



BANK OF GREECE
EUROSYSTEM

STATUTE

TENTH EDITION

ATHENS
2016



BANK OF GREECE
EUROSYSTEM

STATUTE

TENTH EDITION

ATHENS
2016

INTRODUCTORY NOTE

The Statute of the Bank of Greece is attached, as Annex IV, to the Protocol approving the conclusion of a loan of 9,000,000 pounds sterling, the terms of which were approved by the Council of the League of Nations and which was signed by the Greek Government in Geneva on 15 September 1927. The Protocol was ratified by the Legislative Decree of 10 November 1927, which was further ratified by Law 3423/7.12.1927. In implementation of the Protocol, the Greek State and the National Bank of Greece entered into an agreement on 27 October 1927 “concerning the renouncement on the part of the National Bank of Greece of its privilege of issuing banknotes and the establishment of a new bank under the title of «Bank of Greece»”. The said agreement and the Statute of the Bank of Greece annexed thereto, pursuant to which the Bank of Greece was established, were ratified by another Legislative Decree, also dated 10 November 1927, which was further ratified by Law 3424/7.12.1927 (Government Gazette A 298).

Article 1 paragraph (b) of the above mentioned Legislative Decree stipulates that the provisions of the Statute of the Bank of Greece have the force of law, having in fact supremacy over any other provision of domestic law, given that the Statute of the Bank of Greece forms part of an international agreement which was ratified by Law (see Article 28 paragraph 1 of the Greek Constitution). Moreover, the Statute of the Bank of Greece, as explicitly stated in its Article 7, may be amended by “a decision of the General Meeting of Shareholders, ratified by Law”.

Since then, the Statute of the Bank of Greece has undergone several amendments, which were often rather of minor significance, but nevertheless necessitated updated editions. Thus, an initial codification by Presidential Decree 21/22.8.1931 “Codification of provisions pertaining to the Bank of Greece” (Government Gazette A 287) was repeatedly updated to reflect the subsequent amendments to the Statute, in order to provide a single consolidated text of the Statute as applicable from time to time.

Substantial amendments to the Statute were decided by the Extraordinary General Meeting of Shareholders of the Bank held on 22.12.1997 and were ratified by Law 2609/1998 (Government Gazette A 101), in compliance with the provisions of the Treaty on European Union (Law 2077/1992, Government Gazette A 136) and Law 2548/1997 (Government Gazette A 259) “Provisions on the Bank of Greece”,* deter-

* By Article 19 of Law 2832/2000 (Government Gazette A 141) most of the provisions of Law 2548/1997 were repealed, in order to avoid any confusion that could be caused by their existence in parallel with the provisions of the Statute, into which they had already been incorporated.

mining the necessary amendments to be made to the Statute. Those amendments, already incorporated into the previous, eighth edition of the Statute (1998), mainly relate to the determination of the Bank's primary objective and its main tasks, the establishment of its independence, the determination of the relations of the Bank with the Greek Parliament and the Government, as well as the creation of a Monetary Policy Council.

The ninth edition that followed included all amendments made to the Statute until the end of the year 2000. The most significant among those amendments, which was decided by the Ordinary General Meeting of Shareholders of the Bank held on 25.4.2000 and was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141), aimed to further harmonise the Statute with the provisions of the Treaty on European Union, in view of the forthcoming entry of Greece into Stage Three of Economic and Monetary Union. A fundamental amendment in this regard was the stipulation that, as from the adoption of the euro as the currency of Greece, the Bank of Greece, in pursuing its primary objective and in exercising its main tasks, shall be an integral part of the European System of Central Banks and shall act in accordance with the guidelines and instructions of the European Central Bank.

The present tenth edition includes all further amendments to the Statute that entered into force up to December 2013. Notably, it includes the important amendments that were approved by the Ordinary General Meeting of Shareholders of the Bank held on 24.4.2012 and were ratified by Article 165 paragraph 7 of Law 4099/2012 (Government Gazette A 250). These refer to the extension of the duration of the Bank up to 31.12.2050, a shift to more collegial decision-making, and provisions to eliminate any potential (although in fact already unlikely) conflicts of interest in the exercise of the Bank of Greece's supervisory function. The latter two also serve to fulfill a commitment of the Hellenic Republic under the Annex to Law 4046/2012, "Memorandum of Economic and Financial Policies".

