems; and

(d) as part of legal proceedings brought against such decisions or under specific provisions laid down in Union law in the field of credit institutions.

5. The Bank of Greece may conclude cooperation agreements, which provide for the exchange of information with the competent authorities of third countries, as well as

with other supervisory authorities or organizations of third countries corresponding to those mentioned in sections a` and b` of par. 6, only if the disclosed information is covered, with regard to professional secrecy, by guarantees at least equivalent to those provided for in paragraph 1. This exchange of information must serve the performance of the supervisory functions of those authorities or bodies.

6.a) The exchange of information is allowed between the Bank of Greece on the one hand and:

aa) the Minister of Finance during the exercise of his responsibilities, pursuant to par. 2 of article 4 of the P.D. 437/2019 September 1985 (A` 157) and the Hellenic Capital Market Commission during the exercise of its responsibilities provided by the current legislation,

bb) the special examination committees of the Parliament, during the exercise of their duties, in accordance with the Rules of Procedure of the Parliament;

(cc) bodies legally involved in liquidation or insolvency proceedings of institutions;

(dd) recognized auditors, who have been lawfully assigned the task of auditing the financial statements of institutions, insurance undertakings and financial institutions, in order to carry out their task;

ee) the Deposit and Investment Guarantee Fund, in case of information necessary for the fulfillment of its mission, as well as

f) the Financial Stability Fund, in case of information necessary for the fulfillment of its mission,

(gg) the competent authorities for the supervision of persons liable referred to in sections 2) and 3) of article 3 of Law 4557/2018 (A` 139) regarding the compliance with the aforementioned law, as well as Financial Information Investigation Units, hh) of the competent authorities or bodies that are responsible for the application of the rules on structural separation within the banking group.

b) With prejudice to paragraphs 1 to 5, the exchange of information is permitted between the Bank of Greece on one hand and on the other hand:

ba) the authorities in charge of supervising the persons and bodies of sub-sections cc) and dd) of section a) and

bb) to reinforce the stability and soundness of the financial system, the Minister of Development and Investment in the exercise of the supervisory duties of public limited companies, on condition that this information is intended to fulfill the supervisory mission of these authorities. If the Minister of Development and Investment, while performing his duties, uses the services of persons authorized to this end, due to special qualifications of persons who do not belong to the public administration, the

exchange of information under this paragraph may, with the consent of the Bank of Greece, be extended to these persons as well. The exchange of information shall take place in accordance with the same terms and after the Minister of Development and Investment has previously notified to the Bank of Greece the identity and the exact content of the mandate of the persons to whom the information is transmitted.

(c) The Bank of Greece may disclose to authorities, bodies or persons of other Member States, respectively to those referred to in points (a) and (b), including authorities or bodies responsible for maintaining the stability of the financial system in Member States through the use of macroprudential rules, the authorities responsible for exercising the supervisory powers of insurance and reinsurance businesses and the authorities responsible for supervising the contractual or institutional protection systems referred to in paragraph 7 of Article 113 of Regulation No. 575/2013, information intended for the fulfillment of their supervisory mission.

(d) The exchange of information is allowed between the Bank of Greece and:

(aa) the central banks of the European System of Central Banks and other bodies with similar tasks, when acting as monetary authorities, provided that this information relates to the fulfillment of their statutory tasks, including monetary policy and the provision of liquidity related to it, the oversight of payment, clearing and settlement systems and the preservation of the stability of the financial system;

(bb) any other authorities responsible for supervising payment systems; and

(cc) the ESRB, the European Supervisory Authority (European Insurance and Occupational Pensions Authority) (hereinafter EIOPA) established by Regulation (EU) No 1094/2010 of the European Parliament and the Council (EU L 331) or ESMA, where this information relates to the performance of their duties under Regulations (EU) 1092/2010, 1094/2010 and 1095/2010 respectively.

e) The Bank of Greece may disclose the information referred to in this Article to an exchange and clearing house or another similar body recognized by the national law to provide exchange or clearing services in the market of the Member State, if it considers that such disclosure is necessary to ensure the smooth operation of these bodies in the event of failure to meet the obligations, even potentially, of those participating in these markets.

f) In all cases hereof, the information received by the authorities, organizations and persons shall be subject to the rules of professional secrecy of par. 1. The Bank of Greece shall disclose to the European Banking Authority (EBA) the identity of the authorities or bodies which may receive information under this provision.

7. The transmission by the Bank of Greece of information obtained from the competent authorities of other Member States is only permitted with the express consent of those authorities and only for the purposes for which those authorities have given their consent. Any information obtained by the authorities of other Member States following

on-the-spot checks or inspections shall not be disclosed without the express consent of the competent authority of the Member State where the on-the-spot inspection or inspection was carried out.

8. In case of violation of the provisions on professional secrecy of this article, the sanctions provided by article 371 of the Penal Code shall apply.

9. The following shall also be subject to professional secrecy established by this Article:

(a) the information exchanged between the competent authorities pursuant to Article 49 of this Law; and

b) the measures taken by the Bank of Greece based on par. 1 of article 96 of this law.

10. The collection, processing, interconnection and creation of files of personal data and sensitive data by the Bank of Greece shall be carried out in accordance with the provisions of Law 4624/2019 (A` 137) and the relevant provisions of the General Data Protection Regulation (EU) 2016/679 (GDPR). The above activities are exempted from the relevant obligation of notification and licensing, provided that they are carried out as part of the responsibilities and operations of the Bank of Greece, as provided by its Articles of Association. ".

#### Article 124

Administrative sanctions and other administrative measures for breaches of the requirements for licensing and requirements for qualifying holdings on credit institutions - Amendment of article 58 of law 4261/2014 (par. 13 Article 62 of Directive 2019/2034/EU)

In par. 1 of Article 58 of Law 4261/2014 (A` 107) on administrative sanctions and other administrative measures, section (aa) shall be added and article 58 shall be formulated as follows:

#### "Article 58

Administrative sanctions and other administrative measures for breaches of the requirements for licensing and requirements for qualifying holdings on credit institutions (Article 66 of Directive 2013/36 / EU)

1. The Bank of Greece shall impose by its decision the administrative sanctions and measures indicated in par. 2 in the following cases:

(a) acceptance of deposits or other repayable funds from the public without the recipient being a credit institution, in breach of Article 9;

(aa) carrying out at least one of the activities referred to in section b of point 1 of paragraph 1 of Article 4 of Regulation (EU) 575/2013, covering the limit referred to in that Article, without a license from a credit institution;

b) commencement or exercise of activity without the required license of the Bank of Greece;

(c) the acquisition, directly or indirectly, of a special holding in a credit institution or a further increase, directly or indirectly, of a special holding in a credit institution, so that the proportion of voting rights or capital holdings reaches or exceeds the limits set in par. 1 of article 23 or in order for the credit institution to become a subsidiary of the person acquiring or increasing the participation, without written notice to the Bank of Greece that it seeks either to obtain special holding or to increase it, during the evaluation period, or despite the contrary opinion of the Bank of Greece, in violation of par. 1 of article 23,

(d) the termination, directly or indirectly, of a special holding in a credit institution or a reduction of the special holding so that the proportion of voting rights or shares held is less than the lowest limits set in Article 26 or so that the credit institution cease to be a subsidiary, without written notification to the Bank of Greece,

(e) non-compliance with the notification obligations to the Bank of Greece regarding the change of identity of natural persons controlling legal entities, holders of participation, in accordance with the provisions of par. 3 of article 23 or if there is no compliance with any requirement of the Bank of Greece for the application of the provisions of par. B) and c) of par. 1 of article 15,

(f) Failure to apply for approval in breach of Article 22A or any other breach of the requirements of said Article.

2. In cases of par. 1 of this Article, the administrative sanctions and other administrative measures that may be imposed include, either separately or cumulatively, the following among others:

(a) A public notice describing the responsible natural person, the institution, holding financial company or mixed holding financial company, as well as the nature of the infringement;

(b) An order to the natural or legal person responsible for the cessation of the unlawful conduct and its omission in the future;

(c) In case of a legal person, administrative fines of up to 10% of total net turnover, including gross income consisting of interest receivable and similar income, income from shares and other variable or fixed-income securities and commissions, or fees collectible pursuant to Article 316 of Regulation (EU) No 575/2013 of the business in the previous fiscal year,

(d) In case of a natural person, administrative fines of up to five million (5,000,000) Euros;



(e) Administrative fines of up to twice the amount of the benefit obtained from the infringement, provided that the benefit is measurable;

(f) Suspension of the voting right of the shareholders responsible for the violations of par. 1 of this Article.

In case the company provided for in case c` of this paragraph is a subsidiary of a parent company, the relevant gross income is the gross income that results from the consolidated statements of the highest parent company during the previous fiscal year.

3. In case of non-compliance of the persons referred to in par. 4 of article 27 with the instructions of the Bank of Greece for the adoption of corrective measures in accordance with this provision, the Bank of Greece may, alternatively or cumulatively:

a) To impose by its decision the removal of the above persons, for a definite or indefinite period, from the Board of Directors of the credit institution and from any management position in the credit institution;

(b) Suspend, until the conditions which led to the adoption of the measures in question are lifted, the exercise of the voting rights deriving from the shares held by such persons or the legal persons which they control;

(c) Prohibit any new transaction of the credit institution with such persons or with any legal persons controlled by them.

In case of violation of the decision of the Bank of Greece on the suspension of voting rights in accordance with case b` of this paragraph, the exercise of the relevant voting rights has no effect and the Bank of Greece may impose cumulatively or alternatively on the offenders. :

(aa) a fine of up to 10% of the value of their directly or indirectly held shares; and

(bb) the sanction of section a) of this paragraph, in case of natural persons.

In case of violation of the prohibition of section c) of this paragraph, the Bank of Greece, in addition to the sanctions it may impose by its decision on the credit institution, according to the applicable legislation, may impose by its decision on the persons trading with the credit institution in violation of its decision, a fine of up to the value of the transaction or if it is not easily calculable, up to three hundred thousand (300,000) Euros.

4. The Bank of Greece may impose the sanction of section a` of par. 3 of this Article also to the persons referred to in par. 3 of article 10 and in par. 1 and 2 of Article 13 of this law, if they no longer have the necessary credibility and do not ensure the prudent and sound management of the credit institution. "

## Article 125

### Jurisdiction of the consolidating supervisor - Amendment of Article 104 of Law 4261/2014

(par. 17 of Article 62 of Directive 2019/2034/EU)

Article 104 of Law 4261/2014 (A` 107) on jurisdiction of the consolidating supervisor, shall amend paragraph 2 and the introductory section of paragraph 3, in order to mention separately the credit institutions and investment firms, and Article 104 shall be formulated as follows:

#### "Article 104

##### Jurisdiction of the consolidating supervisor (Article 111 of Directive 2013/36/EU)

1. a) When the parent company is a parent credit institution established in Greece or a parent credit institution established in the EU, supervision on a consolidated basis shall be exercised by the Bank of Greece supervising said parent credit institution established in Greece or said parent credit institution established in the EU on an individual basis.

b) When the parent company is a parent investment firm established in Greece or a parent investment firm established in the EU and none of its subsidiaries is a credit institution, supervision on a consolidated basis shall be exercised by the Hellenic Capital Market Commission supervising the parent investment firm established in Greece or that parent investment firm established in the EU on an individual basis.

c) When the parent company is a parent investment firm established in Greece or a parent investment firm established in the EU and at least one of its subsidiaries is a credit institution, supervision on a consolidated basis shall be exercised by the competent authority supervising said credit institution. If the said credit institution is supervised by the Bank of Greece, the supervision on a consolidated basis shall be exercised by the Bank of Greece. In case of several credit institutions, supervision on a consolidated basis is exercised by the competent authority of the credit institution with the largest balance sheet total. If the largest balance sheet total is held by the credit institution established in Greece, the supervision on a consolidated basis is exercised by the Bank of Greece.

2. When the parent company of a credit institution or investment firm, which is supervised, as the case may be, on an individual basis by the Bank of Greece or the Hellenic Capital Market Commission, is a parent financial holding company established in a Member State, a parent mixed financial holding company which is established in a Member State, a parent financial holding company established in the EU or a parent mixed financial holding company established in the EU, supervision on a consolidated basis shall be exercised by the Bank of Greece or the Hellenic Capital Market Commission, respectively.

3. When two or more credit institutions or investment firms authorized in the EU, including Greece, have the same parent financial holding company established in a Member State, the same parent mixed financial holding company established in a Member State, the same parent financial EU-based holding company or the same parent mixed financial holding company established in the EU, supervision on a consolidated basis shall be exercised on a case-by-case basis by:

- a) the competent authority of the credit institution, where the group includes only one credit institution. If the credit institution in question is supervised by the Bank of Greece, the supervision on a consolidated basis is exercised by the Bank of Greece,
- b) the competent authority of the credit institution with the largest balance sheet total, when the group includes more than one credit institution. If the largest balance sheet is held by the credit institution supervised by the Bank of Greece, the supervision on a consolidated basis is exercised by the Bank of Greece, or
- c) the competent authority of the investment firm with the largest balance sheet total, when the group does not include credit institutions. If the investment firm in question is supervised by the Hellenic Capital Market Commission, the supervision on a consolidated basis is exercised by the Hellenic Capital Market Commission.

4. When consolidation is required, in accordance with paragraphs 3 or 6 of Article 18 of Regulation (EU) No 575/2013, supervision on a consolidated basis shall be exercised by the competent authority of the credit institution with the largest balance sheet or, when the group does not include a credit institution, by the competent authority of the investment firm with the largest balance sheet total. If the credit institution with the largest balance sheet or the investment firm with the largest balance sheet total is supervised by the Bank of Greece or the Hellenic Capital Market Commission, respectively, the supervision on a consolidated basis is exercised by the Bank of Greece or the Hellenic Capital Market Commission.

5. a) By way of derogation from paragraph (c) of paragraph 1, paragraph (b) of paragraph 3 and paragraph 4, where a competent authority supervises on an individual basis more than one credit institution within a group, supervision on a consolidated basis shall be exercised by the competent authority that supervises on an individual basis one or more credit institutions within the group, when the sum of the balance sheet totals of those supervised credit institutions is greater than that of the credit institutions supervised on an individual basis by any other competent authority. If the largest balance sheet total corresponds to one or more credit institutions within a group that are supervised on an individual basis by the Bank of Greece, the supervision on a consolidated basis is exercised by the Bank of Greece.

b) By way of derogation from par. c) of par. 3, when a competent authority supervises on an individual basis more than one investment firm within a group, the supervision on a consolidated basis shall be exercised by the competent authority supervising on an individual basis one or more investment firms within the group with the largest total

balance sheet total. If the largest balance sheet corresponds to one or more investment firms within a group that are supervised on an individual basis by the Hellenic Capital Market Commission, the supervision on a consolidated basis is exercised by the Hellenic Capital Market Commission.

6. In specific cases, the Bank of Greece or the Hellenic Capital Market Commission may, by mutual consent with the other competent authorities involved, not apply the criteria referred to in paragraphs 1, 3 and 4, and assign to another competent authority the exercise of supervision on a consolidated basis, if the application of these criteria is not appropriate, taking into account the specific credit institutions or investment firms and the relative importance of their activities in the Member States concerned or the need to ensure the continuation of the supervision on a consolidated basis by the same competent authority. In such cases, before taking such a decision, the Bank of Greece or the Hellenic Capital Market Commission shall provide the EU-based parent, the EU-based parent financial holding company, the EU-based parent mixed financial holding company or the credit institution or investment company with the largest balance sheet total, where appropriate, the opportunity to express an opinion on this decision.

7. The Bank of Greece or the Hellenic Capital Market Commission, in its capacity of a consolidated supervisory authority, shall immediately notify the European Commission and EBA of the agreements referred to in paragraph 6.

8. The Bank of Greece or the Hellenic Capital Market Commission shall adopt the necessary arrangements for the exercise of supervision on a consolidated basis and shall check the compliance of the businesses subject to it with the obligations provided herein. "

#### Article 126

Required information on emergency situations - Amendment of Article 107 of Law 4261/2014

(par. 18 of Article 62 of Directive 2019/2034/EU)

The first section of par. 1 of article 107 of law 4261/2014 (A` 107), on requested information in emergency situations, shall be amended in terms of the specific identification of the reported negative developments and the updating of the referred provisions, the second and the third section shall be replaced by a new section and Article 107 shall be formulated as follows:

#### "Article 107

Required information in emergency situations  
(Article 114 of Directive 2013/36/EU)

1. 1. In case of an emergency situation, including the situations described in Article 18 of Regulation (EU) No 1093/2010, or a situation with adverse consequences in the markets, which may jeopardize market liquidity and the stability of the financial system,

in any of the Member States where entities of a group have been authorised or where significant branches have been established in accordance with Article 52 of this Law, the Bank of Greece or the Hellenic Capital Market Commission, in accordance with Article 54 of this Law and Articles 15, 16 and 17 of Directive 2019/2034 / EU, shall notify as soon as possible the EBA and the authorities referred to in sub-sections aa, bb and dd of section a and sub-section aa` of section d` of par. 6 of Article 54, including the respective authorities of the Member States concerned and transmits all the information necessary for the execution of their work. The obligations of the first subparagraph apply to all competent authorities.

2. The Bank of Greece or the Hellenic Capital Market Commission, in its capacity of a consolidated supervisory authority, when it needs information already provided to another competent authority, shall contact it, as far as possible, in order to avoid double submission of information to the various supervisory authorities involved".

#### Article 127

Colleges of supervisors – Amendment of Article 109 of Law 4261/2014  
(par. 19 of Article 62 of Directive 2019/2034/EU)

In article 109 of Law 4261/2014 (A` 107) on Colleges of supervisors a) in par. 3 the first section shall be amended as regards the characterization of the Bank of Greece or the HCMC as an Authority of Enhanced Supervision and the second section shall be amended as regards the updating of the referred provisions, b) in par. 5, the first section shall be duly improved and updated with regard to the referred provisions and the second section shall be deleted, c) par. 8 shall be amended regarding the designation of the Bank of Greece or the Hellenic Capital Market Commission, as an Authority of Enhanced Supervision and in terms of updating the referred provisions and Article 109 shall be formulated as follows:

"Article 109

Colleges of supervisors  
(Article 116 of Directive 2013/36/EU)

1. The Bank of Greece or the Hellenic Capital Market Commission, in its capacity of a consolidated supervisory authority, shall establish colleges of supervisors to facilitate the execution of the tasks referred to in Articles 105 and 106 and paragraph 1 of Article 107 and, without prejudice to the confidentiality requirements of paragraph 3 and the Union law, it shall ensure appropriate coordination and cooperation with the relevant supervisory authorities of third countries.

2. The colleges of supervisors shall provide a framework for cooperation between the consolidating supervisor, the EBA and the other competent authorities concerned, for the performance of the following tasks:

- (a) exchange of information between each other and with EBA pursuant to Article 21 of Regulation (EU) No 1093/2010;
- (b) an agreement on voluntary delegation of tasks and voluntary delegation of responsibilities, where appropriate;
- (c) establishment of supervisory evaluation programs referred to in Article 91 based on a risk assessment of the group in accordance with Article 89;
- (d) improvement of the effectiveness of supervision by avoiding unnecessary duplication of supervisory requirements, including requests for information referred to in Article 107 and Article 110 (7);
- (e) consistent application of prudential supervision requirements pursuant to this Regulation and Regulation (EU) 575/2013 to all entities in a group of institutions, without prejudice to the alternatives and discretion available under Union law;
- (f) application of section c) of par. 1 of article 105, taking into account the work of other bodies that may have been created in this field.

2A. In order to facilitate the performance of the tasks referred to in par. 1 of Article 105, in par. 1 of Article 107 and in par. 1 of Article 108, the Bank of Greece or the Hellenic Capital Market Commission, in its capacity of a consolidating supervisor, shall also establish colleges of supervisors where all cross-border subsidiaries of an EU-based parent company, an EU-based financial holding parent company or an EU-based mixed financial parent company are established in third countries, provided that the supervisory authorities of third countries are subject to confidentiality requirements equivalent to the requirements of Article 54 hereof and, where applicable, articles 74 and 79 of law 4514/2018 (A 14).

3. The Bank of Greece or the Hellenic Capital Market Commission, in its capacity of a consolidating supervisor, shall closely cooperate with EBA and the other competent authorities participating in a college of supervisors. The confidentiality requirements indicated in Article 54 hereof and Articles 15, 16 and 17 of Directive 2019/2034 / EU shall not preclude the exchange of confidential information between the Bank of Greece, the Hellenic Capital Market Commission, EBA and the competent authorities, as part of the operation of colleges of supervisors. The establishment and operation of colleges of supervisors shall not affect the rights and responsibilities of the competent authorities under this Directive, Directive 2013/36 / EU and Regulation (EU) 575/2013.

4. The establishment and operation of colleges of supervisors shall be based on agreements referred to in Article 108, which shall be determined in writing upon consultation of the consolidating supervisor with the competent authorities concerned.

5. The colleges of supervisors may include the competent authorities responsible for supervising the subsidiaries of an EU-based parent company or an EU-based parent financial holding company or an EU-based mixed financial parent company, the

competent authorities of a host Member State where important branches have been established, as referred to in Article 52, the ESRB central banks on a case-by-case basis, as well as third country supervisory authorities, if there is a reason and subject to the confidentiality requirements which in the opinion of all competent authorities are equivalent to the requirements under Article 54 hereof and, where applicable, Articles 15, 16 and 17 of Directive 2019/2034 / EU.

6. The Bank of Greece or the Hellenic Capital Market Commission as a consolidating supervisor shall:

(a) chair over the meetings of the College of supervisors and decide which competent authorities are involved in a meeting or activity of the college;

(b) inform in full and in advance all the members of the college on the organization of these meetings, the main items of the agenda and the main activities to be considered;

(c) timely and fully inform all the members of the college of the action taken or of the measures taken at such meetings.

7. The decision taken by the Bank of Greece or the Hellenic Capital Market Commission, in so far as it acts as a consolidating supervisor, shall take into account the importance of the supervisory activity to be planned or coordinated for the other competent authorities, specifically the possible implications for stability. of the financial system in the Member States concerned, as provided for in Article 7, and the obligations imposed by paragraph 3 of Article 52.

8. The Bank of Greece or the Hellenic Capital Market Commission, without prejudice to the confidentiality requirements under Article 54 hereof and, where applicable, Articles 15, 16 and 17 of Directive 2019/2034 / EU, shall inform EBA on the college of supervisors' activities, including in emergencies, and shall transmit to the EBA all the information that is of particular importance for the purposes of supervisory convergence.