CONTENTS

	Articles	Page
Section I.— General Provisions	1-7	7
» II.— Capital and Reserves	8-10	12
» III.— General Meetings of Shareholders	11-19	15
» IV.— Administration	20-37A	19
1. General Council	20-27	19
2. Executive Committee	28	24
3. The Governors	29-35	24
4. Monetary Policy Council	35A	27
5. Management Council	36-37	29
6. Social Security Board	37A	30
» V.— Staff of the Bank	38-39	31
» VI.— Discount Committees	40-43	33
» VII.— Auditors	44	34
» VIII.— Relations with the State	45-50	35
» IX.— Accounts and Statements	51-54A	37
» X.— Business of the Bank and monetary policy instruments	55-60	38
» XI.— Cover for banknotes and other demand liabilities	61-64	53
» XII.— Banknote issuance in drachmae	65-70	54
» XIII.— Appropriation of profits	71	56
» XIV.— Special privileges of the Bank	72-73	58
» XV.— Dissolution of the Bank	74	59
» XVI.— Transitional Provisions	75	60

SECTION I

GENERAL PROVISIONS

Article 1

A Corporation (Société Anonyme) is hereby established under the name “Bank of Greece”, having its seat in Athens, and governed by this Statute.

The duration of the Bank shall extend to December 31st 2050¹ and may be further extended by a decision of the General Meeting of its Shareholders ratified by a Decree.

Article 2²

The main tasks of the Bank of Greece shall be to:

- (a) define and implement monetary policy. The concept of monetary policy shall be understood to include credit policy;
- (b) conduct the policy on the exchange rate of the drachma against other currencies, within the framework of exchange rate policy chosen by the Government, following consultation with the Bank of Greece;
- (c) hold and manage the country’s official foreign reserves, consisting of the foreign exchange and gold reserves of the Bank of Greece and of the State, and carry out foreign exchange operations;
- (d) supervise credit institutions and other enterprises and institutions of the financial sector, as well as insurance companies, in accordance with Article 55A hereof;³

1 As this sentence was amended by the decision of the General Meeting of Shareholders of the Bank of Greece (hereinafter referred to as “the General Meeting”) held on 24 April 2012, which was ratified by Article 165 paragraph 7 of Law 4099/2012 (Government Gazette A 250/20 December 2012). The duration of the Bank was initially extended until 31 December 2000 by paragraph 1 of Article 1 of Legislative Decree 413/1970 (Government Gazette A 16) and subsequently until 31 December 2020 by the decision of the General Meeting held on 29 April 1991, which was ratified by the sole article of Law 2010/1992 (Government Gazette A 20/14 February 1992).

2 As this article was replaced with the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

3 As item (d) was amended by the decision of the General Meeting held on 18 April 2011, which was ratified by Article 44 of Law 4021/2011 (Government Gazette A 218/3 October 2011).

- (e) promote and oversee the smooth operation and efficiency of payment systems and means of payment, as well as of trading, settlement and clearing systems for over-the-counter transactions in securities and other financial instruments, in accordance with Article 55 point (5) hereof;⁴
- (f) have the exclusive privilege of issuing banknotes which have the status of legal tender within the territory of Greece;
- (g) act as treasurer and fiscal agent for the State, in accordance with Articles 45 et seq. hereof.

In order to perform its tasks and fulfil its duties under Article 5 of the Statute of the European System of Central Banks and of the European Central Bank, the Bank of Greece shall collect the necessary information and data, as laid down in Article 55C hereof.⁵

As from the adoption of the euro as the currency of Greece, the Bank shall no longer autonomously perform the tasks under a, b, c and the European System of Central Banks- related tasks under e above, but, being an integral part of the European System of Central Banks, shall contribute to the performance of the tasks of the System according to Article 2 of its Statute and shall act in accordance with the guidelines and instructions of the European Central Bank, as stipulated in Articles 105 (2) and (3) and 111 of the Treaty establishing the European Community as well as in Articles 3, 12, 14.3, 30 and 31 of the Statute of the European System of Central Banks. As from the same date, the Bank of Greece shall issue banknotes which have the status of legal tender, in accordance with the provisions of Article 106 of the Treaty establishing the European Community and Article 16 of the Statute of the European System of Central Banks.⁶

The Bank of Greece may participate in international monetary and economic organisations, subject to the approval of the European Central Bank under Article 6.2 of the Statute of the European System of Central Banks.⁷

4 As item (e) was amended, initially by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000), and subsequently by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

5 As this paragraph was amended by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

6 As this paragraph was replaced by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

7 As this paragraph was supplemented by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

Article 3⁸

The State undertakes the obligation, during the period of the privilege granted to the Bank, not to issue or re-issue currency of any type other than coins in circulation, in denominations not higher than one thousand drachmae and such coins only through the Bank at its request or pursuant to the law.^{9,10}

As from the adoption of the euro as the currency of Greece, the quantity of coins issued shall be subject to the approval of the European Central Bank and the denominations and technical specifications of euro coins shall be determined in accordance with the provisions of Article 106 (2) of the Treaty establishing the European Community.¹¹

Article 4¹²

The primary objective of the Bank of Greece shall be to ensure price stability. Without prejudice to this primary objective, the Bank shall support the general economic policy of the Government.

As from the adoption of the euro as the currency of Greece, the Bank of Greece, as an integral part of the European System of Central Banks and in accordance with the terms set out in Article 105 (1) of the Treaty establishing the European Community shall pursue the primary objective of maintaining price stability.¹³

8 This article was initially amended by the decision of the General Meeting held on 19 June 1948, which was ratified by Article 8 of Legislative Decree 1126/1949 (Government Gazette A 240) and then further amended, initially by the decision of the General Meeting held on 29 April 1960 pursuant to the approval given by Article 2 of Law 4034/1960 (Government Gazette A 14) and subsequently by Article 2 of Law 1261/1982 (Government Gazette A 72). Furthermore, this article was amended by Article 24 paragraph 1 of Law 2008/1992 (Government Gazette A 16/11 February 1992), pursuant to the decision of the General Meeting held on 29 April 1991 and, finally, by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

9 It should be noted that pursuant to Article 24 paragraph 2 of Law 2008/1992 (Government Gazette A 16/11 February 1992), as currently in force (Article 18 of Law 2832/2000, Government Gazette A 141/13 June 2000), all necessary costs for the issuance and circulation of metal coins of up to one thousand drachmae shall be covered by the Expenditure Budget of the Ministry of Finance, to which the relevant appropriations shall be entered. All details pertaining to the issuance and circulation of the said coins shall be regulated by relevant decisions of the Minister of Finance.

10 See also paragraph 1 of Article 1 of the Agreement between the Greek State and the Bank of Greece dated 14 August 1980, which was ratified by Article 1 of Law 1261/1982 (Government Gazette A 72), reading as follows: “The Bank of Greece, not waiving its right under Articles 3 and 56 sentence 1 of its Statute to issue banknotes of denominations higher than twenty drachmae, recognizes the right of the State to issue metal coins of a denomination of fifty drachmae, which are to circulate simultaneously with the banknotes of equal denomination issued by the Bank”.

11 This paragraph was added by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

12 As this article was amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

13 The decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000) stipulates that: «Wherever the Statute refers to the “adoption of the euro as the national currency of Greece” such references shall be replaced by the words “adoption of the euro as the currency of Greece” and any references to the “Treaty on European Union” shall be replaced by the words “Treaty establishing the European Community”». In the present text of the Statute the new phrasing is adopted.

Article 5¹⁴**Article 5A¹⁵**

When carrying out the tasks conferred upon them, neither the Bank of Greece nor any member of its decision-making bodies shall seek or take instructions from the Government or any organisation. Neither the Government nor any other political authority shall seek to influence the decision-making bodies of the Bank in the performance of their duties.