9. In case of disagreement between competent authorities regarding the operation of the colleges of supervisors, the Bank of Greece or the Hellenic Capital Market Commission may refer the issue to EBA and request its assistance in accordance with Article 19 of Regulation (EU) 1093 / 2010 (L 331/12). "

#### Article 128

Cooperation – Amendment of Article 118 of Law 4261/2014  
(par. 20 of Article 62 of Directive 2019/2034/EU)

In par. 2 of article 118 of law 4261/2014 (A`107), on cooperation, the referred provisions shall be updated and article 118 shall be formulated as follows:

"Article 118

## Cooperation

(Article 125 of Directive 2013/36/EU)

1. When an institution, financial holding company, mixed financial holding company or mixed-activity holding company controls one or more subsidiaries that are insurance companies or companies referred to in Article 31 or other types of companies licensed to provide investment services, the Bank of Greece and the Commission Capital market shall closely work together. Within their responsibilities, they shall exchange all the information that may facilitate the fulfillment of their mission and shall ensure the control of the activity and the financial situation of all the companies which are under their supervision.

1A. When, according to Article 104, the Bank of Greece or the Hellenic Capital Market Commission acts in its capacity as the consolidating supervisor of a group with parent mixed financial holding company and is not a coordinator, as determined in accordance with article 11 of Law 3455/2006 (A` 84), it shall cooperate with the coordinator for the purpose of implementing this law, Directive 2013/36 / EU and Regulation (EU) 575/2013 on a consolidated basis. The responsibility of the previous paragraph may be exercised by the Bank of Greece or the Hellenic Capital Market Commission, when it acts as a coordinator and is not a consolidating supervisor of a group with a parent mixed financial holding company. In order to facilitate and make the cooperation effective, the Bank of Greece or the Hellenic Capital Market Commission, either as a consolidating supervisor or as a coordinator, shall enter into written coordination and cooperation arrangements with the coordinator or the respective consolidating supervisor.

2. Information collected as part of supervision on a consolidated basis and in particular the exchange of information between competent authorities provided for in this law, shall be subject to requirements of professional secrecy which are at least equivalent to those referred to in paragraph 1 of Article 54 hereof for credit institutions or Article 15 of Directive 2019/2034 / EU on investment firms.

3. The Bank of Greece or the Hellenic Capital Market Commission, in its capacity of a consolidating supervisor, shall compile lists of holding financial companies or mixed financial holding companies referred to in Article 11 of Regulation (EU) No 575/2013. These lists shall be communicated to the competent authorities of the other Member States, the EBA and the European Commission. "

## Article 129

General requirements for disclosure of information by the competent authorities -  
Amendment of article 134 of law 4261/2014  
(par. 24 article 62 of Directive 2019/2034 / EU)



Section d) of par. 1 of Article 134 of law 4261/2014 (A`107), on general requirements for disclosure of information by the competent authorities shall be updated regarding the referred provisions and article 134 is formulated as follows:

"Article 134

General requirements for disclosure of information from the competent authorities  
(Article 143 of Directive 2013/36/EU)

The Bank of Greece and the Hellenic Capital Market Commission shall publish the following information:

(a) laws, decisions with general application and circulars issued for the implementation hereof and Regulation (EU) No 575/2013;

(b) the manner in which they exercise the possibilities and discretionary powers provided for by Union law;

(c) the general criteria and methodologies used for the supervisory review and evaluation procedure referred to in Article 89, including the criteria for applying the principle of proportionality as set out in Article 89 (4);

(d) without prejudice to the provisions of Article 54 hereof and Articles 15, 16 and 17 of Directive 2019/2034 / EU, the basic statistics in aggregate form relating to the implementation of prudential supervision framework in Greece, including the type of supervisory measures and the number of cases in which they have been taken in accordance with circumstance a) of par. 1 of article 94 hereof and the administrative sanctions imposed in accordance with article 57 hereof.

2. The information published by the Bank of Greece and the Hellenic Capital Market Commission in accordance with paragraph 1 of this Article must allow a reliable comparison of the way the prudential supervision framework is applied between the Member States. The information, which is available on the website of each competent authority, shall be published at least annually in accordance with the format drawn up by EBA and shall be regularly updated. "

Article 130

Definitions of investment firms- Amendment of Internal Article 2  
Of Article 2 of Law 4335/2015  
(par. 1 of Article 63 of Directive 2019/2034/EU)

Section 36 of par. 1 of the internal Article 2 of Article 2 of Law 4335/2015 (A` 87) on definitions, shall be modified, in order to update the definition of the investment company and shall be formulated as follows:

"36) " investment firm "means an investment firm as defined in Article 22 (1) of Rule 4 of Regulation (EU) 2019/2033 of the European Parliament and of the Council, which

is subject to the initial capital requirement set out in Article 9 of Directive 2019/2034 / EU. "

#### Article 131

Implementation and calculation of the minimum own fund requirement and eligible liabilities – Amendment of Internal Article 45 of Article 2 of Law 4335/2015 (par. 2 of Article 63 of Directive 2019/2034/EU)

In the internal article 45 of article 2 of law 4335/2015 (A` 87), par. 3 shall be added and article 45 shall be formulated as follows:

#### "Article 45

Implementation and calculation of the minimum requirement for own funds and eligible liabilities  
(par. 17 of Article 1 of Directive (EU) 2019/879)

1. The institutions and entities referred to in sections b, c and d of par. 1 of Article 1 meet at all times the requirement of own funds and eligible liabilities in accordance with this and in accordance with articles 45a to 45i.

2. The requirement referred to in paragraph 1 shall be calculated in accordance with paragraphs 3, 5 or 7 of Article 45c, as the case may be, as the amount of own funds and eligible liabilities and shall be expressed as a percentage of:

(a) the total risk exposure amount of the entity concerned referred to in paragraph 1, calculated in accordance with Article 92 (3) of Regulation (EU) 575/2013 of the European Parliament and Council of 26 June 2013, as regards the prudential supervision requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (L 176), and

b) the measure of total exposure of the relevant entity referred to in par. 1, as calculated in accordance with Articles 429 and 429a of Regulation (EU) 575/2013.

3. The reference herein to Article 92 of Regulation (EU) 575/2013, regarding the own funds requirements of investment firms referred to in section 3) of paragraph 1 of Article 2 hereof which do not constitute investment firms of section 2 or par. 5 of Article 1 of Regulation (EU) 2019/2033, are understood as follows:

a) The reference of the present in section c) of par. 1 of Article 92 of Regulation (EU) 575/2013, regarding the requirement of the total capital ratio, refer to par. 1 of article 11 of Regulation (EU) 2019 / 2033,

b) the reference of the present Directive in par. 3 of Article 92 of Regulation (EU) 575/2013 regarding the total amount of risk exposure refer to the current requirement in par. 1 of article 11 of Regulation (EU) 2019/2033, multiplied by 12.5.

The reference of the present Directive to Article 96a of law 4261/2014 (A` 107), regarding the additional own funds requirements of the investment companies referred to in section 3) of par. 1 of article 2 of the present Directive and which are not investment firms referred to in paragraph 2 or paragraph 5 of Article 1 of Regulation (EU) 2019/2033, shall be construed as reference to Article 41 of Directive 2019/2034 / EU. "

#### Article 132

Revocation of an authorisation of an AEPEY - Amendment of Article 8 of Law 4514/2018

(par. 1 of Article 64 of Directive 2019/2034/EU)

Section c) of par. 1 of Article 8 of Law 4514/2018 (A` 14) on revocation of the authorisation of an AEPEY shall be updated regarding the referred provisions and Article 8 shall be formulated as follows:

"Article 8

Revocation of an authorisation of an AEPEY

(Article 8 of Directive 2014/65/EU)

1. The Hellenic Capital Market Commission may revoke the authorisation of an investment firm, either wholly or for certain investment services and activities or ancillary services, if the investment firm:

(a) does not use the authorisation within twelve (12) months, explicitly renounces it, has not provided investment services or has engaged in investment activity during the previous six (6) months;

(b) obtained authorization on the basis of false statements or in any other irregular manner;

(c) no longer fulfills the conditions under which it was authorized, such as compliance with the conditions laid down in Regulation (EU) 2019/2033 of the European Parliament and of the Council;

(d) has been subjected to serious and repeated violations of the provisions related to the operation of the investment firms, which are established on the basis of this law or Regulation (EU) 600/2014, and any other provision of the legislation for the capital market.

Each revocation of an authorisation shall be notified to ESMA.

2. Before revoking the authorisation, the Hellenic Capital Market Commission shall notify the AEPEY on any deficiencies or infringements identified, as well as its intention

to proceed with the revocation of its authorisation, setting at the same time a deadline, which should not be less than ten (10) days from the above notification, in which the AEPEY must express its views and, where appropriate, take appropriate measures to put an end to the infringements or to restore their consequences. Upon expiration of the deadline and after taking into account the positions of the investment firm. and evaluating the measures taken, the Hellenic Capital Market Commission shall make a final decision. "

#### Article 133

Initial Capital- Amendment of Article 15 of Law 4514/2018  
(par. 2 of Article 64 of Directive 2019/2034/EU)

Article 15 of Law 4514/2018 (A`14), on initial capital shall be updated regarding the referred provisions and shall be formulated as follows:

"Article 15

Initial capital  
(Article 15 of Directive 2014/65/EU)

The Hellenic Capital Market Commission shall grant an authorisation to an AEPEY only if the applicant company has sufficient initial capital, in accordance with the requirements of Article 9 of Directive 2019/2034 / EU, taking into account the nature of the relevant investment service or activity".

#### Article 134

Granting the authorisation - Amendment of Article 41 of Law 4514/2018  
(par. 3 of Article 64 of Directive 2019/2034/EU)

In Article 41 of Law 4514/2018 (A`14), on granting an authorisation, a) the first subparagraph of par. 1 shall be amended in order to provide for its application in a third country company that has or intends to establish a branch thereof and complete a reference to par. 3, b) a second paragraph shall be added to par. 2, c) par. 3, 4 and 5 shall be added and Article 41 shall be formulated as follows:

«Article 41

Granting the authorisation  
(Article 41 of Directive 2014/65/EU)

1. The Hellenic Capital Market Commission or the Bank of Greece, as the case may be, shall grant an authorisation to a third country company that has or intends to establish a branch thereof, only when it is convinced that:

(a) the conditions of Article 39 are met;

- (c) the branch of the third country company may comply with the provisions referred to in paragraphs 2 and 3.

The Hellenic Capital Market Commission or the Bank of Greece, as the case may be, shall inform the third country company within six (6) months from submission of a complete application, for granting or not of an authorisation.

2. A branch of a third country business which has been authorized in accordance with paragraph 1 shall comply with the obligations set out in Articles 16 to 20, Articles 23, 24, 25 and 27, paragraph 1 of Article 28 and Articles 30, 31 and 32, as well as Articles 3 to 26 of Regulation (EU) 600/2014 and the measures adopted pursuant to them and shall be subject to the supervision of the Hellenic Capital Market Commission or in the case of a branch of a third country enterprise which is a credit institution under the supervision of the Bank of Greece or the Hellenic Capital Market Commission according to their competence, in accordance with par. 1 of article 67. The Hellenic Capital Market Commission or the Bank of Greece, as the case may be, shall communicate to ESMA on an annual basis a list of third country company branches operating in their territory.
3. The branch of a third-country company that has received an authorisation in accordance with par. 1 shall submit to the Hellenic Capital Market Commission or to the Bank of Greece, as the case may be, the following information on an annual basis:
  - (a) The scale and the range of the services provided and the activities carried out by the branch in Greece,
  - (b) for third country businesses carrying out the activity listed in paragraph 4 of Section A of Annex I, their monthly minimum, average and maximum exposure to counterparties from the European Union;
  - (c) for third country businesses providing one or both services listed in paragraph 6 of Section A of Annex I, the total value of the financial instruments coming from European Union counterparties, which have been contracted or placed under commitment for the previous twelve (12) months,
  - (d) the turnover and total value of assets corresponding to the services and activities referred to in point (a);
  - (e) a detailed description of the investor protection arrangements available to the branch's customers, including the rights of those customers arising from the investor compensation scheme referred to in Article 39 (2) (f);
  - (f) their risk management policy and branch arrangements for the services and activities referred to in point (a);

(g) governance arrangements, including those holding key positions in the activities of the branch or of the Head of Critical Operations, in the case of a branch of a third country enterprise which is a credit institution;

(h) any other information deemed necessary by the competent authority to keep a close eye on the activities of the branch.

4. Upon request, the HCMC shall disclose the following information to ESMA:

a) All the authorisations for the branches that have been licensed in accordance with par. 1 and any subsequent change of these licenses,

b) the scale and range of services provided and activities carried out by an authorized branch in Greece;

(c) turnover and total assets corresponding to the services and activities referred to in section (b);

(d) the name of the third country group to which a licensed branch belongs.

5. The Hellenic Capital Market Commission or the Bank of Greece, as the case may be, the competent authorities of the entities which are members of the same group to which the branches of third country companies belong that have been licensed in accordance with par. 1, ESMA and EBA shall closely work together to ensure that all the activities of this group in the Union are subject to full, consistent and effective supervision, in accordance with this Directive, Regulation (EU) 575/2013, Regulation (EU) 600/2014, Regulation (EU) 2019/2033, Directive 2019/2034 / EU and Law 4261/2014 (A` 107).

#### Article 135

Provision of services at the sole initiative of the Customer - Amendment of Article 42 of Law 4514/2018

(par. 4 of Article 64 of Directive 2019/2034/EU)

In Article 42 of Law 4514/2018 (A`14) on provision of services at the sole initiative of the Customer, a new second section shall be added and Article 42 shall be formulated as follows:

"Article 42

Provision of services at the sole initiative of the Customer  
(Article 42 of Directive 2014/65/EU)

When, at the sole initiative of a private client or professional client within the meaning of Section II of Annex II established or located in Greece, he/she is provided with an investment service or is engaged in investment activity by a third country company,

the condition for granting a license in accordance with Article 39 shall not apply to the provision of that service or activity by the third country business to that person, including any existing relationship specifically relating to the provision of the service or the exercise of the activity. Without prejudice to relationships within the group, when a third country business, including through an entity acting on its behalf or having close links with that third country business or any other person acting on behalf of that entity approaches customers or potential customers in Greece, it shall not be considered a service provided at the sole initiative of the Customer. The initiative of these clients does not give the third country company the right to offer the specific client new categories of investment products or investment services in any other way than the branch. ".

#### Article 136

Exchange of information – Amendment of Article 79 of Law

4514/2018

(par. 6 of Article 64 of Directive 2019/2034/EU)

Section a) of par. 3 of Article 79 of Law 4514/2018 (A 14) on the exchange of information shall be replaced and Article 79 shall be formulated as follows:

"Αρθρο 79

Exchange of information

(Article 81 of Directive 2014/65/EU)

1. The Hellenic Capital Market Commission shall, in its capacity of the competent communication authority, immediately exchange all information necessary for the performance of the tasks of the competent authorities of the Member States provided herein, Directive 2014/65 / EU and Regulation (EU) 600/2014. The Hellenic Capital Market Commission may, when providing information to another competent authority, in accordance with the preceding subparagraph, stipulate that the information provided may be further disclosed only with its express consent and exclusively for the purposes for which it has given its consent.

2. The Hellenic Capital Market Commission may transmit to the Bank of Greece the information it receives pursuant to paragraph 1 of this Article and articles 75 and 86. The Bank of Greece shall not transmit any information to other bodies or natural or legal persons without the explicit consent of the competent authorities which have notified them and only for the purposes for which those authorities have consented, except in duly justified circumstances. In the latter case, the Hellenic Capital Market Commission shall immediately inform the competent authority which sent the information.

3. The authorities referred to in Article 70 and other bodies or natural or legal persons receiving confidential information in accordance with paragraph 1 or in accordance

with Articles 75 and 86 may use them only when performing their duties and particularly:

- (a) to verify that the conditions for undertaking the activity of an investment firm are met and to facilitate the monitoring of the conditions for the exercise of that activity, the administrative and accounting organization and the internal control mechanisms;
- (b) to monitor the proper operation of trading venues;
- (c) to impose sanctions,
- (d) as part of an administrative appeal raised against a decision of a competent authority;
- (e) in legal proceedings raised under Article 72;
- (f) the out-of-court settlement mechanism for investor complaints provided for in Article 73.

4. The provisions of paragraphs 1 to 3 and Articles 74 and 86 shall not prevent the Hellenic Capital Market Commission from transmitting to ESMA, the European Systemic Risk Board (ESRB), the Bank of Greece when acting as the monetary authority, the central banks, the European System of Central Banks and the European Central Bank and, where necessary, to other public authorities responsible for supervising payment and settlement systems, any confidential information intended for the performance of their duties. The Hellenic Capital Market Commission may request from these authorities information on the implementation of its responsibilities provided by this law and Regulation (EU) 600/2014.

5. By decision of the Bank of Greece, the data and information that investment companies must submit in order to effectively pursue monetary and exchange rate policy, the process of providing this data and information, as well as any other specific issue it may deem necessary to facilitate the exercise of its powers as a monetary authority must be determined. The Bank of Greece shall maintain professional secrecy for all information and data contained in its knowledge, in accordance with the previous and present paragraph. "

#### Article 137

Transitional provision on granting an authorisation of a credit institution referred to in Article 4 par. 1 section 1 element b of Regulation (EU) 575/2013 – Addition of Article 95B in Law 4514/2018  
(par. 7 of Article 64 of Directive 2019/2034/EU)

In Law 4514/2018 (A`14) after Article 95A, Article 95B shall be added as follows:

"Article 95B



Transitional provision on granting an authorisation of a credit institution referred to in Article 4 par. 1 section 1 element b of Regulation (EU) 575/2013

The Hellenic Capital Market Commission shall inform the Bank of Greece, in its capacity of a competent authority according to Article 8 of law 4261/2014 (A` 107), in case the provided total assets of a company, which has applied for an authorisation under Title II of this Directive before December 25<sup>th</sup>, 2019, for the purpose of carrying out the activities referred to in paragraphs 3 and 6 of Section A of Annex I, shall be equal to the amount of thirty billion (30,000,000,000) Euros or more, and shall provide relevant information to the applicant. "

#### Article 138

References to Directive 2013/36/EU in other EU legal acts  
(Article 65 of Directive 2019/2034/EU)

Where in the applicable legislation reference is made to Law 4261/2014 (A` 107) for the purposes of prudential supervision and consolidation of investment firms, the corresponding provisions of Part C` and Chapter A` of Part H` of this Directive shall apply, namely Articles 56 to 139 and 185 to 188.

#### Article 139

Abolished provisions  
(par. 3, 4, 10, 14, 16, 21 - 23 of Article 62 of Directive 2019/2034)

From the entry into force hereof, paragraphs 6, 12 to 15 of Article 4, Articles 29 to 32, paragraph 11 of Article 68, paragraphs 4 and 5 of Article 84, paragraph 2 of Article 103, paragraph 2 of Article 121, paragraphs 2 and 3 of Article 122, paragraphs 2 and 3 of Article 123, section 4 of paragraph 1 of Article 3 and paragraphs 2 and 3, as well as and sections a) of par. 5 of Article 2 of law 4261/2014 (A` 107) shall be repealed.

### PART D

INCORPORATION OF ARTICLE 1 OF DIRECTIVE (EU) 2019/2177 ON THE AMENDMENT OF DIRECTIVE 2014/65/EU FOR FINANCIAL INSTRUMENT MARKETS

#### Article 140

Purpose

The purpose of this section is to incorporate Article 1 of Directive (EU) 2019/2177 of the European Parliament and Council of 18 December 2019 on the amendment of Directive 2014/65 / EU on financial instrument markets (L 334).

## Article 141

### Object

The object of this part is the amendment of law 4514/2018 (A` 14) for the purchases of financial instruments, in order to transfer the duty of granting the authorisation and supervision of the Data Reporting Service Providers, as well as the data collection powers, from the national authorities to the European Supervisory Authority (European Securities and Markets Authority, or "ESMA"), with the exception of the Approved Transaction Disclosure Mechanisms (EMIS) or Approved Reporting Mechanisms (ARM) derogating from Regulation (EU) 600/2014 of the European Parliament and of the Council of 15 May 2014 on the markets for financial instruments and amending Regulation (EU) 648/2012 (L 173).

## Article 142

Scope- Amendment of par. 1 and 2 of Article 2 of Law 4514/2018  
(par. 1 of Article 1 of Directive 2177/2019)

In Article 2 of law 4514/2018 (A` 14), on the scope of application of the law, a) in par. 1 the providers of data reporting services are removed, b) circumstance d) of par. 2, on the granting of authorization to these providers is repealed and Article 2 shall be formulated as follows:

### "Article 2

#### Scope

(Article 1 of Directive 2014/65/EE)

1. The provisions of the present law shall apply for investment firms, market operators and third country firms that provide investment services or carry out investment activities through the establishment of a branch in Greece.

2. This law sets requirements as regards the following:

(a) the issuance of an authorisation and the operation of AEPEYs', as well as the provision of investment services or the exercise of investment activities by investment companies of another Member State in Greece;

(b) the provision of investment services or the exercise of investment activities by of third country businesses through the establishment of a branch in Greece;

(c) the licensing and operation of market and regulated market operators;

(d) (Repealed),

(e) the supervision, cooperation and application by the competent authorities.

3. The following provisions also apply to credit institutions licensed under Law 4261/2014 (A` 107) or to another Member State under Directive 2013/36 / EU (OJ L 176 / 27.6.2013), when they provide one or more investment services or carry out one or more investment activities:

(a) Article 3 (2), Article 9 (3) and Articles 14 and 16 to 20;

(b) Chapter B of Title II,

(c) of Chapter C` of Title II, except for par. 2 and 3 of Section A` of article 34, of par. 2 and 3 of Section B` of article 34, of par. 2 to 6 and 8 of Section A` of article 35 and par. 2, 3 and 6 of Section B` of article 35,

(d) Articles 67 to 73 and Articles 78, 83 and 84.

4. The following provisions shall also apply for investment firms and credit institutions licensed under Law 4261/2014 or another Member State under Directive 2013/36 / EU, when selling or advising clients on with structured deposits:

(a) paragraph 3 of Article 9, Article 14 and paragraphs 2, 3 and 6 of Article 16; (b) Articles 23 to 26, Article 28, Article 29 and Article 30, and (c) Articles 67 to 73.