Article 5B¹⁶

The Bank of Greece shall submit to the Greek Parliament and to the Council of Ministers an annual report on the monetary policy of the previous and the current year. During the course of the year, the Bank shall submit a supplementary report on monetary developments and monetary policy. As from the establishment of the European System of Central Banks, the Bank of Greece shall assist the European Central Bank in fulfilling its reporting commitments, as laid down in Article 109B(3) of the Treaty establishing the European Community and Article 15 of the Statute of the European System of Central Banks. The Bank of Greece shall on an annual basis submit a report to the Greek Parliament on the exercise of its supervisory function during the previous year.¹⁷

The Governor of the Bank of Greece, when asked, shall appear before the competent parliamentary committee to report on matters relating to the Bank's fields of competence. For the same reason, the Governor may ask the Speaker of the Greek Parliament to invite him to appear before the committee.

Without prejudice to the previous article, the Governor of the Bank of Greece shall be invited and may attend meetings of the Council of Ministers or of competent committees thereof whenever the issues discussed pertain to the objectives and tasks of the Bank of Greece.

The Bank of Greece shall be consulted on any draft legislative provision concerning the tasks referred to in Article 2 hereof. The Bank of Greece may submit proposals to the Government on matters in the fields of competence of the Bank.

14 This article was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

15 This article was added by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

16 This article was added by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

17 This sentence was added by the decision of the General Meeting held on 18 April 2011, which was ratified by Article 44 of Law 4021/2011 (Government Gazette A 218/3 October 2011).

Article 6¹⁸

The Head Office of the Bank shall be located in Athens.

The Bank is empowered to establish branches or agencies, or to appoint agents anywhere in Greece, and may establish agencies or appoint agents abroad.

Article 7

The present Statute may be amended by a decision of the General Meeting of Shareholders, ratified by law.

18 As this article was amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

SECTION II

CAPITAL AND RESERVES

Article 8

The share capital of the Bank, determined upon establishment thereof at 400,000,000 drachmae, was divided into 80,000 shares (each of a value of 5,000 drachmae), was fully paid up by the National Bank of Greece, which took over the whole of the share capital as provided for in Article 2 of the Agreement between the State and the National Bank of Greece, to which this Statute is annexed. The share capital of the Bank of Greece, following revaluation according to the Decree of 14/27 November 1956 “Revaluation of the balance sheets of Sociétés Anonymes”, is determined as from 1 January 1957 at 168,000,000 drachmae, divided into 80,000 shares.¹⁹

[Following the decision of the General Council of the Bank dated 17 March 2008 (Meeting No. 4), which was approved by the Council of Ministers’ Act No. 8/10 June 2008 (Government Gazette A 107/11 June 2008), the share capital of the Bank now amounts to 111,243,361.60 euros, divided into 19,864,886 shares, each of a nominal value of 5.60 euros²⁰.]

¹⁹ As this paragraph was amended by the decision of the General Meeting held on 11 April 1957, which was ratified by Article 3 of Legislative Decree 4022/1959 (Government Gazette A 247).

²⁰ See previous successive increases of the Bank’s share capital by virtue of Article 1 paragraph 2 of Legislative Decree 413/1970 (Government Gazette A 16/22 January 1970); Article 1 paragraph 1 of Legislative Decree 889/1971 (Government Gazette A 101/25 May 1971) and the decision of the Bank’s General Council of 23 March 1977, which was approved by Council of Ministers’ Act No. 60/13 April 1977 (Government Gazette A 104/13 April 1977). The share capital was further increased by virtue of Articles 10 through 18 of Law 1249/1982 (Government Gazette A 43/5 April 1982) and the decision of the Bank’s General Council of 8 December 1982, which was approved by Council of Ministers’ Act No. 151/29 December 1982 (Government Gazette A 153/30 December 1982); Article 11 of Law 1839/89 (Government Gazette A 90/7 April 1989) and the decision of the Bank’s General Council of 21 September 1988 (Meeting No. 13), which was approved by Council of Ministers’ Act No. 120/18 November 1988 (Government Gazette A 263/18 November 1988); and Articles 22 and 23 (paragraph 3) of Law 2065/1992 (Government Gazette A 113/30 June 1992) and the decisions of the Bank’s General Council of 10 October 1994 (Meeting No. 10) and 10 April 1998 (Meeting No. 4), which were approved by Council of Ministers’ Act No 456/23 November 1994 (Government Gazette A 199/29 November 1994) and No. 23/29 May 1998 (Government Gazette A 117/3 June 1998) respectively; Article 34 (paragraph 2) of Law 2778/1999 (Government Gazette A 295/30 December 1999) and the decision of the Bank’s General Council of 17 January 2000 (Meeting No. 1), which was approved by Council of Ministers’ Act No. 8/4 February 2000 (Government Gazette A 17/7 February 2000); the decision of the Bank’s General Council of 26 April 2002 (Meeting No. 5), which was approved by Council of Ministers’ Act No. 32/23 May 2002 (Government Gazette A 116/30 May 2002); and the decision of the Bank’s General Council of 24 May 2005 (Meeting No. 7), which was approved by Council of Ministers’ Act 17/4 July 2005 (Government Gazette A 173/11 July 2005 and Government Gazette A 183/26 July 2005-correction of error).