5. Paragraphs 1 to 6 of Article 17 shall also apply for members or participants of regulated markets and Multilateral Trading Mechanisms (MTFs) who are not obliged to be licensed, in accordance with this law, under circumstances a, e, i and j of par. 1 of Article 3, or the Directive 2014/65 / EU.

6. Articles 57 and 58 shall also apply for persons excluded in accordance with Article 3.

7. All multilateral financial instrument systems shall operate in accordance with the provisions of Title II for MTFs or the Organized Negotiations Mechanisms (ONMs) or the provisions of Title III for regulated markets.

Investment firms that trade in their name in an organized manner, often, systematically and to a significant degree, when executing customer orders outside the regulated market or MTF or ONM, shall operate in accordance with Title III of Regulation (EU) 600/2014 (EU L 173 / 12.6.2014).

Without prejudice to Articles 23 and 28 of Regulation (EU) 600/2014, all financial instrument transactions referred to in the first and second sections which are not concluded in multilateral systems or systematic internalisers shall comply with the relevant provisions of Title III of Regulation (EU) 600/2014. "

#### Article 143

Definitions – Amendment of par. 36 and 37, abolition of par. 52, 53, 54, 63

And section c) of par. 55, Article 4 of Law 4514/2018  
(par. 2 of Article 1 of Directive 2177/2019)

In Article 4 of law 4514/2018 (A` 14), on definitions: a) par. 36 and 37 shall be amended in terms of the referred provisions and shall be duly improved, b) par. 52, 53, 54, section c) of par. 55, as well as par. 63 are repealed, and the above paragraphs shall be formulated as follows:

«36. "Management body" means the Governing Board or other body or bodies of an investment firm, a market operator or a data reporting services provider, as defined in section 36a (1) of Article 2 of Regulation (EU) 600/2014, which are appointed in accordance with applicable law, which have the power to determine the strategy, objectives and overall direction of the entity and oversee and monitor the decision-making process as regards its management, including the persons who actually direct the activities of the entity.

37. "Executives" means natural persons performing the executive functions of an investment firm, a market operator or a data reporting services provider as defined in point 36a (1) of Article 2 of Regulation (EU) 600/2014 and who are liable and accountable to the management body for the day-to-day management of the entity, including the implementation of policies regarding the provision of services and products to customers by the company and its staff.

52. (Repealed).

53. (Repealed).

54. (Repealed).

55. "Home Member-state":

a) in case of investment firms:

aa) if the investment firm is a natural person, the member-state of its registered office,

bb) if the investment firm is a legal person, the member-state of its registered office,

(cc) if the investment firm does not have, under its national legislation, a registered office the Member State in which its registered office is located;

(b) in case of a regulated market, the Member-State in which the regulated market is registered or, if it does not have a registered office under the law of that Member State, the Member State in which the registered office of the regulated market is located;

c) (Repealed).

63. (Repealed).".

#### Article 144

General obligations as regards constant supervision - Addition of par. 2 in Article 22 of Law 4514/2018

(par. 3 of Article 1 of Directive 2177/2019)

In Article 22 of law 4514/2018 (A` 14), the existing paragraph shall be numbered as par. 1, par. 2 is added, and article 22 shall be formulated as follows:

"Article 22

General obligations as regards constant supervision

(Article 22 of Directive 2014/65/EU)

1. The Hellenic Capital Market Commission shall supervise the activities of the AEPEYs in order to assess their compliance with the operating conditions provided in this law. The Hellenic Capital Market Commission may have access to any information or document required to obtain the information necessary to assess the compliance of the AEPEYs with these obligations.

2. The Hellenic Capital Market Commission shall monitor the activities of the Approved Publication Arrangement or the Approved Transaction Reporting Mechanisms with a derogation according to par. 3 of Article 2 of Regulation (EU) No 600/2014 of the European Parliament and Council of May 15<sup>th</sup> 2014 on the financial instruments' markets and amending Regulation (EU) 648/2012 (L 173) in order to assess compliance with the operating conditions provided for in said Regulation. The Hellenic Capital Market Commission may have access to any record or document required, in order to obtain the information necessary for the evaluation of the compliance of approved Approved Publication Arrangement or the Approved Transaction Reporting Mechanisms with these obligations. "

#### Article 145

Sanctions and measures – Amendment of par. 1 and 6 of Article 69 of Law 4514/2018 (par. 5 of Article 1 of Directive 2177/2019)

In section c) of par. 1, as well as in the second, third and fourth paragraph of par. 6 of article 69 of law 4514/2018 (A` 14), regarding sanctions and measures, the Providers of the Consolidated TApe shall be removed, more specific provisions shall be set regarding the Approved Publication Arrangements and the Approved Transaction Reporting Mechanisms, the legislative referrals, legislative improvements shall be made and Article 69 shall be formulated as follows:

"Article 69

Sanctions and Measures

(Article 70 and par. 2 of Article 72 of Directive 2014/65/EE)

1. Without prejudice to the supervisory powers referred to in Article 67 hereof, including the powers of control and the imposition of remedial measures, the Hellenic Capital Market Commission or the Bank of Greece, as the case may be, for breaches of the provisions hereof, Regulation (EU) 600/2014 and the acts adopted under their authority and under the authority of Directive 2014/65 / EU, shall impose the following administrative sanctions and measures, which must be effective, proportionate and dissuasive:

(a) a public notice indicating the natural or legal person and the nature of the infringement, in accordance with Article 70;

(b) an order which obliges the natural or legal person to cease its conduct and not to repeat it in the future;

(d) in case of an investment firm, a branch of a third country business that is an investment enterprise, a market operator holding an MTF or MOD license, as well as in case of a regulated market, suspension or revocation of the authorisation, in accordance with Articles 8 and 43, or, in the case of Approved Publication Arrangements and the Approved Transaction Reporting Mechanisms, with a derogation according to par. 3 of Article 2 of Regulation (EU) 600/2014 on suspension or revocation of the license in accordance with Article 27e of the above Regulation, or, in case of a credit institution or branch of a third country business which is a credit institution, revocation of the authorisation in accordance with Article 43 and other relevant provisions of the legislation applicable to credit institutions,

d) temporary or, in case of repeated serious infringements, a final ban on any natural person from participating in a board of directors or from holding a managerial position in an investment firm, credit institution or branch of a third country company;

(e) a temporary prohibition on any investment firm, credit institution or branch of a third country company being a member or participating in a regulated market or MTF or any client participating in a MOU;

(g) in case of a legal person, a fine of up to five million (5,000,000.00) euros or up to ten percent (10%) of its total annual turnover, in accordance with the financial statements approved by its Board of Directors during the previous fiscal year. In case the legal entity is a parent company or a subsidiary of a parent company that must prepare consolidated financial statements, in accordance with Law 4308/2014 and Directive 2013/34 / EU (EU L 182 / 29.6.2013), the total annual turnover shall be defined as the total annual turnover or the corresponding revenue, in accordance with the current legal framework for the preparation and presentation of the consolidated financial statements resulting from the consolidated financial statements of superior the parent company approved by its Board of Directors. the previous year,

g) in case of a natural person, a fine of up to five million (5,000,000.00) Euros;

(h) a fine of up to twice the amount of the benefit obtained from the infringement, on condition that this benefit can be determined, even if it exceeds the maximum amounts referred to in paragraphs f and g of this paragraph.

2. The Hellenic Capital Market Commission may impose, cumulatively with the sanctions of the previous paragraph, reprimand to any natural or legal person violating the provisions hereof, Regulation (EU) 600/2014 and the acts issued under their authority and according to authorization of Directive 2014/65 / EU.

3. The Hellenic Capital Market Commission or the Bank of Greece, as the case may be, may impose the above administrative sanctions or measures, in addition to the legal entity, on the members of the Board of Directors and on any other natural or legal person who is liable, based on of the current legislation, for violation of the provisions referred to in par. 1 of this article.

4. When determining the type of administrative sanctions or other administrative measures and when measuring the amount of fines provided for in paragraph 1, the Hellenic Capital Market Commission or the Bank of Greece, as the case may be, shall take into account all relevant circumstances, including, where deemed necessary:

(a) the seriousness and duration of the infringement;

(b) the degree of liability of the natural or legal person liable for the infringement;

(c) the financial position of the natural or legal person that is liable, as it results in particular from the total turnover of the legal person or from the annual income and assets of the natural person;

(d) the significance of the gains made or the losses avoided by the natural or legal person at fault, to the extent that they can be determined;

(e) the damage caused to third parties by the infringement, to the extent that it can be determined;

(f) the degree of cooperation of the natural or legal person that is liable with the Hellenic Capital Market Commission or the Bank of Greece, as the case may be, without prejudice to the need to ensure the waiver of the person liable from the acquired profits or the avoided losses;

(g) the recurrence of infringements or previous infringements of this law and the other legislation of the capital market by the guilty natural or legal person;

(h) the effect of the infringement on the smooth operation of the market and on investor protection.

5. The Hellenic Capital Market Commission or the Bank of Greece, according to their competence, shall impose the administrative sanctions and measures of par. 1 and 2, in case of non-cooperation or non-compliance with an investigation or inspection or request, in accordance with article 67.

6. Without prejudice to the application of the provisions of Section B` of article 34 and Section B` of article 35, the provision of investment services in any way professionally and the exercise of investment activities in Greece shall only be allowed for AEPEYs, for credit institutions, for the branches of third countries companies, as well as for the Investment Intermediation Firms, in Mutual Fund Management Companies and to Alternative Investment Fund Managers, at the distinction provided in the current legislation and, according to their authorisation in Greece. Without prejudice to par. 4 of Article 27c of Regulation (EU) 600/2014, the provision in any way of professional services of Approved Transaction Disclosure Mechanisms or Approved Transaction Notification Mechanisms. with a derogation in accordance with paragraph 3 of Article 2 of Regulation (EU) 600/2014 is only allowed to providers of these services, in accordance with the provisions of Regulation (EU) 600/2014 and their authorisation.

Whoever, without the required license with intent proceeds to professionally provide investment services, exercise investment activities or provide services of Approved Transaction Disclosure Mechanisms or Approved Transaction Notification Mechanisms with a derogation according to par. 3 of Article 2 of Regulation (EU) 600/2014 in Greece, shall be punished by imprisonment of at least one (1) year or a fine or both. If the investment services or activities and the services of Approved Transaction Disclosure Mechanisms or Approved Transaction Notification with a derogation according to par. 3 of Article 2 of Regulation (EU) 600/2014 are provided or exercised by legal entities, whoever exercises the administration or management of the legal entity shall be punished with the fine indicated in the previous paragraph.

The criminal court clerk shall forward the convictions for violations of the previous two paragraphs to the Hellenic Capital Market Commission or, in case of credit institutions or third country companies that are credit institutions, to the Bank of Greece, which are obliged to forward them further to ESMA, pursuant to the provisions of par. 5 of article 70.

7. In the criminal proceedings referred to in the previous paragraph, the Hellenic Capital Market Commission has the right, in any case, to appear as a civil party in support of the prosecution. After the issuance of a final decision, the Hellenic Capital Market Commission shall have the right to receive copies of the decision and the documents of the case file, regardless of whether or not it had filed a civil action. "

#### Article 146

Relationship with Auditors- Amendment of Article 75 of Law 4514/2018  
(par. 7 of Article 1 of Directive 2177/2019)



On the first section of par. 1 of Article 75 of law 4514/2018 (A` 14), on the performance of audits, the providers of data reporting services shall be replaced by the Approved Mechanisms of Disclosure and Notification of Transactions of Regulation (EU) 600/2014 of the European Parliament and Council of 15 May 2014 on financial instruments' markets and amending Regulation (EU) 648/2012 (L 173) and Article 75 shall be formulated as follows:

"Article 75

Relationship with Auditors  
(Article 77 of Directive 2014/65/EU)

1. Certified auditors and accountants, who have obtained a professional license or have the right to carry out mandatory audits in Greece, in accordance with the provisions of Law 4449/2017 (A` 7), and conduct audits in AEPEYs, regulated markets or in Approved Transaction Disclosure Mechanisms or Approved Transaction Reporting Mechanisms who have an authorisation according to Regulation 600/2014 and a derogation according to par. 3 of Article 2 of the said Regulation, according to par. 1 and section c) to e) of par. 5 of section A.1 of par. A` of Article 2 of law 4336/2015 (A` 94) or, according to par. 4 of Article 77 of Law 4099/2012, or perform any other auditing duties, according to the provisions of the current legislation, shall be obliged to immediately report to the Hellenic Capital Market Commission any event or decision regarding the said audited entity that came to their knowledge during the performance of their duties and which may:

(a) constitute a serious breach of the laws or regulations governing the licensing of or governing the activities of the audited entity;

(b) endanger the continuity of the operation of the audited entity; or

(c) lead to a refusal to express an opinion on the financial statements or to express reservations about them.

2. The same obligation shall apply to the certified auditors-accountants and auditing companies and to any event or decision that came to their knowledge during the fulfillment of the above duties of par. 1, in relation to a company that has close ties with the supervised body they control.

3. The disclosure in good faith to the Hellenic Capital Market Commission by the above persons of events or decisions provided for in the preceding paragraphs, shall not constitute a breach of contractual or legal limitation of the disclosure of this information and does not imply any liability of such persons. "

Article 147

Transitional- Repealed provisions  
(par. 4 and 11 of Article 1 of Directive 2019/2177)

From the entry into force of this Directive, the following are repealed:

- a) Articles 59 to 66 and Section D of Annex I of Law 4514/2018 (A` 14), on data reporting services,
- b) any provision of law or regulation which is contrary to the present document, without prejudice to their application for acts and omissions conducted until the entry into force of the present Directive, as well as for the relevant pending procedures.

## PART E

### INTEGRATION OF DIRECTIVE (EU) 2020/1504 ON AMENDMENT OF DIRECTIVE 2014/65/ EU ON FINANCIAL INSTRUMENTS MARKETS AND ADAPTATION TO REGULATION (EU) 2020/1503 REGARDING THE EUROPEAN PARTICIPATORY FINANCING SERVICE PROVIDERS FOR BUSINESSES

#### Article 148

##### Purpose

The purpose of this section is to integrate Directive (EU) 2020/1504 of the European Parliament and Council of October 7<sup>th</sup>, 2020 amending Directive 2014/65 / EU on financial instrument markets "(L 347) and to adapt the national legislation as part of Regulation (EU) 2020/1503 of the European Parliament and Council of October 7<sup>th</sup>, 2020 on European corporate finance providers and amending Regulation (EU) 2017/1129 and Directive ( EU) 2019/1937 (L 347).

#### Article 149

##### Object

The object of this section is to update the institutional framework applicable to crowdfunding, in particular with regard to European crowdfunding service providers, in order to remove barriers to cross-border crowdfunding service providers within the European Union (EU). It also regulates the issue of authorization of crowdfunding service providers under Regulation (EU) 2020/1503 of the European Parliament and Council of October 7<sup>th</sup>, 2020 on European crowdfunding service providers and amendment of Regulation (EU) 2017/1129 and Directive (EU) 2019/1937 (L 347), so that they are excluded from the scope of law 4514/2018 (A` 18), so that the same activity is not subject to multiple licenses within of the EU.

#### Article 150

Exceptions – Addition of section 14) to par. 1 of Article 3 of Law 4514/2018 (Article 1 of Directive 2020/1504)

In par. 1 of article 3 of law 4514/2018 (A` 14), regarding exceptions from the scope of the above law, case n) shall be added as follows:

"14) to crowdfunding service providers, section e of par. 1 of Article 2 of Regulation (EU) 2020/1503 of the European Parliament and Council of October 7<sup>th</sup>, 2020 concerning European crowdfunding service providers and amendment of Regulation (EU) 2017/1129 and Directive (EU) 2019/1937 (L 347). "

#### Article 151

Competent authorities for the exercise of their responsibilities and duties under Regulation (EU) 2020/1503 (Article 29 of Regulation (EU) 2020/1503)

1. The competent authority of Regulation (EU) 2020/1503, for providers of crowdfunding services established in Greece, in the form of loans or acquisitions of securities or other listed instruments for crowdfunding purposes, within the meaning of par. n) of par. 1 of article 2 of the above Regulation, shall be the Hellenic Capital Market Commission. If such services are provided by credit institutions, payment institutions and electronic money institutions, the prospective provider shall be licensed, either in parallel or subsequently, as a credit institution, electronic payment institution or electronic money institution, the competent authority, with the exception of Articles 19 to 28 of the above Regulation, shall be the Bank of Greece.

2. The Hellenic Capital Market Commission shall be responsible for the exchange of information with the European Commission, the European Securities and Markets Authority (ESMA), other European authorities and the competent authorities of other Member States.

#### Article 152

Powers of the competent authorities  
(Article 30 of Regulation (EU) 2020/1503)

1. As part of their tasks, pursuant to Regulation (EU) 2020/1503, the competent authorities referred to in Article 151 shall have at least the following investigative powers:

a) require from crowdfunding service providers and third parties entrusted with the performance of responsibilities in relation to the provision of crowdfunding services, as well as natural or legal persons who control or are controlled by them, to provide information and documents or other information in any form which they consider to be relevant to the performance of their duties and to obtain a copy thereof,

b) require from auditors and managers of crowdfunding service providers and third parties entrusted with the performance of crowdfunding services to provide information and documents or other information in any form that may be relevant to the performance of their duties and receive a copy thereof,

c) conduct on-site inspections or researches at sites other than the private residences of natural persons and, to that end, enter facilities to access documents and other data in any form, where there is a reasonable suspicion that these documents and data related to the subject of the inspection or investigation can be used to prove a violation of the above Regulation.

2. As part of supervisory tasks of Regulation (EU) 2020/1503, the competent authorities referred to in Article 147 may:

- a) suspend the offer for crowdfunding for a maximum period of ten (10) consecutive working days, when they have reasonable grounds that there is a violation of the above Regulation,
- b) prohibit or suspend advertising announcements or require from a provider of crowdfunding services or a third party entrusted with the performance of duties of in connection with the provision of such services to cancel or suspend advertising announcements for a maximum period of ten ( 10) consecutive working days, when they have reasonable grounds that there is a violation of the above Regulation;
- c) prohibit an offer for crowdfunding when they find out that there is an infringement or have good grounds for a violation of the above Regulation;
- d) suspend or require from a crowdfunding service provider to suspend the provision of crowdfunding services for a maximum period of ten (10) consecutive working days when they have reasonable grounds that there is a violation of the above Regulation;
- e) prohibit the provision of crowdfunding services if they find a violation of the above Regulation,
- f) disclose the fact that a crowdfunding service provider or a third party entrusted with the performance of duties in relation to the provision of crowdfunding services is unable to comply with its obligations;
- g) disclose or require from a crowdfunding service provider or a third party entrusted with the performance of such services to disclose any material information that may affect the provision of the crowdfunding service, in order to ensure investors' protection or the smooth operation of the market,
- h) suspend or require from a crowdfunding service provider or a third party entrusted with the performance of tasks in relation to the provision of crowdfunding services to suspend the provision of crowdfunding services when the competent authorities consider that the status of the crowdfunding services provider is such that the provision of crowdfunding service is detrimental to the interests of investors,

- i) transfer existing contracts to another crowdfunding service provider in cases where the license of the co-financing service provider is revoked, in accordance with the first paragraph of section c) of par. 1 of Article 17 of Regulation 2020/1503, without prejudice to the agreement of customers and the recipient crowdfunding service provider.

All the measures adopted in the exercise of their powers under this paragraph shall be proportionate, duly justified and shall be taken in accordance with Article 40 of Regulation (EU) 2020/1503.

3. The crowdfunding service provider to whom the existing contracts are transferred, as referred to in the first sub-paragraph of section i) of paragraph 2, shall be authorized to provide crowdfunding services in the same member-state as the original crowdfunding service provider.

4. The competent authorities shall exercise the duties and powers set forth in paragraphs 1 and 2 in any of the following ways:

- a) Directly,
- b) In cooperation with other authorities
- c) Under their responsibility by delegating tasks to those authorities
- d) By request to the competent judicial authorities

5. The disclosure of information to the competent authorities referred to in Article 151 by a natural or legal person pursuant to Regulation 2020/1503 shall not be deemed to infringe any restriction on disclosure of information required by contract or by a law, regulation or administrative provision and there is absolutely no legal liability in relation to such notification.

#### Article 153

##### Cooperation between competent authorities

(Article 31 of Regulation (EU) 2020/1503)

The competent authorities referred to in Article 151 shall cooperate with each other and with the competent authorities of other member-states for the purposes of Regulation 2020/1503, shall exchange information without delay, and shall cooperate in research, supervisory and law enforcement activities.

#### Article 154

##### Administrative sanctions and other administrative measures

(Article 39 of Regulation (EU) 2020/1503)

1. Without prejudice to the supervisory powers, including the control, provided for in Article 152 and in the applicable legislation, the Hellenic Capital Market Commission or the Bank of Greece, within their competences, shall impose, for the violations of Regulation 2020/1503 and the acts issued by delegation of the present law, the following administrative sanctions and measures, which must be effective, proportionate and dissuasive, are issued under his authority and under the authority of this law:

a) public announcement, indicating the culpable natural or legal person, as well as the nature of the violation.

b) an order obliging the natural or legal person to stop his behavior and not to repeat it in the future;

c) a Prohibition against any member of the Board of Directors (BoD) or any other natural person who is considered culpable of a breach to perform managerial duties to the crowdfunding service provider.

d) a fine of up to twice the amount of the benefit obtained from the infringement, provided that such benefit can be determined, even if it exceeds the maximum amounts provided for in point (e);

e) in case of a legal entity, a fine of up to five hundred thousand (500,000) Euros or up to five percent (5%) of its total annual turnover, in accordance with the financial statements approved by the Board of the previous fiscal year. In case the legal entity is a parent company or a subsidiary of a parent company that must prepare consolidated financial statements, in accordance with Law 4308/2014 (A` 251) and Directive (EU) 2013/34 of the European Parliament and Council of June 26<sup>th</sup>, 2013 on the annual financial statements, consolidated financial statements and related business reports, amending Directive 2006/43/EC of the European Parliament and Council and repealing Directives 78/660 / EEC, and Council Directive 83/349 / EEC (L 182). The total annual turnover shall be defined as the total annual turnover or the respective income in accordance with the legal framework for the preparation and presentation of the consolidated financial statements resulting from the consolidated financial statements of the parent company approved by the Board on the previous fiscal year.

f) in case of a natural person, a fine of up to 500,000 Euros shall be imposed.

## Article 155

Exercise of supervisory and sanctioning powers  
(Article 40 of Regulation (EU) 2020/1503)

1. The competent authorities referred to in Article 151, when determining the type and level of administrative sanctions or other administrative measures referred to in Article 154, shall take into account all relevant circumstances, including, where appropriate:

- a) if the infringement was committed by intention or by negligence.
- b) The gravity and duration of the infringement.
- c) The degree of liability of the natural or legal person who is liable for the infringement.
- d) The financial power of a natural or legal person who is liable for the infringement, as derived from the total turnover of the legal person responsible or from the annual income and net assets of the natural person responsible.
- e) the significance of the revenues made or the losses avoided by the natural or legal person liable for the infringement, to the extent that they can be determined;
- f) damages to third parties caused by the infringement, to the extent that they can be determined;
- g) the level of cooperation of the natural or legal person liable for the infringement with the competent authority, without prejudice to the need to ensure the return of profits or losses avoided by that person;
- h) previous infringements of the natural or legal person liable for the infringement;
- i) the impact of the infringement on the investors' interests.

2. The competent authorities shall exercise the duties and powers referred to in Article 152, in accordance with the second section of paragraph 2 of Article 30 of Regulation 2020/1503.

3. During the exercise of the powers of administrative sanctions and other administrative measures referred to in Article 154, the competent authorities shall closely cooperate to ensure that their supervisory and research powers, as well as the administrative sanctions and other administrative measures which they impose, are effective and appropriate pursuant to the present law and Regulation 2020/1503. The aforementioned competent authorities shall also coordinate their activities in the exercise of their supervisory and research powers for the imposition of administrative sanctions or other administrative measures in cross-border cases.

Article 156

Right of appeal

(Article 41 of Regulation (EU) 2020/1503)

1. The decisions of the Hellenic Capital Market Commission issued pursuant to Regulation 2020/1503 and the present law, as well as the acts issued under their authority, shall be duly substantiated and shall be subject to an application for annulment or an appeal to the competent administrative court, in accordance with Article 25 of Law 3371/2005 (A` 178). The Hellenic Capital Market Commission, by a decision notified to the applicant, shall grant or refuse to grant the operating license, within six months from submission of the application, on condition that as it contains all the requirements of this law, the regulatory acts of the Hellenic Capital Market Commission or its judgment, necessary data and information. Any failure of the Hellenic Capital Market Commission to decide on an application for an operating license, within the six-month period shall be equivalent to a refusal.

2. The decisions of the Bank of Greece issued pursuant to Regulation 2020/1503, the present law, as well as of its regulatory acts, are sufficiently reasoned and are subject to an application for annulment before the Council of State. The Bank of Greece, by a decision notified to the applicant, shall grant or refuse to grant the operating license, within six months from submission of the application, on condition that it contains all required by the present, the regulatory acts of the Bank of Greece or the at its discretion necessary data and information. Any failure of the Bank of Greece to decide within the six-month period shall be equivalent to a refusal.

#### Article 157

##### Publication of decisions

(Article 42 of Regulation (EU) 2020/1503)

1. Decisions imposing administrative sanctions or other administrative measures taken in case of a breach of Regulation 2020/1503 shall be published by the competent authorities referred to in Article 151 on their official websites, immediately after informing the natural or legal persons to whom the sanctions or measures of the respective decision are imposed. The publication shall contain at least information on the type and nature of the infringement, as well as the identity of the natural or legal persons responsible. This obligation does not apply to decisions imposing measures concerning the conduct of an investigation.

2. If the publication of the identity of legal entities or the identity or personal data of natural persons is considered disproportionate by the competent authority, after assessing the proportionality of the publication or in case the publication jeopardizes the conduct of an ongoing re, the competent authorities shall proceed to one of the following actions:

- a) Postpone the publication of the decision imposing a sanction or measure until there are no longer grounds for non-publication.
- b) Unanimously publish the decision imposing a sanction or a measure, as long as such anonymous publication ensures the effective protection of the person data of those involved.



- c) Avoid publishing the decision imposing a sanction or a measure in case the options provided for in sections (a) and (b) are deemed insufficient to ensure that the publication of such decision is proportionate to measures of minor importance.

In case of a decision to unanimously publish a sanction or a measure pursuant to section b), the publication of the relevant data may be postponed for a reasonable period of time, on condition that there are no longer grounds for non-publication

3. In cases a decision imposing a sanction or a measure is subject to appeal to the relevant judicial or other authorities, the competent authorities referred to in Article 151 shall immediately publish on their official website such information and any subsequent information relating to the outcome of the appeal. In addition, any decision annulling a previous decision imposing a sanction or measure shall be published.

4. The competent authorities shall ensure that any publication in accordance with the present law shall remain on their official website for a period of at least five (5) years after its posting. The personal data contained in the publication shall remain on the official website of the competent authority only for the necessary period of time, in accordance with the data protection provisions of Law 4624/2019 (A` 137).

#### Article 158

Transitional period for crowdfunding services provided in accordance with the national legislation (Article 48 of Regulation (EU) 2020/1503)

The Investment Services Societes Anonymes (AEPEY) and credit institutions providing crowdfunding services pursuant to Article 96 of Law 4514/2018 (A 14), may provide these services, pursuant to the aforementioned provisions, until the authorization referred to in Article 12 of Regulation 2020/1503 is granted.

#### Article 159

##### Criminal sanctions

(par. 1 Article 39 of Regulation (EU) 2020/1503)

Any person who, without the required permission, intentionally provides crowdfunding services that fall within the scope of Regulation 2020/1503 shall be punished by imprisonment of at least one (1) year or a fine. If the crowdfunding services are provided or performed by legal entities, whoever actually exercises the administration or management of the legal entity shall be punished by the sanction indicated in the previous section.

#### Article 160

##### Repealed provisions

From the entry into force of the present law, Article 96 of Law 4514/2018 (A 14) on intermediation on crowdfunding shall be repealed.

## PART F

### IMPLEMENTATION OF DIRECTIVE (EU) 2019/1160 OF THE EUROPEAN PARLIAMENT AND COUNCIL, OF JUNE 20th, 2019, WITH REGARD TO THE AMENDMENT OF DIRECTIVES 2009/65/EC AND 2011/61/EU WITH REGARD TO CROSS-BORDER DISTRIBUTION OF COLLECTIVE INVESTMENT UNDERTAKINGS

#### Article 161

##### Purpose

The purpose of the present part is the implementation in national law of Directive (EU) 2019/1160 of the European Parliament and the Council of 20 June 2019 with regard to the amendment of Directives 2009/65/EC and 2011/61/EU with regard to cross-border distribution of collective investment undertakings.

#### Article 162

##### Object

The object of the present part is to comply with the legal framework regarding cross-border distribution of units of Undertakings for Collective Investment in Transferable Securities (UCITS) or Alternative Investment Funds (AIF) units in Greece or in another member state, as well as to align the notification process to the competent authorities, with the purpose of reducing the regulatory barriers in cross-border distribution of undertakings for collective investment (UCITS and AIF) within the European Union.

More specifically, Chapter A` introduces amendments of Greek Law 4099/2012 (A` 250), regarding the integration of Article 1 of Directive 2019/1160 of the European Parliament and Council of June 20th, 2019, with regard to the amendment of Directives 2009/65/EC and 2011/61/EU with regard to cross-border distribution of collective investment undertakings (L 188). Chapter B` introduces amendments of Greek Law 4209/2013 (A` 253), regarding the integration of Article 2 of the aforementioned Directive.

## CHAPTER A`

### CROSS-BORDER DISTRIBUTION OF COLLECTIVE INVESTMENT UNDERTAKINGS IN TRANSFERABLE SECURITIES – AMENDMENTS OF GREEK LAW 4099/2012

#### Article 163

Establishment of a management company branch from another Member-State in Greece and the establishment of a MFMC branch in another member state – amendment of par. 6 Article 26 and par. 5 Article 29 Greek Law 4099/2012 (par. 1 art. 1 Directive 2019/1160/EC)

1. At the end of par. 6 Article 26 of Greek Law 4099/2012 (A` 250), on notification of information to the Hellenic Capital Market Commission, three points are added and par. 6 is formulated as follows:

“6. In case of change in the information communicated pursuant to points b, c or d of par. 1, the management company shall inform in writing the Hellenic Capital Market Commission and the Competent Authorities of the company's home member state on that change at least one (1) month before the change or in case of force majeure as soon as possible after the realization of the change, so that the Hellenic Capital Market Commission is able to take the appropriate measures for the exercise of its supervisory work.

When, due to the change indicated in the first point, the management company no longer complies with Directive 2009/65/EC of the European Parliament and Council of July 13th, 2009 with regard to the coordination of legislative, regulatory and administrative provisions concerning some undertakings for collective investment in transferable securities (UCITS) (L 302), the competent authorities of the management company's home member state shall inform the management company, within fifteen (15) working days from reception of all information mentioned in the first point, that it must not implement that change. In this case, the competent authorities of the management company's member state shall inform the Hellenic Capital Market Commission accordingly. In case of implementation of the change of the first point, after communicating the information of the second point and because of this change, the management company no longer complies with Directive 2009/65/EC, the competent authorities of the management company's home member state shall adopt the measures of Articles 97 and 98 of Directive 2009/65/EC, and shall inform, without undue delay, the Hellenic Capital Market Commission about the measures adopted.”.

2. At the end of par. 5 Article 29 of Greek Law 4099/2012 on notification of changes in Mutual Fund Management Companies (MFMC) to the Hellenic Capital Market Commission, three points shall be added and par. 5 shall be formulated as follows:

“5. If the information notified pursuant to points b, c or d of par. 1 change, the MFMC shall notify in writing the Hellenic Capital Market Commission and the competent authorities of its host member state of this change at least one (1) month before the change or in case of force majeure, as soon as possible from realization of the change, so that the Hellenic Capital Market Commission can decide about this change pursuant to par. 2.

When, due to the change indicated in the first point, the MFMC no longer complies with Part A` of the present law, the Hellenic Capital Market Commission shall inform the MFMC within fifteen (15) working days from receipt of all information mentioned in the first point, that it should not implement said change. In this case, the Hellenic Capital Market Commission shall inform the competent authorities of the host member state accordingly. In case of implementation of the change of the first point, after transmission of the information pursuant to the second point and if, due to that change, the MFMC no longer complies with Part A` of the present law, the Hellenic Capital Market Commission shall adopt all the necessary measures pursuant to Article 93, and shall inform without undue delay the competent authorities of the host member state about the measures adopted.”.

#### Article 164

Communications and advertisements of UCITS– Amendment of Article 79 of Greek Law 4099/2012 (par. 2 Article 1 of Directive 2019/1160/C

Par. 1 of Article 79 of Greek Law 4099/2012 (A` 250), on notifications by Undertakings for Collective Investment in Transferable Securities (UCITS.) shall be cancelled and Article 79 shall be formulated as follows:

#### “Article 79

UCITS communications and advertisements

(Articles 70, 76, 77 of Directive 2009/65/EC)

1. (Annulled).
2. At the end of each fiscal year, on the website of the management company or, as the case might be, of the ICVC, a brief statement of the UCITS assets, its profit and loss statement and the distribution mode of its profits is posted online.
3. With the exception of the prospectus with key investor information, any other informative prospectus of the UCITS must contain a statement with capital letters at the bottom of the first and the last page of a multiple-page prospectus indicating that “the UCITS have no guaranteed returns and previous performance does not ensure future returns”. The above statement is also included in every communication by the UCITS. The above-mentioned obligation does not apply in case of par. 9 of Article 61, as well as in case of a UCITS which, based on its investment policy, aims at the achievement of predetermined returns. In the latter case, the UCITS must include a relevant warning to investors, at the bottom of the first and last page of a multiple-page prospectus and communication.
4. All publications by the UCITS and its management company and all prospectuses are submitted without delay to the Hellenic Capital Market Commission in the form made available to investors.

5. The management company is obliged, if required by the Hellenic Capital Market Commission, to proceed at its own expense to clarifying or correcting publicity, if there is a risk of misleading or providing wrong information to investors in its previous publications.

6. The management company provides, at the request of an investor, additional data regarding quantitative limits applied at risk management by the UCITS, the methods selected for this purpose and the recent development of the main risks and returns of the various classes of assets of the UCITS.

7. Based on the implementing measures of par. 4 art. 75 of Directive 2009/65/EC, based on which Regulation (EU) 583/2010 of the European Commission of the 1st July 2010 (EU L 176/ 10.7.2010) was issued, the Hellenic Capital Market Commission may specify by a decision of its Board of Directors every detail or technical issue regarding the conditions for the distribution of the prospectus via the internet or another durable medium, besides the copy in printed form.

8. The Hellenic Capital Market Commission determines with its decision the content of the quarterly tables regarding investments by the UCITS, which are made available to investors and submitted to the Hellenic Capital Market Commission, as well as the method and the time of their communication and disclosure.”.

#### Article 165

Distribution of units of Collective Investment Undertakings in Transferable Securities of another member state in Greece - Amendment of art. 89 of Greek Law 4099/2012 (par. 3 art. 1 Directive 2019/1160/EC)

In Article 89 of Greek Law 4099/2012 (A` 250) par. 9 shall be amended regarding the referred provisions, par. 3, 8 and 11 shall be annulled, the Hellenic Capital Market Commission and the Undertakings for Collective Investment in Transferable Securities (UCITS) and Article 89 shall be formulated as follows:

#### “Article 89

Distribution of UCITS shares from another member state in Greece  
(Article 89 par. 1, 91-96 of Directive 2009/65/EC)

1. Without prejudice to the provisions of the EU legislation regarding the capital movement, and the second point of par. 1 Article 100, a UCITS which is authorized in another member state pursuant to the provisions of Directive 2009/65/EC, which disposes of its units in Greece, is not subject to any additional provisions of the present law regarding issues subject to Directive 2009/65/EC. In any case, this UCITS complies with the provisions of the law in force regarding issues not included in Directive 2009/65/EC.

2. The UCITS which is authorized in another member state may market its units in Greece, following communication pursuant to art. 90.

3. (Annulled).

4. For the purposes of Article 89 to 92 incl. of the present law, the term “UCITS” also includes the investment compartments of a UCITS.

5. If a UCITS which is authorized in another member state markets its units in Greece, shall provide the investors in Greece with the information and the documents required to provide to investors in the home member state, pursuant to the provisions of Chapter IX of Directive 2009/65/EC, as integrated by Article 75 to 84 incl. of the present law.

Said information and documents are provided to investors pursuant to the following provisions:

a) Without prejudice to the provisions of Chapter IX of Directive 2009/65/EC, said information and documents are provided to investors as indicated in the applicable laws, regulations and administrative provisions in Greece.

b) Key information for investors is translated into the Greek language.

c) Other information or documents, besides the key information for investors, are translated into Greek or English, at the discretion of the UCITS.

d) The UCITS has the responsibility for the accurate translation of the information and documents mentioned in cases b and c.

6. The provisions of par. 5 also apply in every change of said information and documents.

7. The frequency of notification of the net price and the disposal, purchase or redemption price of UCITS units, pursuant to Article 76 of Directive 2009/65/EC, is subject to laws, regulations and administrative provisions of the home member state of the UCITS.

8. (Annulled).

9. The UCITS may be advertised in Greece in compliance with the provisions of Article 79 regarding the advertisement of UCITS units, and the provisions of par. 1, 2 and 3 of Article 4 of the Regulation (EU) 2019/1156 of the European Parliament and Council of June 20th, 2019, about facilitating cross-border distribution of collective investment undertakings and the amendment of Regulations (EU) 345/2013, (EU) 346/2013 and (EU) 1286/2014 (L 188).

10. The UCITS may, in order to carry out its operations in Greece, use in its company name or distinctive title, the same legal form, such as “investment company” or “mutual

fund” with which it operates in its home member state. If there is a risk of confusion, the Hellenic Capital Market Commission may demand for reasons of clarity that an explanatory indication be added to the name.

11. (Annulled).

12. The Hellenic Capital Market Commission may, by its decision, determine the content of the provisions regarding the distribution in Greece of UCITS units, which is authorized in another member state.”.

#### Article 166

Conditions on the provision of facilitations to private investors by Undertakings for Collective Investment in Transferable Securities of another member state which intends to market its units in Greece, and by an Undertaking for Collective Investment in Transferable Securities authorized in Greece intending to market units in another member state – Addition of Articles 89A and 89B to Greek Law 4099/2012 (par. 4 Art. 1 directive 2019/1160/EC)

In Greek Law 4099/2012 (A` 250) after Article 89, Articles 89A and 89B shall be inserted as follows:

#### “Article 89A

Conditions on the provision of facilitations by Undertakings for Collective Investment in Transferable Securities during marketing of units or shares in another member-state (par. 4 Art. 1 Directive (EU) 2019/1160)

1. The Undertakings for Collective Investment in Transferable Securities (UCITS) of the present law make available, in another member state where they propose to market its units, facilitations for the realization of the following obligations:

a) The processing of orders for disposal, purchase, redemption and execution of other payments to depositaries related to UCITS units, pursuant to the terms mentioned in the documents required in Article 75 to 84 incl.,

b) The provision of information to investors regarding the execution mode of orders of point a) and the method of payment of the redemption and repayment amounts,

c) The facilitation of the use of information and access to the processes and provisions of Article 24, related to the exercise of investors’ rights from their investment in the UCITS in the member state where the UCITS is marketed,

d) The provision to investors of the information and documents required pursuant to Art. 75 to 84 incl. hereof, under the conditions provided for in Art. 94 of Directive 2009/65/EC of the European Parliament and Council of July 13th, 2009 regarding the

coordination of laws, regulations and administrative provisions concerning (UCITS) (L 302), with the purpose of inspecting and receiving copies,

e) The provision, by a durable medium of information to investors regarding the obligations whose transaction is facilitated, and

f) The appointment of a person responsible to contact the competent authorities of the host member state.

2. The physical presence of the UCITS in the host member state or the appointment of a third party by the UCITS for the purposes of par.1 are not necessary.

3. The UCITS shall ensure that the facilitations for carrying out the obligations of par. 1, among other things by electronic means, are provided:

a) In the official language or in one of the official languages of the member-state in which the UCITS is marketed or in a language approved by the competent authorities of the specific member state,

b) by the UCITS itself or by a third party, without prejudice to the provisions and the supervision governing the obligations to be fulfilled or by both.

For the purposes of case b), when the obligations are fulfilled by a third party, the assignment to said third party is documented in a written contract determining which of the obligations mentioned in par. 1 are not fulfilled by the UCITS and that the third party receives all relevant information and documents by the UCITS.

#### Article 89B

Conditions on the provision of facilitations by UCITS of other member states when marketing units or shares in Greece (par. 4 art. 1 Directive (EU) 2019/1160)

1. An Undertaking for Collective Investment in Transferable Securities (UCITS) from another member state intending to market its units in Greece makes available facilitations for the fulfillment of the following obligations:

a) The processing of orders for disposal, redemption, repayment and execution of other payments to unit holders related to UCITS units, according to the conditions mentioned in the required documents pursuant to Art. 75 to 84 incl. of the present law,

b) The provision of information to investors regarding the way the orders of case a) are carried out and the payment method of the product of redemption and repayment,

c) The facilitation of the use of information and access to the processes and provisions of Art. 15 of Directive 2009/65/EC, related to the exercise of investors' rights from their investment in the UCITS in Greece,



d) The provision to the investors of the necessary information and documents, pursuant to Chapter IX of Directive 2009/65/EC, as integrated by Art. 75 to 84 incl. hereof, under the conditions of par. 5 to 7 incl. of art. 89, with the purpose of inspecting and receiving copies,

e) The provision, by a durable medium of information to investors regarding the obligations whose transaction is facilitated, and

f) The appointment of person responsible to contact the Hellenic Capital Market Commission.

2. The physical presence of an UCITS from another member state in Greece or the appointment of a third party by the UCITS for the purposes of par. 1 is not required.

3. The UCITS from another member state shall ensure that the facilities for the fulfillment of the obligations of par. 1, among others also by electronic means, are provided:

a) In Greek or, in English, if the investor wishes so,

b) by the UCITS itself or by a third party, without prejudice to the provisions and the supervision governing the obligations to be fulfilled or by both.

For the purposes of case b), when the obligations are fulfilled by a third party, the assignment to said third party is documented in a written contract determining which of the obligations mentioned in par. 1 are not fulfilled by the UCITS and that the third party receives all the relevant information and documents by the UCITS.”.

## Article 167

Process of distribution of UCITS units or shares of another member-state in Greece, as well as by an authorized UCITS disposing of units or shares in another member-state and a third state. Amendment of Articles 90 and 91 of Greek Law 4099/2012 (par. 5, Article 1, Directive 2019/1160/EC).

1. In Article 90 of Law 4099/2012 (A 250) on the process of distributing UCITS units of other member-states, a third point shall be added in case A of par. 1 and par. 6 is replaced and Article 90 is formulated as follows:

### “Article 90

UCITS distribution process of another member-state in Greece  
(Articles 91-96 of Directive 2009/65/EC).

1. The UCITS of another member-state may start disposing its shares in Greece after the Hellenic Capital Market Commission obtains the following information by the competent authorities of the UCITS home member-state:

a) A UCITS notification letter, which contains information on the arrangements that UCITS has set in Greece, including, where appropriate, arrangements for the categories of shares. In case the UCITS units are available in Greece by its own management company, it shall be explicitly mentioned in the notification letter.

The notification letter shall also include the necessary details, including the address for invoicing of notification of any applicable regulatory fees or charges by the Hellenic Capital Market Commission and information on the facilities for the performance of the tasks referred to in par. 1 of Article 89B.

b) an attestation from the competent authorities of the home member-state that the UCITS meets the conditions of Directive 2009/65/EC.

c) The regulation or statutory documents, prospectus and, if any, its annual and semi-annual report, translated into Greek or English, at the discretion of the UCITS.

d) The key information on investors, translated into Greek at the discretion of the UCITS.

The documents indicated in points c) and d) are submitted in their latest version.

2. The notification letter and attestation referred to in paragraph 1 shall be provided in a language which is common in international financial transactions, unless the competent authorities of the UCITS member-state of origin and the Hellenic Capital Market Commission otherwise agree to be available in the official language of both member-states.

3. The Hellenic Capital Market Commission shall accept the electronic transmission and archiving of the documents referred to in par. 1.

4. For the purposes of the notification process provided for in this Article, the Hellenic Capital Market Commission shall not request any other documents, certificates or information other than those indicated in this Article.

5. The Hellenic Capital Market Commission shall have access, by electronic means, to the documents referred to in points c) and d) of par. 1 and, if necessary, to their translations. The UCITS shall update these documents and their translations, notify the Hellenic Capital Market Commission on any changes and indicate how to obtain such documents electronically.

6. In case of change in the information contained in the notification letter submitted in accordance with par. 1 or in case of a change in the units or shares to be made available, the UCITS shall notify in writing both the competent authorities of the UCITS

home member-state and the Hellenic Capital Market Commission at least one (1) month before making such change. When, due to the change in the first point, the UCITS no longer complies with Directive 2009/65/EC, the competent authorities of the UCITS home member-state shall inform it within fifteen (15) working days from receipt of all the information referred to in the first point that it should not apply this change. In this case, the competent authorities of the UCITS home member-state shall inform the Hellenic Capital Market Commission. In case of application of the change referred to in the first point, upon transmission of information in accordance with the second point and, if due to that change, the UCITS no longer complies with Directive 2009/65/EC, then the competent authorities of the UCITS home member-state shall take all the appropriate measures in accordance with Article 98 of Directive 2009/65/EC, including where appropriate the explicit prohibition of UCITS marketing and shall inform the Hellenic Capital Market Commission of the measures taken without undue delay.

7. The Hellenic Capital Market Commission may, by its own decision, specify any detail or technical issue concerning the application of this Article.”.

2. In point a) par. 1 of Article 91 of Law 4099/2012 on distribution of UCITS shares to another member-state, a third paragraph shall be added, par. 7 shall be amended and Article 91 shall be worded as follows:

“Article 91

Distribution of UCITS shares pursuant to the present law to another member-state and a third member-state  
(Articles 91-96 of Directive 2009/65/EC).

1. If UCITS pursuant to the present law intends to dispose of its shares in another member-share, it shall first submit a notification letter to the Hellenic Capital Market Commission.

The notification letter contains information about the arrangements that UCITS has set for the distribution of its shares to the host member-state, including, as the case might be, arrangements for categories of shares. In case the UCITS shares are made available to another member-state by its own management company, this shall be explicitly stated in its notification letter.

The notification letter shall also include the necessary details, including the address for invoicing of notification of any applicable regulatory fees or changes made by the competent authorities of the host member-state and information on the facilitation of the tasks referred to in par. 1 of Article 89A.

2. The UCITS shall attach to the notification letter referred to in paragraph 1 the following documents, in their latest version:

a) the Regulation or its statutory documents, its prospectus and, if any, its annual and semi-annual report, translated in accordance with the provisions of points c) and d) of par. 1 of Article 94 of Directive 2009/65/EC and

b) the key information on investors indicated in Article 90 translated in accordance with the provisions of points b) and d) of par. 1 of Article 94 of Directive 2009/65/EC.

3. The Hellenic Capital Market Commission shall verify that the information submitted by UCITS is complete in accordance with par. 1 and 2.

The Hellenic Capital Market Commission shall transmit all the documents referred to in par. 1 and 2 to the Competent Authorities of the UCITS host member-state no later than ten (10) working days after the date of receipt. At the same time, it shall submit an attestation that UCITS meets the conditions of Directive 2009/65/EC. The Hellenic Capital Market Commission shall then inform UCITS on the aforementioned transmission. UCITS may begin placing its shares on the market of its host member-state from the date of such notification.

4. The notification letter referred to in par. 1 and the attestation referred to in par. 3 shall be made available in English, unless the Hellenic Capital Market Commission and the competent authorities of the host member-state of UCITS agree to make it available in the official language of both member-states.

5. The Hellenic Capital Market Commission may electronically transmit and file the documents referred to in par. 3.

6. The Hellenic Capital Market Commission shall ensure that the competent authorities of the UCITS host member-state have access by electronic means to the documents referred to in par. 2 and, possibly, to their translations. The UCITS shall update such documents and translations, notify any changes to the documents referred to in par. 2 to the Competent Authorities of its host member-state and indicate how such documents are to be obtained electronically.

7. In case of a change in the information in the notification letter submitted in accordance with par. 1 or in case of a change in the units or shares to be made available, the UCITS shall notify both the Hellenic Capital Market Commission and the competent authorities of the UCITS host member-state in writing at least one (1) month before making such change. When, due to the change in the first sub-paragraph, UCITS no longer complies with Part A of the present law, the Hellenic Capital Market Commission shall notify UCITS within fifteen (15) working days from reception of all the information referred to in the first sub-paragraph, that it should not apply the change indicated in the first point upon transmission of the information, in accordance with the second point and if, due to this change, the UCITS no longer complies with Part A of this law, the Hellenic Capital Market Commission, it shall take all the appropriate measures in accordance with Article 93, including where appropriate the explicit

prohibition on UCITS marketing and shall inform the competent authorities of the UCITS host member-state on the measures taken without undue delay.

8. Pursuant to the executive measures of par. 1 of Articles 95 of Directive 2009/65/EC on the basis of which Directive 2010/44/EU of the European Commission of July 1st, 2010 and Regulation (EU) 584/210 of the European Commission of July 1st, 2010 were issued, the Hellenic Capital Market Commission shall, by decision of its Board of Directors, specify any details or technical issues concerning the facilitation of access by the competent authorities of the UCITS host member-state to the information and documents indicated in par. 1, 2 and 3 in accordance with par. 6 of the present Article.

9. Pursuant to the executive measures indicated in par. 2 of Article 95 of Directive 2009/65/EC, the Hellenic Capital Market Commission shall explain the decision of the BoD, any detail or technical issue regarding the form and content of the notification letter, referred to in par. 1 and the attestation referred to in par. 3, as well as the process for exchange of information and the use of electronic communications between the HCMC and the Competent Authorities of the UCITS host member-state for the purpose of notification pursuant to the provisions of the present Article.

10. The UCITS of the present law may dispose of its shares to a third state, as provided by the law of the third state and upon prior update of the Hellenic Capital Market Commission, which –if requested - shall issue an attestation that the UCITS meets the conditions of the present law and Directive 2009/65/EC”.

#### Article 168

Withdrawal of notification and termination of proceedings on marketing of units or, as the case might be, categories of UCITS units of another state in Greece, as well as UCITS authorized in Greece. Addition of Articles 91A and 91B to Law 4099/2012 (par. 6 Article 1 Directive 2019/1160/EC).

After Article 91 of Law 4099/2012 (A` 250), Articles 91A and 91B shall be added as follows:

#### “Article 91A

Withdrawal of notification of UCITS of other member-states (par. 6 of Article 1 of Directive (EU) 2019/1160)

1. The UCITS of another member-state marketing their shares in Greece may withdraw the notification, terminate the marketing procedures in Greece, as regards its shares, or as the case might be, the categories of shares for which they have been notified in accordance with Article 90, on condition that all the following conditions are met:

a) A blanket offer is made to repurchase or redeem, free of any charges or deductions, for all the shares of the UCITS in question or the specific UCITS share class held by

investors in Greece, which is made public for at least thirty (30) business days and is directly or indirectly addressed through financial intermediaries individually to all investors in Greece, whose identity is known.

b) The intention of termination of the arrangements made for marketing of these shares in Greece is made public through publicly available media, including electronic media, which is common for the UCITS marketing and suitable for the average investor in UCITS.

c) Any contractual arrangements with financial intermediaries of representatives are amended or terminated from the date of withdrawal of the notification, in order to prevent any new or additional, direct or indirect, offer or placement of the shares indicated in the notification referred to in par. 2.

The information referred to in points (a) and (b) clearly describes the consequences for investors if they do not accept the offer to redeem or repay their shares. The information referred to in points a) and b) is provided in Greek or English. From the date of the first point, the UCITS shall cease any new or additional, direct or indirect, offer or placement of their shares which are the object of withdrawal of the notification in Greece.

2. The UCITS shall submit a notification letter to the competent authorities of the home member-state containing the information referred to in points (a), (b) and (c) of par. 1

3. The competent authorities of the UCITS home Member State shall verify that the notification submitted by UCITS is complete, in accordance with paragraph 2. The competent authorities of the home Member State of UCITS, no later than fifteen (15) working days upon reception of the full notification, shall send it to the Hellenic Capital Market Commission, as well as to the European Securities and Markets Authority (ESMA).

Upon transmission of the notification, in accordance with the first subparagraph, the competent authorities of the UCITS home member-state shall inform it of such transmission without delay.

4. The UCITS shall provide investors who are still investing in UCITS, as well as the competent authorities of the home member-state, with the information required under Articles 75-84 and in accordance with Articles 89 and 90.

5. The competent authorities of the UCITS of the home member-state shall send to the Hellenic Capital Market Commission information on any changes to the documents referred to in par. 1 of Article 90.

6. The Hellenic Capital Market Commission, upon withdrawal of the notification, shall continue to have the rights and obligations set forth in paragraph 2 of Article 35, paragraph 1 of Article 93 and Article 100. Without prejudice to other monitoring

activities and the supervisory powers referred to in paragraph 2 of Article 35 and Article 93, from the date of transmission of paragraph 5 hereof, the Hellenic Capital Market Commission shall not require from the UCITS to prove their compliance with national laws, regulations and administrative provisions that govern the marketing requirements referred to in Article 5 of Regulation (EU) 2019/1156 of the European Parliament and of the Council of 20 June 2019, in order to facilitate cross-border distribution of collective investment undertakings and the amendment of Regulations (EU) 345/2013, (EU) 346/2013 and (EU) 1286/2014 (L 188).

7. The use of any electronic or other means of remote communication is permitted for the purpose of par. 4, on condition that the information and means of communication are available to investors in Greek or, if the investor wishes so, in English.

#### Article 91B

Withdrawal of UCITS notification on marketing in another member-state (Par. 6 Article 1 of Directive (EU) 2019/1160)

1. The UCITS indicated in the present law may withdraw the notification, terminate the marketing procedures in a member-state, as regards the shares or, as the case might be, the categories of shares, for which they have sent the notification, in accordance with Article 98 of the present law, provided that all the following conditions are met:

a) A blanket offer is made to repurchase or redeem, free of any charges or deductions, for all the shares of the UCITS in question or the specific UCITS share class held by investors in Greece, which is made public for at least thirty (30) business days and is directly or indirectly addressed through financial intermediaries individually to all investors in Greece, whose identity is known.

b) The intention of termination of the arrangements made for marketing of these shares in Greece is made public through publicly available media, including electronic media, which is common for the UCITS marketing and suitable for the average investor in UCITS.

c) Any contractual arrangements with financial intermediaries or representatives are amended or terminated from the date of withdrawal of the notification, in order to prevent any new or additional, direct or indirect, offer or placement of the shares indicated in the notification referred to in par. 2.

The information referred to in points (a) and (b) clearly describes the consequences for investors if they do not accept the offer to redeem or repay their shares. The information referred to in points a) and b) is provided in the official language or one of the official languages of the member-states where the UCITS has made the notification pursuant to Article 91 or in a language approved by the competent authorities of the member-state in question. From the date of the first point, the UCITS shall cease any new or additional, direct or indirect, offer or placement of their shares which are the object of withdrawal of the notification in Greece.

2. The UCITS shall submit a notification letter to the Hellenic Capital Market Commission, which shall contain the information referred to in cases a), b) and c) of par. 1.

3. The Hellenic Capital Market Commission shall verify whether the notification submitted by UCITS is complete, in accordance with paragraph 2. The Hellenic Capital Market Commission, no later than fifteen (15) working days upon reception of the full notification, shall send the said notification to the competent authorities of the host Member State specified in the notification referred to in paragraph 2, as well as to the European Securities and Markets Authority (ESMA). Upon transmission of the notification, in accordance with the first subparagraph, the Hellenic Capital Market Commission shall immediately inform UCITS on that transmission.

4. The UCITS shall provide investors who continue to invest in UCITS, as well as the Hellenic Capital Market Commission, with the information required under Articles 75 to 84 and in accordance with Article 91.

5. The Hellenic Capital Market Commission shall transmit to the competent authorities of the host member-state specified in the notification referred to in par. 2 hereof any changes to the documents referred to in par. 2 of Article 91.

6. The competent authorities of the host Member State specified in the notification referred to in paragraph 2 hereof shall continue to have the rights and obligations set forth in par. 2 of Article 21, par. 3 of Article 97 and Article 108 of Directive 2009/65 / EC of the European Parliament and the Council of 13 July 2009 even after withdrawal of the notification on coordination of laws, regulations and administrative provisions relating to certain collective investment undertakings in transferable securities (L 302). Without prejudice to the other monitoring activities and supervisory powers referred to in paragraph 2 of Article 21 and Article 97, from the date of transmission of paragraph 5 hereof, the competent authorities of the host Member State specified in the notification referred to in paragraph 2 hereof do not require from the said UCITS to prove compliance with national laws, regulations and administrative provisions governing the marketing requirements referred to in Article 5 of Regulation (EU) 2019/1156.

7. The use of any electronic or other means of remote communication for the purposes of paragraph 4 is permitted, on condition that the information and means of communication are available to investors in the official language or one of the official languages of the Member State of the investor or in a language approved by the competent authorities of the host Member State in question".

#### Article 169

Sanctions – Amendment of par. 1 of Article 94 of Law 4099/2012  
(Article 14 of Regulation 2019/1156/EC)



In the first point of par. 1 of Article 94 of Law 4099/2012 (A 250) on the imposition of sanctions, reference is added to Regulation 2019/1156/EC of the European Parliament and Council of June 20th, 2019 to facilitate the cross-border distribution of collective investment undertakings and amending Regulations (EU) 345/2013, (EU) 346/2013 and (EU) 1286/2014 (Law 188) and par. 1 shall be worded as follows:

"1. Any infringement of the provisions of the present law or the decisions issued under its authority, the executive measures of Directive 2009/65/EC, as well as Regulation 2019/1156/EC entails the following sanctions and measures which are imposed by decision of the BoD of the HCMC:

a) A posting on its website of a public statement naming the person responsible and identifying the nature of the infringement.

b) An order to the person responsible for the cessation of the illegal conduct and its omission in the future.

c) A suspension or withdrawal of authorization to UCITS or MFMC in accordance with Article 19.

d) A temporary prohibition or in the event of repeated serious infringements, a definitive prohibition of exercise of management duties to a member of the BoD of MFMC or ICVC or a responsible natural person.

e) a recommendation or a fine amounting from 1.000 Euros to 5.000.000 Euros or equal to 10% of the total annual turnover of the legal entity, according to the latest available financial statements approved by the BoD to a MCFC, a depositary, a legal person holding UCITS shares or other UCITS, ICVC, UCITS which is authorized in another member-state or another collective investments organization holding shares in Greece, a management company authorized in another member-state operating in Greece either through a branch or as part of the free provision of services, as well as to a branch of a third country management company providing services in Greece.

When the legal person is a parent company or a subsidiary of a parent company, which prepares consolidated financial statements in accordance with Article 135 of Law 2190/1920, the relevant total annual turnover shall be the total annual turnover or the corresponding type of income, according to the latest available consolidated financial statements approved by the board of directors of the parent company, or equal to twice the benefit obtained by the offender when the benefit can be determined and

f) a recommendation or a fine amounting from 1,000 Euros to 5,000,000 Euros or equal to twice the benefit obtained by the offender when the benefit can be determined to a member of the board of directors, directors and employees of MFMC, IVCV, the depositary and the legal entity holding UCITS shares or other collective investment undertakings, to any individual holding UCITS shares or other collective investment undertakings, to any person providing services on behalf of a MFMC operating in

Greece either through a branch or as part of the free provision of services, as well as to any person providing services on behalf of a branch of a third country management company providing services in Greece and violate the provisions of this Law or the decisions adopted under its authority, as well as of the implementing measures of Directive 2009/65 / EC".

## CHAPTER B`

### CROSS-BORDER DISTRIBUTION OF ALTERNATIVE INVESTMENT ORGANIZATIONS- AMENDMENTS OF LAW 4209/2013

#### Article 170

Determination of actions before marketing (Addition of point laa) in par. 1 of Article 4 of Law 4209/2013 (par. 1 of Article 2 of Directive 2019/1160/EC).

The definitions of par. 1 of Article 4 of Law 4209/2013 (A 253) point laa) shall be added as follows:

"laa) The term "actions before marketing" means the provision of information or announcements, either direct or indirect, on investment strategies or ideas by an AIFM of the European Union or , on its behalf, to potential professional investors who reside or have their registered office in the EU in order to verify their interest to AIF units or for an investment section which has not been set up yet or which has been set up but has not notified its marketing yet, in accordance with Article 31 in the member-state in which the potential investors reside or have their registered office and in any case the above provision of information or announcements is not equivalent to an offer or placement to the potential investor to invest in the said AIF units or shares or a part thereof".

#### Article 171

Conditions on actions from AIFM S.A. before marketing in Greece or another member-state- Addition of Article 30A to Law 4209/2013  
(par. 2 o Article 2 of Directive 2019/1160/EC)

At the beginning of Chapter F of Law 4209/2013 (A` 253), Article 30A shall be added as follows:

#### "Article 30A

Conditions on actions from AIFM S.A. before marketing in Greece or in another member-state or by authorized Alternative Investment Fund Managers of another member-state before marketing in Greece.

1. The AIFM S.A. may proceed to actions before marketing in Greece or another member-state except in cases where the information presented to potential professional investors:

- a) Are sufficient to allow investors to be bound by the purchase of units or shares from a special Alternative Investment Fund.
- b) Are equivalent to disposal forms or similar documents, either in draft or in final form or
- c) Are equivalent to constituent documents, prospectus or AIF tender documents, which have not been finalized yet.

2. When a draft prospectus or tender documents are provided, these documents do not contain sufficient information to enable investors to make investment decisions and clearly state that:

- a) They do not constitute an offer or invitation for the purchase of AIF units or shares and
- b) Investors should not rely on the information contained herein, since it is incomplete and may be amended.

The AIFM S.A. are not obliged to notify the HCMC on the content or the recipients of the actions before marketing or to meet any conditions or requirements other than those provided herein before the implementation of the above actions.

3. The conditions of par. 1 also apply to actions of authorised AIFM of the European Union before marketing of AIF units in Greece.

4. The AIFM S.A. shall ensure that investors do not obtain AIF units or shares through pre-marketing activities and that investors with whom there is a communication as part of pre-marketing activities may obtain AIF units or shares only as part of the permitted marketing, in accordance with Article 31 or Article 32.

Any purchase by professional investors, within eighteen (18) months after AIFM S.A. has launched the actions before marketing of AIF units or shares, which refers to the information provided as part of the action before marketing or AIF units established as a result of pre-marketing activities shall be deemed to be the result of marketing and shall be subject to the applicable notification procedures referred to in Articles 31 and 32.

The AIFM S.A. shall send, within 2 weeks from the beginning of actions before marketing in Greece or in another member-state an informal letter to the HCMC either in printed or in electronic format. This letter shall identify the member-states and the timeframes in which the pre-marketing activities take or took place before marketing

and describe in detail the activities before marketing, including the information related to investment strategies presented and, where applicable, a list of AIF units and the AIF units sections that constitute or constituted the object of activities before marketing will also be included. The HCMC shall immediately inform the competent authorities of the member-states, where the AIFM S.A. have proceeded or proceeds to activities before marketing. The competent authorities of the member-state in which the marketing took or take place may request from the HCMC to provide additional information on the pre-marketing operations that take or took place in its territory.

5. The obligations of par. 3 also apply to actions of authorized EU AIFMs before marketing of an EU AIFM in Greece.

6. If it is an AIFM of another EU member-state, the HCMC may -after the expected notification in par. 3 of the competent authority of the AIFM home member-state- state that actions take or took place before marketing and request from the said Authority to provide additional information regarding these actions.

7. Third parties proceed to actions before marketing on behalf of the AIFM SA or an authorized AIFM only if there have obtained an authorization.

a) In Greece in the form of Investment Services S.A. pursuant to point b) of par. 1 of Article 4 of law 4514/2018 (A` 14), or in another Member State in the form of companies providing investment services in accordance with Directive 2014 / 65 / EU of the European Parliament and Council of May 15th, 2014 on the financial instrument markets and the amendment of Directive 2002/92 / EC and Directive 2011/61 / EU (L 173),

b) in Greece in the form of Credit Institutions pursuant to the Law 4261/2014 (A` 107) or in another Member State in accordance with the Directive 2013/36 / EU of the European Parliament and Council of June 26th, 2013 on access to activity of credit institutions and prudential supervision of credit institutions and investment firms, amending Directive 2002/87 / EC and repealing Directives 2006/48 / EC and 2006/49 / EC (L 176)

c) in Greece in the form of Mutual Fund Management S.A. of point c) of Article 3 of law 4099/2012 (A` 250), or in another Member State in the form of UCITS in accordance with Directive 2009/65 / EC of the European Parliament and Council of July 13th, 2009 on coordination of laws, regulations and administrative provisions concerning certain Units of Collective Investments in Transferable Securities (UCITS) (L 302).

d) in Greece in the form of AIFM S.A. Companies, in accordance with the present law or in another Member State in the form of AIFM, in accordance with Directive 2011/61 / EU of the European Parliament and Council of June 8th, 2011 on the AIFMs and amending Directives 2003/41 / EC and 2009/65 / EC and Regulations (EC) 1060/2009 and (EU) 1095/2010 (L 174) or

e) in case they act as affiliated representatives of par. 29 of Article 4 of law 4514/2018 in Greece, with or in another Member State in accordance with Directive 2014/65/EU. Third parties are subject to the terms hereof.

8. The AIFM S.A. and the authorized AIFM provide adequate written documentation of pre-marketing activities in Greece or another member-state:

#### Article 172

Marketing of Alternative Investment Funds in other EU member-states managing AIFM S.A.– Amendment of par. 2 and 6 of Article 32 of Law 4209/2013 (par. 3 and 8 of Article 2 of Directive 2019/1160 / EC)

In par. 2 of Article 32 of Law 4209/2013 (A` 253) on marketing of AIFM units in other Member States, points l) and j) shall be added, par. 6 shall be replaced and Article 32 shall be worded as follows:

#### "Article 32

Marketing of shares in other member-states of AIFM units managed by AIFM S.A. Companies (Article 32 and Annex IV of Directive 2011/61/EU)

1. AIFM S.A. Companies may market AIFM shares or units to professional investors in another member-state if the conditions of this Article are met.

If the EU AIFM units are AIFM unit's feeder, the marketing right referred to in the first sub-paragraph shall be subject to the condition that the main AIFM unit is also an EU AIFM unit under the management of an authorized EU AIFM.

2. The AIFM S.A. Company here notify the HCMC for any EU AIF units or shares, for which it intends to market the following information to another member-state:

a) A notification letter including a list of activities in which the AIF unit is identified, which the AIFM intends to market and information on the AIF units' location.

b) The Regulations or the statutory documents of the AIF units.

c) The identity of the AIF units' depositary.

d) The description of any information on the AIF units which is made available to the investors.

e) The place of establishment of the main AIF units, if the AIF units are feeder units.

f) Any additional information referred to in par. 1 of Article 23 of each AIF unit which the AIFM S.A. intends to market.

g) The member-States in which it intends to market the AIF units or shares to professional investors

h) Information regarding the marketing of AIF units and, as the case might be, information regarding arrangements that have been established for non-marketing of AIF units or shares to the wide investing public, including the case where the marketing is made through companies that provide investment services.

i) The necessary information including the address for invoicing or notification of any applicable regulatory fees or changes by the Competent Authority of the host member-State.

j) Information on the facilitation of the performance of tasks referred to in Article 41a.

3. Within 20 working days from the date of receipt of the complete file of the notification indicated in par. 2, the HCMC shall send this file to the competent authorities of the member-state in which the AIFM S.A. intends to market the AIF units. This transfer shall take place only if the AIF units' management from the AIFM S.A. complies and shall keep complying with the provisions of Part A (Articles 1-53) and on condition that the AIFM S.A. complies with these provisions in general.

The above transfer shall include a statement of the HCMC that the AIFM S.A. has received an authorization to manage AIF units with a specific investment strategy.

4. The HCMC shall inform the AIFM S.A. without undue delay on the transmission indicated par. 3. The AIFM S.A. may start marketing the AIF units to the host member-state of the AIFM S.A. from the date of the above notification by the HCMC.

If the AIF unit is based in another member-state, the HCMC shall also inform the competent authorities of the host member-state that the AIFM S.A. may start marketing the AIF units to the host member-state of the AIFM S.A.

5. The notification letter indicated in par. 2 and the statement indicated in par. 3 shall be provided in a language commonly used in the international financial sector.

The HCMC may transmit in electronic format and is obliged to also receive in electronic format from the Authorities of other member-states the documents and information indicated in par. 3.

6. If there is a significant change in any of the data disclosed in accordance with par. 2, the AIFM S.A. shall inform the HCMC in writing on such change at least one (1) month before the implementation of the change if it is a change that has been planned by the AIFM S.A. or as soon as an unplanned change occurs.

If, according to the planned change, the AIF units' management by the AIFM S.A. no longer complies with the present document or if the AIFM S.A. no longer complies with

the present document, then the HCMC shall inform the AIFM S.A. within fifteen (15) working days from receipt of all the information referred to in the first point that it should not apply the change. In this case, the HCMC shall inform the competent authorities of the AIFM S.A. host member-state.

If the planned change is carried out without taking into account the first and second points or if an unplanned change took place as a result of which the AIF units management by the AIFM S.A. no longer complies with the present document, then the HCMC shall take all the appropriate measures in accordance with Article 44 including, where necessary, the explicit prohibition of the AIF units' market and shall inform the competent authorities of the host member-state of the AIFM S.A. without undue delay.

As long as the changes do not affect the compliance of the AIF units' management by the AIFM S.A. with the present document or the overall compliance of the AIFM S.A. with the present document, the HCMC shall inform, within one month, the competent authorities of the host member-state of the AIFM S.A. regarding the changes in question.

7. If Greece is a host member-state, an authorized AIFM of another member-state may start the market of AIF units in Greece, only if the HCMC receives from the competent authorities of another member-state an equivalent notice with the content of par. 3 of the present Article from the date of the notice in question. Without prejudice to par. 1 and 2 of Article 41, the said AIF units are only marketed to professional investors.

In this case, the Regulations set for marketing of AIF units and, if applicable, for the non-marketing of AIF units and to the wide investing public, including the case in which the marketing is performed through companies that provide investment services, are governed by the rules indicated in Part A (Articles 1-53) and are subject to monitoring by the HCMC.

#### Article 173

Withdrawal of notice and termination of procedures for marketing within the EU of AIF units or shares— Addition of Articles 32A and 32B of law 4209/2013 (par. 4 of Article 2 of the Directive 2019/1160/EC).

After Article 32 of law. 4209/2013 (A` 253), Articles 32A and 32B shall be added as follows:

#### "Article 32A

Withdrawal of notice and termination of procedures for marketing in another member-state of units or shares of all or some EU AIF units managed by the AIFM S.A.

1. An AIFM S.A. may withdraw the notice of procedures regarding the marketing in a member-state of some or all EU AIF units or shares, for which it has been notified in accordance with Article 32, on condition that all the following conditions are met:

a) With the exception of closed type AIF units pursuant to Regulation (EU) 2015/760 of the European Parliament and Council of April 29th, 2015 on European long-term investment funds (L 123), a general purchase or repayment offer shall be made, free of charges or deductions for all such shares or units held by investors in the member-state in question and shall be disclosed for at least thirty (30) working days and shall be addressed, either directly or through financial intermediaries, individually to all investors in the member-state in question whose identity is known.

b) The intention to terminate the arrangements made for marketing of some or all AIF units or shares in the member-state in question shall be made public through the media available to the public, including electronic media, which is common for marketing AIF units and suitable for the average investor in AIF units.

c) Any contractual arrangements with financial intermediaries or representatives are amended or terminated from the date of withdrawal of the notice, in order to prevent any new or additional, direct or indirect, offer or placement of the units or shares specified in par. 2

From the date of the first point, the AIFM S.A. shall cease any new or additional, direct or indirect offer or placement of AIF units or shares in the member-state for which it has filed a notice in accordance with par. 2.

2. The AIFM S.A. shall file a notice to the HCMC which shall contain the information referred to in cases a, b and c of par. 1.

3. The HCMC shall verify whether the notice filed by AIFM S.A. is complete pursuant to par. 2.

The HCMC, no later than fifteen (15) working days from reception of the full notice, shall forward such notice to the competent authorities of the member-state specified in the notice referred to in par. 2, as well as to the European Securities and Markets Authority. After transmission of the notice, according to the first point, the HCMC shall immediately inform the AIFM S.A. on the transmission.

For a period of thirty-six (36) months from the date of the first paragraph of section C of par. 1, the AIFM S.A. shall not proceed to any actions before marketing EU AIF units or shares indicated in the notice or in connection with similar investment strategies or investment ideas, in the member-states specified in the notice referred to in par. 2.

4. The AIFM S.A. shall provide investors who will have investments in AIF units, as well as the HCMC, with the information required under Articles 22 and 23.



5. The HCMC shall forward to the competent authorities of the member-state specified in the notice referred to in par. 2, any information on changes in the documents and information referred to in points b) to f) of par. 2 of Article 32.

6. The use of any electronic or other means of remote communication shall be allowed for the purposes of par. 4.

#### Article 32B

Withdrawal of notice and termination of procedures for marketing in Greece of some or all EU AIF units or shares managed by an authorized EU AIF manager.

1. An authorized EU AIFM may withdraw the notice of procedures related to the marketing in Greece of some or all AIF units or shares for which it has filed a notice in accordance with par. 7 of Article 32, on condition that all the following conditions are met:

a) With the exception of closed type AIF units and funds pursuant to Regulation (EU) 2015/760 of the European Parliament and Council of April 29th, 2015 on European long-term investment funds (L 123), a blanket offer is made to repurchase or redeem, free of charges and discounts, for all the units or shares held by investors in Greece, which shall be made public for at least thirty (30) business days and shall be addressed, either directly or through financial intermediaries, individually to all investors in Greece the identity of whom is known.

b) The intention to terminate the arrangements made for marketing some or all AIF units or shares in Greece shall be made public through media available to the public, including electronic media, which is common for marketing AIF units and suitable for the average investors in AIF units.

c) Any arrangements with financial intermediaries or representatives shall be amended or terminated from the date of withdrawal of the notice, in order to prevent any new or additional, direct or indirect offer or placement of the shares or stock indicated in par. 2.

From the date of the first paragraph, the AIFM shall cease any new or additional, direct or indirect offer or placement of AIF units or shares in Greece.

2. The HCMC shall be informed on withdrawal of the notice and termination of the procedures for marketing in Greece of all or some EU AIF units or shares managed by an authorized EU AIFM by the competent authorities of the home member-state of the AIFM pursuant to par. 3 of Article 32 of Directive 2011/61/EC of the European Parliament and Council of July 8th, 2011 regarding the AIFMs and for the amendment of Directives 2003/41/EC and 2009/65/EC and Regulations (EC) 1060/2009 and (EU) 1095/2010 (L.174).

For a period of thirty-six (36) months from the date of the first part of point c, par. 1, the AIFM shall not proceed in any action before marketing of AIF units or shares in relation to the disclosure or in relation to similar investment strategies or ideas in Greece.

3. The authorized EU AIFM shall provide the investors who still have investments in the EU AIF units, as well as the competent authorities of the host member-state, with all the necessary information pursuant to Articles 22 and 23.

4. The HCMC shall be informed by the competent authorities of the host member-state of the AIFM for any changes in the documents and information indicated in points b) to f) of par. 2 of Article 32.

5. The HCMC, as the competent host authority, shall continue to enjoy the rights and obligations provided for in Article 43 thereof even after the withdrawal of notice.

6. Without prejudice to the other supervisory powers indicated in par. 3 of Article 43, from the date of notification of par. 2, the HCMC shall not require from the said AIFM to verify its compliance with the national laws, regulations and administrative provisions that govern the marketing conditions referred to in Article 5 of Regulation (EU) 2019/1156 of the European Parliament and Council of June 20th, 2019 on the facilitation of cross-border distribution of collective investment undertakings and the amendment of Regulations (EU) 345/2013, (EU) 346/2013 and (EU) 1286/2014 (L 188)

7. The use of any electronic or other means of remote communication shall be allowed for the purposes of par. 3."

#### Article 174

Conditions on the management of EU AIF units established in other member-states-  
Amendment of par. 5 of Article 33 of Law 4209/2013 (par. 5 of Article 2 of Directive 2019/1160/EC).

In par. 5 of Article 33 of Law 4209/2013 (A 253) on the management of EU AIF units established in other member-states, the second and third point shall be replaced and par. 5 shall be formulated as follows:

"5. If there is any change of the data submitted with the notice of par. 2 and, as the case might be, par. 3, the AIFM S.A. shall inform the HCMC in writing on that change at least one (1) month before the implementation of the change in case of a change that has been planned by the AIFM S.A. or as soon as an unplanned change occurs.

If, according to the planned change, the AIF units management from a AIFM S.A. no longer complies with the present document or the AIFM S.A. in general no longer complies with the present document, then the HCMC shall inform the AIFM S.A. within

fifteen (15) working days from receipt of all the information indicated in the first paragraph that it must implement the change.

If the planned change is carried out without taking into account the first and the second points or if an unplanned change occurs as a result of which the AIF units management by the AIFM S.A. no longer complies with the present document or if the AIFM S.A. in general no longer complies with the present document, the HCMC shall take all the appropriate measures indicated in Article 44 and shall inform the competent authorities of the host member-state of the AIFM S.A. without undue delay. If the changes become accepted, i.e. they do not affect compliance with the provisions of Part. A (Articles 1-53), of the AIF units' management by the AIFM S.A. or in general the compliance of the AIFM S.A. towards these provisions, the HCMC shall inform the competent authorities of the host member-states of the AIFM S.A. without undue delay.

#### Article 175

Marketing of AIF units by a AIFM to private investors - Addition of Articles 41A and 41B to Law 4209/2013 (par. 6 of Article 2 of Directive 2019/1160/EC).

Articles 41A and 41B shall be added to Law 4209/2013 (A 253) as follows:

#### "Article 41A

Available facilitations for private investors by an AIFM S.A. that intends to sell AIF units or shares to private investors in other member-states.

1. Without prejudice to Article 26 of Regulation (EU) 2015/760 of the European Parliament and Council of April 29th, 2015 on European long-term alternative investments (L 123), the AIFM S.A. that intends to sell AIF units or shares to other member-states to private investors pursuant to Article 43 of Directive 2011/61/EU of the European Parliament and Council of June 8th, 2011, as regards the AIFM and for the amendment of Directives 2003/41/EC and 2009/65/EC and Regulations (EC) 1060/2009 and (EU) 1095/2010 (L 174), shall provide to each member-state to which it intends to sell AIF units or shares to private investors, facilitation to conduct the following tasks:

- a) Processing of the orders for sale, payment, purchase and repayment of investors, which are related to AIF units or shares, in accordance with the conditions mentioned in the AIF documents of par. 2 of Article 32 of the present document.
- b) Provision of information to investors on the execution mode of the order of section A and the payment mode of purchase and repayment amounts.
- c) Facilitation of handling of information related to the exercise of the investors' rights deriving from their investment in AIF units, in the member-state where the AIF units are marketed.

d) Availability of the necessary information and documents in accordance with Articles 22 and 23 to investors for the purpose of inspecting and receiving such copies.

e) Provision of information to investors regarding the tasks for the performance of which facilitations are provided by fixed means as defined in point n of par. 1 of Article 3 of Law 4099/2012 (A 250) and

g) Designation of a person responsible to contact the competent authorities of the host member-state.

2. No physical presence of an AIFM S.A. in the member-states in which it holds AIF units to private investors and no appointment of a third person is required for the purpose of par. 1.

3. The AIFM S.A. that holds AIF units or shares in other member-states to private investors shall ensure that the facilitation of performance of the tasks referred to in par. 1 including electronic means, is provided:

a) In the official language or in one of the official languages of the member-state in which the AIF units are marketed or in a language approved by the competent authorities of the member-state concerned.

b) By the AIFM S.A. itself, by a third party subject to the regulations and supervision governing the tasks to be performed or by both. For the purposes of the present case, when the tasks are performed by a third party, the assignment to a third party shall be documented by a written contract that determines which of the tasks of par. 1 are not performed by the AIFM S.A. and that the third party receives all the relevant information and documents from the AIFM S.A.

#### Article 41B

Available facilitations for private investors from authorized AIFMs intending to dispose to Greek AIF units or shares to private investors.

1. Without prejudice to Article 26 of Regulation (EU) 2015//760, the authorized EU AIFMs who intend to sell AIF units or shares in Greece to private investors in accordance with Article 41 thereof, have facilitations to perform the following tasks:

a) Processing of the orders for sale, payment, purchase and repayment of investors, which are related to AIF units or shares, in accordance with the conditions mentioned in the AIF documents pursuant to par. 2 of Article 32 of the present document.

b) Provision of information to investors on the execution mode of the order of section A and the payment mode of purchase and repayment amounts.

c) Facilitation of handling of information related to the exercise of investors' rights deriving from their investment in the AIF units, in the member-state where the AIF units are marketed.

d) Availability of the necessary information and documents in accordance with Articles 22 and 23 to investors for the purpose of inspecting and receiving such copies.

e) Provision of information to investors regarding the tasks for the performance of which facilities are provided by fixed means as defined in point n of par. 1 of Article 3 of Law 4099/2012 (A 250) and

f) Designation of a person responsible for contacting the competent authorities of the host member-state.

2. No physical presence of an AIFM S.A. in the member-states in which it holds AIF units to private investors and no appointment of a third person is required for the purpose of par. 1.

3. The AIFM S.A. that holds AIF units or shares in other member-states to private investors shall ensure that the facilitation of performance of the tasks referred to in par. 1 including electronic means, is provided:

a) In Greek or, if the investor wishes so, in English.

b) By the AIFM S.A. itself, by a third party subject to the regulations and supervision governing the tasks to be performed or by both. For the purposes of the present case, when the tasks are performed by a third party, the assignment to a third party is documented by a written contract that determines which tasks indicated in par. 1 are not performed by the AIFM S.A. and that the third party receives all the relevant information and documents from the AIFM S.A.

#### Article 176

Administrative sanctions - Amendment of par. 1 of Article 45 of Law 4209/2013 (Article 14 of Regulation 2019/1156/EC)

In the first point of par. 1 of Article 45 of Law 4209/2013 (A 253) on the imposition of sanctions by the HCMC, the reference to Regulation (EU) 2019/1156 of the European Parliament and Council of June 20th, 2019 to facilitate the cross-border distribution of collective investment undertakings and the amendment of Regulations (EU) 345/2013, (EU) 346/2013 and (EU) 1286/2014 (L.188) and par. 1 shall be worded as follows:

"1. The HCMC may impose on any natural or legal person who violates the provisions of the present law, the regulatory acts issued under its authority, as well as the executive measures of Directive 2011/61/EU, as well as Regulation (EU) 2019/1156, a reprimand or a fine amounting from 1,000 to 3,000,000 Euros or equal to twice the benefit enjoyed by the offender. The calculation of penalties shall take into account the

impact of the infringement on the proper operation of the market, the risk of harm to the investors' interests, the damage caused to investors and any repair, the measures taken to restore the infringement in the future, the degree of cooperation with the HCMC during investigation and inspection, the needs for specific and overall prevention and any recurrent infringements of Part A (Articles 1-53) or other capital market legislation”.

## PART G

INCORPORATION OF DIRECTIVE (EU) 2021/338 OF THE EUROPEAN PARLIAMENT AND THE COUNCIL OF 16 FEBRUARY 2021 AMENDING DIRECTIVE 2014/65/EU REGARDING THE REQUIREMENTS FOR INFORMATION PROVISION, PRODUCT GOVERNANCE AND POSITION LIMITS AND DIRECTIVES 2013/36/EU AND (EU) 2019/878 AS REGARDS THEIR APPLICATION TO INVESTMENT FIRMS, TO HELP THE RECOVERY FROM THE COVID-19 CRISIS

### Article 177

#### Purpose

This part incorporates Directive (EU) 2021/338 of the European Parliament of 16 February 2021 amending Directive 2014/65/EU as regards information requirements, product governance and position limits, and Directives 2013/36/EU and (EU) 2019/878 as regards their application to investment firms, to help the recovery from the COVID-19 crisis.

### Article 178

#### Object

Object of this part is the amendment of L. 4514/2018 (A`14) as regards information requirements, product governance and position limits, to help the recovery from the COVID-19 crisis.

### Article 179

#### Exemptions – Amendment of par. 1 art. 3 of L. 4514/2018

(Line a` par. 1 art. 1 Directive 2021/338)

Subpar. Bb of line I of par. 1 art. 3 of L. 4514/2018 (A` 14), on exemptions from the application of the law, is replaced and line I is formulated as follows:

“I) to persons:

aa) dealing on own account, including market makers, in commodity derivatives or emission allowances or derivatives thereof, excluding persons who deal on own account when executing client orders; or

bb) providing investment services, other than dealing on own account, in commodity derivatives or emission allowances or derivatives thereof to the customers or suppliers of their main business, provided that:

for each of those cases individually and on an aggregate basis, the activity is ancillary to their main business, when considered on a group basis,

those persons are not part of a group the main business of which is the provision of investment services within the meaning of this Law, the performance of any activity listed in Annex I to Directive 2013/36/EU or acting as a market maker for commodity derivatives,

those persons do not apply a high-frequency algorithmic trading technique, and

those persons report upon request to the Hellenic Capital Market Commission the basis on which they have assessed their activity under points aa) and bb), as ancillary to their main business.”.

#### Article 180

Definitions – Replacement of par. 59, addition of par. 8A, 44A, 62A and 65 to art. 4 of L. 4514/2018 (par. 2 art. 1 Directive 2021/338)

In art. 4 of L. 4514/2018 (A` 14), par. 59 is replaced, par. 8A, 44A, 62A and 65 are inserted and the aforementioned paragraphs are formulated as follows:

“8A. “switching of financial instruments”: selling a financial instrument and buying another financial instrument or exercising a right to make a change with regard to an existing financial instrument.

44A. “make-whole clause”: a clause that aims to protect the investor by ensuring that, in the event of early redemption of a bond, the issuer is required to pay to the investor holding the bond an amount equal to the sum of the net present value of the remaining coupon payments expected until maturity and the principal amount of the bond to be redeemed.

62A. “electronic format”: any durable medium other than paper.

65. “predominantly commercial group”: any group of which the main business is not the provision of investment services within the meaning of this Law, or the performance of any activity listed in Annex I to Directive 2013/36/EU, or acting as a market maker in relation to commodity derivatives.”.

#### Article 181

Exemptions from product governance requirements -  
Addition of art. 16a to L. 4514/2018  
(par. 3 of art. 1 Directive 2021/338)

In art. 16 of L. 4514/2018 (A` 14) article 16a is added as follows:

"Article 16a

Exemptions from product governance requirements

AEPEYs are exempted from the requirements set out in the second to fifth subparagraphs of par. 3 art. 16 and par. 2 of art. 24, where the investment services they provide relate to bonds with no other embedded derivative than a make-whole clause or where the financial instruments are marketed or distributed exclusively to eligible counterparties.”.

Article 182

General principles and client information -  
Amendment of art. 24 of L. 4514/2018  
(par. 4 of art. 1 Directive 2021/338)

In art. 24 of L. 4514/2018 (A` 14), a fifth and sixth subparagraph are added to par. 4, par. 5A and 9A are inserted and par. 4, 5A and 9A are formulated as follows:

“4. The AEPEY provides clients or potential clients in a timely way with all information required regarding itself and its services, the financial instruments and the proposed investment strategies, the places of execution and related charges. This information includes the following:

a) during the provision of investment advice, the AEPEY must, in time before providing investment services, inform the client about the following:

aa) whether advice is provided on an independent basis,

bb) whether the advice is based on wide or more limited analysis of the various financial instruments and, in particular, whether this width is limited to the financial instruments issued or distributed by entities with close bonds with the AEPEY or any other legal or financial relations, such as contractual relations, which are so close as to endanger the independence of the advice provided,

cc) whether the AEPEY provides the client with periodic evaluation of the suitability of the financial instruments proposed to the client,

b) information on financial instruments and the proposed investment strategies include the appropriate guidance and warnings regarding the risks related to investments in financial instruments or the adoption of specific investment strategies and reference of whether the financial instrument is directed at private individuals or professional



clients, taking into account the determined target market, in accordance with par. 2, c) information on all costs and related charges includes information related both with investment and ancillary services, including the cost related with the provision of advisory services, as the case may be, of the cost of the financial instrument suggested or advertised to the client and the possible ways of its payment by the client, including also all payment to third parties.

Information regarding all costs and charges, including those related to the investment service and the financial instrument, which are not due to the occurrence of an underlying market risk, is provided cumulatively in order to allow the client to understand the total cost, as well as its cumulative effect on the investment return and if the client requests, it is accompanied by a detailed cost recording. If required, this information is provided to the client on a regular basis, at least annually, throughout the investment.

Where the agreement to buy or sell a financial instrument is concluded using a means of distance communication which prevents the prior delivery of the information on costs and charges, the AEPEY may provide the information on costs and charges either in electronic format or on paper, where requested by a retail client, without undue delay after the conclusion of the transaction, provided that both of the following conditions are met:

a) the client has consented to receiving the information without undue delay after the conclusion of the transaction,

b) the AEPEY has given the client the option of delaying the conclusion of the transaction until the client has received the information. In addition to the requirements of the third subparagraph, the AEPEY shall be required to give the client the option of receiving the information on costs and charges over the phone prior to the conclusion of the transaction.”.

“5A. The AEPEYs shall provide all information required to be provided by this Law to clients or potential clients in electronic format, except where the client or potential client is a retail client or potential retail client who has requested receiving the information on paper, in which case that information shall be provided on paper, free of charge, by AEPEYs. The AEPEYs moreover, inform existing retail clients that they will receive the information in electronic format at least eight (8) weeks before sending that information in electronic format. The AEPEYs inform those existing retail clients that they have the choice either to continue receiving information on paper or to switch to information in electronic format. The AEPEYs inform existing retail clients that an automatic switch to the electronic format will occur if they do not request the continuation of the provision of the information on paper within that eight-week period. Existing retail clients who already receive the information required to be provided by this law in electronic format do not need to be informed.”.

“9A. The provision of research by third parties to AEPEYs providing portfolio management or other investment or ancillary services to clients is to be regarded as fulfilling the obligations under paragraph 1 if:

a) Before the execution or research services have been provided, an agreement has been entered into between the AEPEY and the research provider, identifying the part of any combined charges or joint payments attributable to research,

b) the AEPEY informs its clients about the joint payments for execution services and research made to the third-party providers of research; and

c) the research for which the combined charges or the joint payment is made concerns issuers whose market capitalization for the period of thirty-six (36) months preceding the provision of the research did not exceed EUR 1 billion (1.000.000.000), as expressed by end-year quotes for the years when they are or were listed or by the own-capital for the financial years when they are or were not listed.

For the purpose of this Article, research shall be understood as covering research material or services concerning one or several financial instruments or other assets, or the issuers or potential issuers of financial instruments, or as covering research material or services closely related to a specific industry or market such that it informs views on financial instruments, assets or issuers within that industry or market. Research shall also comprise material or services that explicitly or implicitly recommend or suggest an investment strategy and provide a substantiated opinion as to the present or future value or price of financial instruments or assets, or otherwise contain analysis and original insights and reach conclusions based on new or existing information that could be used to inform an investment strategy and be relevant and capable of adding value to the AEPEY’s decisions on behalf of clients being charged for that research.”.

#### Article 183

Evaluation of the adequacy and compatibility and information to clients

- Amendment of par. 2 art. 25

of L. 4514/2018 (par. 5 of art. 1 of Directive 2021/338)

In par. 2 of art. 25 of L. 4514/2018 (A` 14) a third and fourth subparagraph are inserted and par. 2 is formulated as follows:

“2. When providing either investment advice or portfolio management, AEPEYs obtain the necessary information on the client’s or potential client’s knowledge and experience in the investment sector regarding the specific type of product or service, regarding his financial condition, including his possibility to suffer losses, and regarding his investment targets, so that AEPEYs can recommend to him the investment services and financial instruments appropriate for his case and, in particular, compatible with the risk tolerance level and his possibility to suffer losses. When AEPEYs provide investment advice, within the framework of which they recommend a service or product

package, according to par. 11 of art. 24, the total package must be suitable for the client. During the provision of investment advice or portfolio management services which include the switching of financial instruments, the AEPEYs obtain the required information about the client's investments and analyze the cost and benefits of the switching of financial instruments. During provision of investment services, AEPEYs inform the client whether the benefits of change of financial instruments are greater than the cost involved in such a switching.”.

#### Article 184

Obligation for executing instructions on the most favorable terms  
for the client – Amendment of art. 27 of L. 4514/2018  
(par. 6 of art. 1 of the Directive 2021/338)

In par. 3 of art. 27 of L. 4514/2018 (A` 14), a fourth subparagraph is inserted and par. 3 is formulated as follows:

“3. Regarding the financial instruments which are subject to the relevant obligation for conclusion of transactions of art. 23 and 28 of Regulation (EU) 600/2014, every trading venue and every systematic internalizer and, regarding the other financial instruments, every place of execution, provides the public, free of charge, data related to the quality of execution of the transactions concluded in the specific place at least on annual basis. After the conclusion of a transaction on behalf of a client, the AEPEY informs the client of the place it was executed in. Periodic reports include details regarding price, costs, speed and the possibility of executing individual financial instruments.

The starting date for the application of the requirement for periodic reporting to the public included herein is the 1<sup>st</sup>.3.2023.”.

#### Article 185

Services provided to professional clients -  
Addition of art. 29A to L. 4514/2018  
(par. 8 of art. 1 of Directive 2021/338)

To L. 4514/2018 (A` 14) the art. 29A is added as follows:

##### “Article 29A

Services provided to professional clients

1. The requirements laid down in point c) of par. 4 of art. 24 shall not apply to services provided to professional clients except for investment advice and portfolio management.

2. The requirements laid down in the third subparagraph of par. 2 and par. 6 of art. 25 shall not apply to services provided to professional clients, unless those clients inform

the investment firm either in electronic format or on paper that they wish to benefit from the rights provided for in those provisions.

3. AEPEYs keep a record of the client communications referred to in paragraph 2.”.

#### Article 186

Transactions with eligible counterparties -

Amendment of par. 1 of art. 30 of L.

4514/2018 (par. 9 of aft. 1 of Directive 2021/338)

In par. 1 of art. 30 of L. 4514/2018 (A` 14), on the operation of Investment Services Sociétés Anonymes (AEPEYs), the first subparagraph is replaced and par. 1 is formulated as follows:

“1. AEPEYs authorized to execute orders on behalf of clients, and/or to deal on own account, and/or to receive and transmit orders have the possibility of bringing about or entering into transactions with eligible counterparties without being obliged to comply with Article 24, with the exception of paragraph 5a, art. 25, art. 27 and par. 1 of art. 28.

In their transactions with eligible counterparties AEPEYs act with honesty, impartiality and professionalism and communicate in a way that is correct, clear and not misleading, taking into account the nature of the eligible counterparty and his business activity.”.

#### Article 187

Position limits and controls for the position management in commodity derivatives -

Amendment of art. 57 of L. 4514/2018

(par. 10 of art. 1 of Directive 2021/338)

In article 57 of L. 4514/2018 (A` 14), regarding limits in commodity derivatives, par. 1, 3, 5 and 6 are replaced, par. 1A is inserted and art. 57 is formulated as follows:

#### “Article 57

Position limits and position management controls in commodity derivatives

(Article 57 of Directive 2014/65/EU)

1. The Hellenic Capital Market Commission in line with the methodology for calculation determined by ESMA, as part of the regulatory technical standards issued in application of par. 3 of art. 57 of Directive 2014/65/EU of the European Parliament and the Council of 15 May 2014, on financial instrument markets and amendment of Directive 2002/92/EC and Directive 2011/61/EU (L 173), establishes and applies position limits on the size of a net position which a person can hold at all times in agricultural commodity derivatives traded on trading venues and economically equivalent OTC contracts. Commodity derivatives are considered as crucial or significant when the sum of all net positions held by final position holders is the size of

their open participation and amounts to at least three hundred thousand (300.000) batches on average for a period of one (1) year. Limits are determined based on all positions held by one person and those held in his name at an aggregate group level in order to:

- a) prevent market abuse,
- b) support orderly pricing and settlement conditions, including preventing market distorting positions, and ensuring, in particular, convergence between prices of derivatives in the delivery month and spot prices for the underlying commodity, without prejudice to price discovery on the market for the underlying commodity.

1A. The position limits of par. 1 do not apply in:

- a) positions held by or on behalf of a non-financial entity and which are objectively measurable as reducing risks directly relating to the commercial activity of that non-financial entity,
- b) positions held by or on behalf of a financial entity belonging to a predominantly commercial group and acting on behalf of a non-financial entity of the predominantly commercial group, if it can be ascertained regarding those positions in an objectively measurable way that they reduce the risks directly relating to the commercial activity of that non-financial entity,
- c) positions held by financial and non-financial counterparties for the positions which in an objectively measurable way arise from transactions executed with the purpose to fulfill the obligation for providing liquidity on a trading venue, as referred to in line c) of par. 4 art. 2 of Directive 2014/65/EU,
- d) any other security as referred to in line c) of par. 44 of art. 4, related to commodity or to an underlying instrument mentioned in part C.10 of Appendix I.

2. Position limits shall specify clear quantitative thresholds for the maximum size of a position in a commodity derivative that persons can hold.

3. The Hellenic Capital Market Commission determines position limits for crucial or significant commodity derivatives and agricultural commodity derivatives traded on trading venues based on the methodology for calculating determined regulatory technical standards issued by the Commission in application of par. 3 of art. 57 of Directive 2014/65/EU. These position limits apply on economically equivalent OTC contracts.

The Hellenic Capital Market Commission reviews the position limits of the first subparagraph when there is significant change in the market, including significant change in deliverable quantity or open positions, based on the determination of the deliverable quantity and open positions by the competent authority, and readjusts

those position limits according to the calculation methodology approved by the Commission, in accordance with par. 3 of art. 57 of Directive 2014/65/EU.

4. The Hellenic Capital Market Commission communicates to ESMA the exact position limits it intends to establish, according to the methodology of ESMA for calculation and to receive its opinion. The Hellenic Capital Market Commission modifies the position limits in accordance with ESMA's opinion, or provides ESMA with justification why the change is considered to be unnecessary. Where the Hellenic Capital Market Commission imposes limits contrary to an ESMA opinion, it shall immediately publish on its website a notice fully explaining its reasons for doing so.

5. When agricultural commodity derivatives which are based on the same underlying instrument and present the same characteristics are traded in significant quantities in trading venues in more than one jurisdiction, or when critical or significant commodity derivatives based on the same underlying instrument and presenting the same characteristics are traded in trading venues in more than one jurisdictions, the competent authority of the trading venue with the highest trading volume ("central competent authority") shall set the single position limit to be applied on all trading for those derivatives. The central competent authority shall consult the competent authorities of other trading venues on which those agricultural commodity derivatives are traded in significant volumes or where these critical or significant commodity derivatives are traded, on the single position limit to be applied and any revisions to that single position limit. Where competent authorities do not agree, they shall state in writing the full and detailed reasons why they consider that the requirements laid down in paragraph 1 are not met. ESMA shall settle any dispute arising from a disagreement between competent authorities in accordance with its powers under Article 19 of Regulation (EU) No 1095/2010 of the European Parliament and the Council of 24 November 2010, regarding the establishment of a European Supervisory Authority (European Securities and Markets Authority), amendment of Decision 716/2009/EU and repeal of Decision 2009/77/EU (L 331).

The competent authorities of the trading venues where agricultural commodity derivatives based on the same underlying instrument and with the same characteristics are traded in significant volumes or critical or significant commodity derivatives based on the same underlying instrument and presenting the same characteristics are traded and the competent authorities of the position holders in these derivatives apply cooperation arrangements including exchange of relevant data with each other in order to enable the monitoring and enforcement of the single position limit.

6. Investment Services Sociétés Anonymes (AEPEYs) or market operators managing a trading venue where commodity derivatives are traded, apply position management controls, including the following powers of the trading venue:

- a) They monitor the open interest positions of persons,
- b) acquire information, including all relevant documentation, from persons about the size and purpose of a position or exposure entered into, information about beneficial

or underlying owners, any concert arrangements, and any related assets or liabilities in the underlying market, including, where it is deemed appropriate, the positions on commodity derivatives based on the same underlying instrument and presenting the same characteristics in other trading venues and in economically equivalent OTC derivatives through members and participants,

c) require a person to terminate or reduce a position, on a temporary or permanent basis, and to unilaterally take appropriate action to ensure the termination or reduction if the person does not comply; and

d) require a person to provide, on a temporary basis, liquidity back into the market at an agreed price and volume on a temporary basis with the express intent of mitigating the effects of a large or dominant position.

7. The position limits and position management controls shall be transparent and non-discriminatory, specifying how they apply to persons and taking account of the nature and composition of market participants and of the use they make of the contracts submitted to trading.

8. The AEPEY or the market operator operating the trading venue where commodity derivatives are traded, informs the Hellenic Capital Market Commission of the details of position management controls.

The Hellenic Capital Market Commission shall communicate the same information as well as the details of the position limits it has established to ESMA.

9. The Hellenic Capital Market Commission does not impose more restrictive limits than those established in accordance with par. 1, with the exception of special cases where they are objectively justified and are proportional, taking into account the liquidity and smooth operation of the specific market. The Hellenic Capital Market Commission publishes on its site the details of the more restrictive position limits it decides to impose, which must apply for an initial period not exceeding six (6) months from the date of their publication on its site. The more restrictive position limits can be renewed for further periods not exceeding six (6) months each time, if the reasons for the restriction still apply. If they are not renewed after passage of these six (6) months, they terminate automatically.

The Hellenic Capital Market Commission notifies ESMA about the imposition of more restrictive position limits. The notification shall include a justification for the more restrictive position limits. When the Hellenic Capital Market Commission imposes limits contrary to an ESMA opinion it shall immediately publish on its website a notice fully explaining its reasons for doing so.

10. The Hellenic Capital Market Commission applies its powers to impose sanctions pursuant to the present law, for infringements of position limits set in accordance with this article, for:

a) positions held by persons situated or operating in Greece or abroad which exceed the limits on commodity derivative contracts the Hellenic Capital Market Commission has set in relation to contracts on trading venues situated or operating in its territory or economically equivalent OTC contracts,

b) positions held by persons situated or operating in Greece, which exceed the limits on commodity derivative contracts set by competent authorities in other Member States.”.

#### Article 188

Position reporting by categories of position holders -

Amendment of art. 58 of L. 4514/2018

(par. 11 of art. 1 of Directive 2021/338)

In par. 1 of art. 58 of L. 4514/2018 (A` 14), on obligations of Investment Services Sociétés Anonymes (AEPEYs) and market operators, a new last subparagraph is inserted, par. 2 is replaced and par. 1 and 2 are formulated as follows:

“1. AEPEYs or market operators managing a trading venue where commodity derivatives or emission allowances or their derivatives are traded:

a) publish a weekly report with the aggregate positions held by the different categories of persons for the different commodity derivatives or emission allowances or derivatives thereof traded on their trading venue, specifying the number of long and short positions by such categories, changes thereto since the previous report, the percentage of the total open interest represented by each category and the number of persons holding a position in each category in accordance with paragraph 4 and communicate that report to the Hellenic Capital Market Commission and to ESMA,

b) provide the Hellenic Capital Market Commission with a complete breakdown of the positions held by all persons, including the members or participants and the clients thereof, on that trading venue, at least on a daily basis.

The obligation laid down in point (a) shall only apply when both the number of persons and their open positions exceed minimum thresholds.

The position report does not apply to any other securities referred to in point c) of par. 44 of article 4, related to a commodity or an underlying instrument referred to in Section C.10 of Annex I.

2. AEPEYs trading in commodity derivatives or emission allowances or derivatives thereof outside a trading venue provide, on at least a daily basis, the central competent authority referred to in par. 6 of article 57 or, where there is no central competent authority, the competent authority of the trading venue where the commodity derivatives or emission allowances or derivatives thereof are traded, with a complete breakdown of their positions taken in economically equivalent OTC contracts and,



when relevant, in commodity derivatives or emission allowances or derivatives thereof traded on a trading venue, as well as of those of their clients and the clients of those clients until the end client is reached, in accordance with Article 26 of Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014, on markets in financial instruments and amending Regulation (EU) 648/2012 (L 173) and, where applicable, article 8 of Regulation (EU) 1227/2011 of the European Parliament and the Council of 25 October 2011, on integrity and transparency in energy wholesale markets (L 326).".

#### Article 189

Reporting of infringements – Replacement of par. 3 of art. 71 of L. 4514/2018 (par. 12 of art. 1 Directive 2021/338)

Par. 3 of art. 71 of L. 4514/2018 (A` 14), on internal procedures for reporting of infringements, is replaced as follows:

“3. Investment Services Sociétés Anonymes ( AEPEYs), market makers, approved publication arrangements (APAs) και approved reporting mechanisms (ARMs) authorized in accordance with Regulation (EU) 600/2014 of the European Parliament and the Council of the 15 May 2014, on markets in financial instruments and amending Regulation (EU) 648/2012 (L 173) and which have a derogation according to par. 3 of art. 2 of said Regulation, the financial institutions regarding investment services or activities and ancillary services, and third-country business branches have in place appropriate procedures for the internal reporting of potential or actual infringements by their employees, through a specific, independent and autonomous channel.”.

## PART H

RELEVANT PROVISIONS – AMENDMENT OF LAWS 4099/2012, 4209/2013, 4261/2014 AND 4706/2020

#### Article 190

##### Purpose

The purpose of the present part is to fill regulatory gaps in the existing sectoral legislation, particularly for the allocation of units of Undertakings for Collective Investment in Transferable Securities (UCITS) and Alternative Investment Funds (AIF), as well as the proper incorporation of relevant instructions and the proper adaptation to Regulations 2017/2402 and 2021/557.

#### Article 191

##### Object

The object of the present part is mainly: a) the adaptation of Law 4261/2014 (A` 107) to the incorporation of Article 62 of Directive 2019/2034 of the European Parliament and Council of November 27th, 2019 on prudential supervision of investment companies and amendment of Directives 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU and 2014/65/EU (L 314) and the changes brought by Regulation 2019/2033 of the European Parliament and Council of November 27th, 2019 on prudential supervision of investment companies and the amendment of regulations (EU)1093/2010, (EU) 575/2013, (EU) 600/2014 and (EU) 806/2014 (L 314/1) and Directive (EU) 2019/2034 of the European Parliament and Council of November 27th, 2019 on prudential supervision of firms, investments and the amendment of Directives 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU and 2014/65/EU" (L 314), b) the further regulation of distribution of Undertakings for Collective Investment in Transferable Securities (UCITS) and the more correct incorporation of the Directives: ba) 2014/91 of the European Parliament and Council of July 23rd, 2014 on the amendment of Directive 2009/65/EC on coordination of laws, regulations and administrative provisions related to several Undertakings for Collective Investment in Transferable Securities (UCITS) on Deposits, Remuneration Policies and Sanctions (L 257), and bb) 2011/61 of the European Parliament and Council of July 8th, 2011 on the Managers of alternative investment companies and amendment of Directives 2003/41/ EC and 2009/65/EC and Regulations (EC) 1060/2009 and (EU) 1095/2010 (L 174), and c) the regulation of the distribution of units of Alternative Investment Funds (AIF) through the amendment of Law 4706/2020 (A` 136), d) the adjustment to Regulation 2017/2402 of the European Parliament and Council of December 12th, 2017 establishing a general framework for simple, transparent and standard securitization and amendment of Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) 1060/2009 and (EU) 648/2012 (L 347) and e) compliance with Regulation 2021/557.

## CHAPTER A`

### AMENDMENTS OF LAW 4261/2014 AS PART OF THE INCORPORATION OF ARTICLE 62 OF DIRECTIVE (EU) 2019/2034 AND LAW 4514/2018 AS PART OF THE INCORPORATION OF ARTICLE 65 OF THE SAME DIRECTIVE

#### Article 192

#### Competent authorities- Amendments of Article 4 of Law 4261/2014

In article 4 of Law 4261/2014 (A` 107), on competent authorities, a) in par. 1 there is an exception regarding investment companies and holding investment companies, b) par. 6, on assignment of duties to the Hellenic Capital Market Commission, as well as par. 12-15 on supervision and exercise of the other duties of the Hellenic Capital

Market Commission are repealed, c) on the first point of par. 7 and 8, as well as in par. 9 and 10, references to the Hellenic Capital Market Commission are removed, d) par. 17 is added and Article 4 is worded as follows:

«Article 4

Competent authorities  
(Article 4 of the Directive 2013/36/EU)

1. The Bank of Greece is responsible for the exercise of duties provided for in the present Law and Regulation (EU) 575/2013 (G 176) on credit institutions, including credit institution branches in Greece established in third countries and financial institutions, excluding investment companies and holding investment companies.

2. Without prejudice to the specific provisions of the applicable legislation and the provisions of the present Articles of Association, the supervision exercised by the Bank of Greece in accordance with this law, concerns solvency, maintenance of adequate liquidity and compliance with credit institutions' duties pursuant to the present law and the above Regulation, as well as the overall and sufficiently transparent operation of credit institutions.

3. To achieve the supervision purpose, the Bank of Greece may establish criteria and rules or take measures, either in general or in particular, by credit institution and proceed in the evaluation and continuous monitoring of the observance of the credit institutions' obligations by setting reporting obligations, written explanations, if requested, as well as through on-site checks.

4. The duties of the Bank of Greece according to Articles 1-166 of the present law and according to Regulation (EU). 575/2013 are exercised by an Act of the Executive Committee of Article 55a of its Articles of Association or a body authorized by it. A similar act may set, by way of derogation from any other provision on incorporation of EU provisions to the Greek legislation, the regulations necessary for the adaptation and compliance with the Directives, decisions, regulations and recommendations issued by the competent bodies of the European Union (EU) on issued in relation to the competencies of the Bank of Greece. With the regulatory acts of the previous paragraph, any necessary additional measures may be taken for the implementation of the above acts. In particular, when exercising the above regulatory duty, which concerns the transposition of the EU legislation, it is necessary to inform the Ministry of Finance in a reasonable time before the issuance of the relevant Act.

5. Without prejudice to the provisions of paragraphs 6 and 15 of the present Article, the regulatory power, permissions or derogations provided for in Regulation (EU) 575/2013 in favor of the Member-States shall be exercised by Acts of the Executive Committee referred to in Article 55a of the Articles of Association of the Bank of Greece or a body authorized by it.

6. (Repealed)

7. The Bank of Greece receives the information required for the assessment of the conformity of institutions and, as the case may be, of the participating financial companies and the mixed holding financial companies with the requirements of the present law and Regulation (EU) 575/2013 and is competent to investigate possible violations thereof. The Bank of Greece may request the issuance of a copy of criminal records for judicial use in accordance with Article 572 of the Criminal Procedure Code to assess the suitability of the supervised natural persons, as well as those who are members of the Board of Directors responsible for critical operations, competent Directors in accordance with Article 38 of law 4557/2018 (A 139) or obtain direct or indirect special participation, as set in point 36 of par. 1 of Article 4 of Regulation (EU) 575/2013, in the institutions, companies and organizations under supervision, pursuant to Article 55a of its Articles of Association, ratified by Law 3424/1927 (A` 298) and the more specific laws.

8. The institutions shall provide the Bank of Greece with all the necessary information for the assessment of their compliance with the rules adopted, in accordance with the present law and Regulation (EU) with 575/2013. Institutions also apply internal control mechanisms and administrative and accounting procedures that allow them to monitor compliance with these rules at all times.

9. The institutions record all the transactions and register the systems and procedures governed by the present law and Regulation (EU) with 575/2013, so that the bank of Greece can verify at any time the compliance of institutions with the present law and Regulation (EU) 575/2013.

10. The supervisory duties under this law and Regulation (EU) with 575/2013, as well as the other duties of the Bank of Greece are exercised separately and independently of the responsibilities and tasks related to consolidation.

11. The Bank of Greece may establish rules related to the information and data that credit institutions and other persons supervised by it are required to provide to their transactors regarding the terms of their transactions, in order to ensure transparency and clarity.

12. (Repealed).

13. (Repealed).

14. (Repealed).

15. (Repealed).

16. The regulatory acts issued by delegation of the present law or Regulation (EU) 575/2013 may have a retroactive nature, observing par. 1 of Article 191 of the present law.

17. In articles 50 to 53, 55 to 57, 62 and 63, 65 to 103 and 121 to 135, reference to the Hellenic Capital Market Commission is understood as reference exclusively to the Bank of Greece.

#### Article 193

Coordination of the competent authorities - Amendment of par. 2 of Article 5 of Law 4261/2014

In the first point of par. 2 of Article 5 of Law 4261/2014 (A` 107), on coordination of the Bank of Greece and the Hellenic Capital Market Commission, the concept of companies is redefined and Article 5 is formulated as follows:

#### «Article 5

Coordination of the competent authorities  
(Article 5 of Directive 2013/36/EU)

1. The Bank of Greece and the HCMC shall take all the necessary measures for the coordination on the basis of a Cooperation Protocol.

2. For the effective exercise of supervision on a consolidated basis mainly based on the capital adequacy of groups including credit institutions and investment companies, the Bank of Greece and the HCMC indicatively provide in the aforementioned Cooperation Protocol:

a) the procedures that ensure prior information and the overall exchange of information between the aforementioned authorities, with a view to avoiding duplication, as far as possible and reducing administrative costs on issues related to:

aa) changes in the shareholding, organizational or administrative structure of the supervised companies.

bb) important sanctions or exceptional measures taken by each authority as part of the powers provided for by the applicable legislation.

b) participation of each authority in on-site inspections carried out by another authority as part of the powers provided for by the applicable legislation and

c) the assignment of duties from one authority to another, as part of the applicable legislation.

#### Article 194

Risk management - Amendment of par. 8 and abolition par. 11 of Article 68 of Law 4261/2014

In Article 68 of Law 4261/2014 (A 107) on risk management, par. 8 shall be amended in order to particularly determine the reference to the risk management operation, par. 11 shall be repealed on application of the provisions of the above law and Article 68 shall be worded as follows:

«Article 68

Risk management  
(Article 76 of Directive 2013/36/EU)

1. The Board of Directors of the Institutions shall approve and periodically review strategies and policies for undertaking, managing, monitoring and reducing the risks to which it is exposed or could be exposed, including those arising from the macroeconomic environment in which it operates, taking into account the phase of the economic cycle.
2. The Board of Directors of the institutions devotes sufficient time on the assessment of issues related to risks. The Board of Directors actively participates and ensures that sufficient resources are available to manage all the significant risks mentioned in this Law and Regulation (EU) with 575/2013, as well as in the valuation of assets, the use of external credit ratings and internal models in relation to these risks. The Institution forms reference lines for the Board of Directors, covering all the significant risks and risk management policies, as well as their changes.
3. Institutions which are important in terms of size, internal organization and nature, scope and complexity of their activities set up a risk management committee composed of non-executive members of the Board. The members of the risk management committee dispose of the necessary knowledge, skills and expertise to understand and monitor the Institution's risk strategy.
4. The risk management committee files a report to the Board of Directors on the overall current and future risk-taking strategy of the Institution, assisting the Board of Directors, which has the overall responsibility on the risks and the supervision of implementation of the strategy by senior executives.
5. The risk management committee inspects the invoicing of the services offered, taking into account the Institution's business model and risk strategy. When the invoicing does not accurately reflect the risks related to the business model and the risk-taking strategy, the risk management committee files a corrective plan to the Board of Directors.
6. An institution of par. 1 of the present Article, as long as it is not considered significant pursuant to point 1 of the present paragraph, may form a committee in charge of the responsibilities of both the risk management committee and the audit committee under Article 37 of Law 3693/2008 (A` 174), by decision of the Bank of Greece or the HCMC. The members of the aforementioned committee must have the knowledge, skills and expertise required for the exercise of their duties both as members in a risk

management committee and as members in an audit committee. In all cases, the aforementioned committees are staffed by non-executive members of the Board of Directors.

7. The members of the above committees have adequate access to information regarding the risk condition of the Institution and the risk management point, if deemed appropriate, to specialized external consultants.

The above Committees determine the type, quantity, form and frequency of information to be received on risk matters. In order to contribute to the formation of proper policies and practices and without prejudice to the remuneration of the committee, they shall examine whether the incentives provided by the remuneration system consider the risk, the capital, the liquidity and the expected profits.

8. Institutions have a risk management operation pursuant to the Act 2577/2006 of the Governor of the Bank of Greece (A59) in accordance with the principle of proportionality, regardless of their operational functions and has sufficient powers, prestige, resources and access to the Board of Directors.

9. The risk management operation:

- a) ensures that all significant risks are identified, measured and properly reported.
- b) actively participates in the development of the Institution's risk strategy and in all the significant risk management decisions and may present a full image of the whole range of risks faced by the institution.
- c) reports, through the risk management committee, to the Board of Directors, regardless of the senior management and informs the Board of Directors and warns, as the case may be, for the development of risks that affect or may affect the Institution.

10. The Head of the risk management operation is an independent senior manager with distinct responsibilities. Where the nature, size and complexity of the Institution's operations do not justify the existence of a person specifically responsible for this task, those responsibilities may be assigned to another senior member of the Institution in addition to their other responsibilities, on condition that there is no conflict of interest. The Head of the risk management operation is not relieved of their duties without prior approval of the Risk Management Committee or the non-executive members of the BoD and has direct access to the Risk Management Committee or to the non-executive members of the BoD whenever required.

11. (Repealed)".

#### Article 195

Determination of percentages of countercyclical security stock  
Amendment of par. 1 of Article 127 of Law 4261/2014

In the second paragraph of par. 1 of Article 127 of Law 4261/2014 (A` 107), on duties of the Bank of Greece as a competent authority, the reference to the HCMC shall be removed and par. 1 shall be worded as follows:

«1. The Bank of Greece is defined as the competent authority, responsible for the determination of the percentage of countercyclical security reserves in Greece. The duties of the Bank of Greece as a competent authority are exercised by the Executive Committee indicated in Article 55A of its Articles of Association or a body authorized by it to take the relevant decisions".

#### Article 196

Requirements for the issuance of an operating license for AEPEY pursuant to par. 5 of Article 5 of law 4514/2018.

Par. 5 of Article 5 of Law 4514/2018 (A` 14), on share capital of Firms for the Investment Services Société Anonyme (AEPEY) is amended as follows:

«5. a) The share capital of AEPEY amounts to at least one hundred and fifty thousand (150,000) Euros.

b) When an AEPEY is authorised to carry out transactions for its own account, sponsor financial instruments or place financial instruments with a commitment, its share capital amounts to at least seven hundred and fifty thousand (75,000) Euros.

c) When an AEPEY is authorised to provide one or more investment services or perform any investment activity listed in points 1, 2,4,5 and 7 of Section A of Annex I, it is not authorised to provide its ancillary services pursuant to point 1 of Part B of Annex I, is not allowed to hold funds or securities owned by its customers, its share capital amounts to at least seventy-five thousand (75,000) Euros.

d) An AEPEY that is authorised to operate as an Regulated Trading Facilities, when carries out or is allowed to carry out transactions for its own account, its share capital amounts to at least seven hundred and fifty thousand (750,000) Euros."

## CHAPTER B

MARKETING OF AIF UNITS TO OTHER EU MEMBER-STATES MANAGED BY ALTERNATIVE INVESTMENT FUND MANAGERS SOCIETE ANONYME, DISTRIBUTION OF UNITS OF COLLECTIVE INVESTMENTS IN TRANSFERABLE SECURITIES (UCITS) AND SANCTIONS PURSUANT TO THE LAW 4099/2012 – AMENDMENTS OF LAWS 4209/2013 AND 4099/2012



#### Article 197

Marketing to other member-states of AIF units of the EU managed by AIFM SA –  
Amendment of par. 7 Article 32 of Law 4209/2013

The third point of par. 7 of Article 32 of Law 4209/2013 (A` 253), on commercial promotion to other member-states of AIF units of the EU managed by AIFMs SA shall be replaced by two new points and par. 7 shall be formulated as follows.

«7. If Greece is the host Member State, an authorized AIFM of another Member State may start marketing the EU AIF in Greece, only if the Hellenic Capital Market Commission receives from the competent authorities of another Member State an equivalent notification with the content of paragraph 3 of this article as of the date of that notification. Without prejudice to article 41(1) and (2), those AIFs shall be marketed only to professional investors.

The arrangements referred to in case h) of par. 2 of the present document, are subject to the supervision of the HCMC. By its decision, the HCMC may regulate more specific issued related to the marketing in Greece of units of AIF units from AIFM SA or an authorised AIFM of another member-state".

#### Article 198

Distribution of Collective Investment in Transferable Securities (UCITS) units –  
Amendment of par. 4 of Article 7 of Law 4099/2012

In par. 4 of Article 7 of Law 4099/2012 (A` 250) on disposal of UCITS units, a second and third point shall be added and par. 4 shall be formed as follows:

«4. The management company or, as the case may be, a Variable Capital Investment Société Anonyme, may dispose of units from Collective Investment in Transferable Securities (UCITS) directly and/or through credit institutions, management companies, insurance companies, Investment Firms (EPEY) and Investment Intermediation Firms (AEEDs). In addition, the management company can have units from Collective Investment in Transferable Securities (UCITS) through associated representatives. In this case, apart from the present document, Article 29 of Law 4514/2018 (A` 14) shall apply as on the promotion, receipt and transmission of orders only on units from Collective Investment in Transferable Securities (UCITS).

#### Article 199

Sanctions - Amendment of par. 1 and 2 of Article 94 of Law 4099/2012 (point g par. 6 Article 99c Directive EU/2014/91).

In Article 94 of Law 4099/2012 (A` 253) on sanctions, the following amendments shall be made: a) in par. 1 the first subparagraph of point (e) and point (f) shall be amended as to the amount of the fine imposed, b) after par. 2 a new par. 2A will be added and article 94 will be formulated as follows:

«Article 94

Sanctions

1. Any violation of the provisions of the present law or the decisions issued under its authority, as well as the executive measures of Directive 2009/65/EC and Regulation 2019/1156/EC entails the following sanctions and measures, which are imposed by a decision of the Board of Directors of the HCMC:

a) publishing on its website of a public statement identifying the person responsible and the nature of the breach.

b) an order to the person responsible for the cessation of the illegal conduct and its omission in the future.

c) in Collective Investment in Transferable Securities (UCITS) or a Variable Capital Investment Société Anonyme, suspension or revocation of their operating license, in accordance with the provisions of Article 19.

d) a temporary or definitive prohibition on the exercise of management duties in the aforementioned company or other companies shall be imposed to a member of the Board of Directors of a Mutual Fund Management Company or an Investment Company with Variable Capital or to any other natural person responsible.

e) a recommendation or fine amounting from one thousand (1,000) Euros to five million (5,000,000) Euros or the equivalent with 10% of the total annual turnover of the legal person pursuant to the latest available financial statements approved by the Board of Directors or equivalent to twice the benefit obtained by the offender when the benefit may be determined even if it exceeds the maximum amount referred to in this provision shall be imposed to a Mutual Fund Management Company (MFMC) a custodian, a legal person that disposes of Collective Investment in Transferable Securities (UCITS) units or other collective investments organizations, to an Investment Company with Variable Capital (I.C.V.C.), to Collective Investment in Transferable Securities (UCITS) that has obtained an operating license in a member-state or another collective investments organization that dispose of units in Greece, to a management company that has obtained an operating license in another member-state and operates in Greece, either through a branch or as part of the free provision of services, as well as to a branch of a third-state management company providing services in Greece.

When the legal person is a parent company or a subsidiary of a parent company, which prepares consolidated financial statements in accordance with Article 135 of Law 2190/1920, the relevant turnover shall be the total annual turnover of the corresponding type of income according to the latest available consolidated financial statements approved by the BoD of the parent company or shall equal to twice the benefit obtained by the offender when the benefit can be determined and

f) a recommendation or a fine amounting from 500 to 5,000,000 Euros or twice the benefit enjoyed by the offender, when the benefit can be determined, even if it exceeds the maximum amount referred to in this provision to members of the Board of Directors, directors and employees of an Mutual Fund Management Company (MFMC), a Investment Company with Variable Capital (I.C.V.C.), the custodian and the legal entity that has units from the UCITS, to any natural person that disposes of units from the UCITS or units from other collective investments, to any person that provides his services on behalf of an Mutual Fund Management Company (MFMC) operating in Greece, either through a branch or as part of the free provision of services on behalf of a branch or a third state management company providing services in Greece, violating the provisions of this law or the decisions issued under its authority, as well as the executive measures indicated in Directive 2009/65/EC.

2. To select the sanction and calculate the fine, the following are taken into account:

- a) the seriousness and duration of the infringement
- b) the degree of responsibility of the offender
- c) the financial position of the offender, as shown for example from their total turnover in case of a legal person or from their annual income in case of a natural person
- d) the amount of profits gained or losses avoided by the offender, as well as the damage caused to other persons and, where appropriate, the operation of markets or the economy as a whole, to the extent that the above may be identified
- e) the offender's degree of cooperation with the competent authority
- f) any previous infringements made by the offender and
- g) the measures taken after the infringement made by the offender, so as to prevent the recurrence of another infringement.

2A. When exercising its powers to impose sanctions, the HCMC shall work closely with the relevant competent authorities of the member-states to ensure that supervisory and investigative powers, as well as administrative sanctions, produce the results expected by this law. In addition, the HCMC shall coordinate its actions with the relevant competent authorities in order to avoid any recurrence and overlaps in the exercise of supervisory and investigating powers and the imposition of administrative sanctions and measures in cross-border cases in accordance with Article 96.

3. In case of non-cooperation in an investigation carried out in accordance with the provisions of Article 93, the Board of Directors of the HCMC shall impose a fine ranging from 30,000 to 500,000 Euros on legal persons and a fine ranging from 10,000 to 200,000 Euros on natural persons.

4. The persons indicated in par. 1, who knowingly violate the provisions of par. 2 of Article 12 and Articles 59-64, 85 and 87 or the decisions issued under the authority of these Article, shall be punished by imprisonment of at least 3 months and a fine ranging from 50,000 to 800,000 Euros.

5. Whoever knowingly makes false statements or announcements to the Public regarding the financial data, including returns, Collective Investment in Transferable Securities (UCITS) or another collective investment organization, existing or not, in order to affect investors, shall be punished by imprisonment of at least 3 months and a fine ranging from 50,000 to 800,000 Euros. The aforementioned also applies to anyone who carries out illegal investment activities pursuant to the present law, while if this person is a legal person the sanctions indicated in par. 1 shall be imposed".

## CHAPTER C

### DISTRIBUTION OF AIF UNITS, COMPETENT AUTHORITIES IN APPLICATION OF REGULATION (EU) 2017/2402 AND COMPETENT AUTHORITIES FOR COMPOUND SECURITIES WITHIN THE BALANCE UNDER ARTICLES 26A - 26E OF REGULATION (EU) 2017/2402, PROSPECTUS – AMENDMENTS OF LAW 4706/2020

#### Article 200

Distribution of AIF units – Amendment par. 9 of Article 43 of Law 4706/2020

The second point of par. 9 of Article 43 of Law 4706/2020 (A` 136) on distribution of AIF units is amended regarding the renaming of Investment Intermediation Firms (AEED) to Investment Intermediation Firms S.A. Companies and article 43 shall be formulated as follows:

#### «Article 43

##### Distribution of AIF units

1. Distribution of AIF units in Greece is considered every stage of the process of obtaining AIF units, as well as the announcement, advertising, promotion and marketing of units, as well as any other action, including the provision of investment advice, aimed at the acquisition of AIF units.

2. The AIF managers are allowed to have AIF units managed by professional and private investors in Greece in accordance with the terms of Article 41 of Law 4209/2013.

3. To distribute AIF units and obtain them by a prospective shareholder, the following are required:

a) submission of an application for the participation of the prospective shareholder to the administrator of the AIF in a manner determined by the administrator who ensures the identification of details of the candidate shareholder.

b) granting, pursuant to the AIF Regulation, the information material and the last annual report of Article 53 to the prospective shareholder, before the submission of the application for participation in the AIF. The obligation to provide the prospective investor with the details of the present document must be indicated in the form provided to the party concerned in order to submit an application for participation.

c) payment to the custodian of the total value of the units in cash or, if accepted by the administrator, in securities as well, pursuant to point IE of Article 3 of Law 4099/2012, which are traded in a regulated purchase in accordance with par. 21 of Article 4 of Law 4514/2018.

4. The offering price of the participating units shall be calculated on the basis of the value of the share on the day of submission of the application for the acquisition of units, pursuant to Article 47.

5. The acceptance of the applications for participation in the AIF is decided by its administrator, in accordance with the terms of the AIF Regulation.

6. The administrator or the persons holding AIF units ensure that the investors who file an application for participation meet the criteria for participation in the AIF pursuant to Articles 37-56 and the AIF Regulation.

7. During the process of participation in the AIF, the prospective investor accepts in writing that he has been informed of the type of investor to whom the specific AIF is addressed.

8. The AIF advertising material must clearly indicate the type of investors to whom it is addressed.

9. The AIF units may be available either directly by the AIF administrator or indirectly by persons to whom the administrator has assigned the distribution of units through a contract of assignment to a third party. Any persons to whom the administrator can assign the distribution of AIF units are only Investment Services Société Anonyme (AEPEYs) or AEPEYs having a branch in Greece, credit institutions, Investment Intermediation Firms (AEEDs) and AIFM SA or AIFM Administrators, which operate in Greece with a passport, pursuant to Articles 1-53 of Law 4209/2013.

10. By decision of the HCMC, issued related to the marketing of the AIF units, the operation of the distribution network, as well as other more specific issues related to the application of the present document may be regulated."

## Article 201

Competent authorities for the application of Regulation (EU) 2017/2402 Amendment of par. 1 Article 69 of Law 4706/2020

Par. 1 of Article 69 of Law 4706/2020 (A` 136) on competent authorities for the implementation of Regulation (EU) 2017/2402 shall be amended in order to include the contracting entities, legislative improvements are made and par. 1 is formulated as follows:

«1. A competent authority to monitor the compliance of transferring entities, original lenders, contractors and special purpose entities for securitization with the obligations set out in Articles 18 -27 of Regulation (EU) 2017/2402 is defined where appropriate, as follows:

a) The Bank of Greece supervises the transferring entities, the initial lenders and the special purpose entities for securitization when they fall under points 1, 16 and 22 of par. 1 of Article 3 of Law 4261/2014, par. 1 and 4 of Article 3 of Law 4364/2016, as well as par. 3 and 6 of Article 3 of Law 4364/2016. In addition, the Bank of Greece supervises entities that are credit institutions.

b) The Hellenic Capital Market Commission supervises the transferring entities, the initial lenders and the special purpose entities for securitization when they fall under points a and b of par. 1 of Article 4 of Law 4209/2013, points a, b and c of par. 1 of Article 3 of Law 4099/2012, as well as points of Article 7 of Law 3029/2002. In addition, the HCMC supervises the contracting entities which are investment companies.

c) The HCMC supervises the transferring entities, the initial lenders or the special purpose entities for securitization, when they have their registered office in the EU, do not fall under points a and b or par. 1 and the contracting entity is an investment company.

d) The Bank of Greece supervises the transferring entities or the contracting entities or the initial lenders or the special purpose entities for securitization, when they have their registered office in the EU, do not fall under points a and b of par. 1 and the contracting entity is a credit institution.

## Article 202

Competent authorities for complex securitizations within the balance sheet pursuant to Articles 26a to 26e of the Regulation (EU) 2017/2402 - Addition of Article 69A to Law 4706/2020 (point 13 of Article 1 of Regulation (EU) 2021/557)

After Article 69 of Law 4706/2020 (A` 136) Article 69A is added as follows:

«Article 69A

Competent authorities for complex securitizations within the balance sheet pursuant to Articles 26a to 26e of Regulation (EU) 2017/2402 (point 13 Article 1 of Regulation (EU) 2021/557)

The competent authorities indicated in par. 1 of Article 69 respectively and where appropriate, are held responsible for compliance with the requirements that must be met by complex securitizations within the balance sheet of par. 1 of Article 26a of Regulation (EU) 2017/2402, in order to be able to be characterized as Simple, Transparent and Standardized- STS".

#### Article 203

Prospectus- Amendment of par. 3 of Article 59 of Law 4706/2020

Par. 3 of Article 59 of Law 4706/2020 (A` 136) shall be amended a) by the addition of a reference to the assistance of the conditions of Regulation (EU) 2020/1503 (L 347) and b) by the abolition of points a, b and c and par. 3 shall be formulated as follows:

«3. Exceptionally, a public offer may be made without the need for preparation and publication of the prospectus, in accordance with par. 2 of Article 58 thereof, provided that the conditions of Regulation (EU) 2020/1503 of the European Parliament and Council dated October 7th, 2020 on European corporate finance providers and the amendment of Regulation (EU) 2017/1129 and Directive (EU) 2019/1937 (Law 347) are met.