The shares of the Bank are registered. The transfer of the shares shall be made by the registration thereof in a special book, and a new certificate of ownership shall be issued on the occasion of each transfer. The transfer shall be signed by the transferor, or his duly authorised representative, and the Governor of the Bank.²¹

Every shareholder, regardless of his place of residence, shall recognise Athens as his legal domicile for the purpose of his relations, as shareholder, with the Bank, and shall be subject to the Greek laws and to the jurisdiction of the Courts of Athens. The ownership of a share certificate implies, ipso jure, the acceptance of the provisions of the Statute of the Bank and the decisions taken in accordance therewith by the decision-making bodies of the Bank. Shareholders of the Bank shall be liable only up to the nominal value of their shareholding and shall have, towards the Bank, such rights as expressly granted to them by this Statute. It is forbidden in particular to the shareholders of the Bank and their creditors to apply for the sequestration or seizure of the books or assets of the Bank.

The State, as well as public enterprises, shall not, directly or indirectly, hold shares of the Bank amounting, in the aggregate of such holdings, to more than thirty five per cent (35%) of the nominal value of the issued share capital.²²

No shares of the Bank may be held by persons that are subject to supervision by the Bank under Article 55A or any provision of law, by companies affiliated to such persons and members of the Board of Directors or administrators of such persons, as well as by their spouses and relatives up to the second degree. In the event that shares of the Bank are acquired by any of the persons referred to in the preceding sentence, all administrative and financial rights deriving from such shares shall be suspended for as long as the shares are held by such persons.²³

The provisions on dematerialised registered shares listed on the Athens Stock Exchange, as from time to time in force, shall be applicable on the shares of the Bank. Entries in the dematerialisation system shall be considered as registration in the special book referred to in the second paragraph of this article. In all other respects, Article 72 of the Statute shall apply.²⁴

21 See Article 5 of Legislative Decree 244/1973 (Government Gazette A 328), authentically construing Article 8b of Royal Decree 174/1963 (Government Gazette A 37) as follows: “The true meaning of Article 8b of Royal Decree 174/63 “Codification of the provisions of Law 2190/20 in a single text etc.” is that the procedure for the transfer of registered shares stipulated by that article shall not apply to the shares of the Bank of Greece, the transfer of which shall be governed by the Bank’s Statute, ratified by Law 3424/1927”.

22 As this paragraph was amended by the decision of the General Meeting held on 7 October 1999, which was ratified by Article 34 of Law 2778/1999 (Government Gazette A 295/30 December 1999).

23 This paragraph was added by the decision of the General Meeting held on 24 April 2012, which was ratified by Article 165 paragraph 7 of Law 4099/2012 (Government Gazette A 250/20 December 2012).

24 This paragraph was added by the decision of the General Meeting held on 29 April 1999, which was ratified by Article 32 of Law 2733/1999 (Government Gazette A 155/30 July 1999).

Article 9

The share capital of the Bank may be increased by a decision of the General Council, subject to the approval of the Government. Every such increase shall be fully paid up, and the price at which the new shares shall be issued, as well as the mode of issuance, shall be determined by a decision of the General Council, subject to the approval of the Government. The same procedure shall be followed when deciding a share split and determining the nominal value of the resulting parts, each of them forming a share.^{25,26}

Article 10

The regular reserve (and special reserve funds, if any), shall be built up out of the annual net profits, as provided for in Article 71. Appropriations to the regular reserve may be suspended whenever it amounts to, or exceeds, the paid-up capital of the Bank.

25 This last sentence was added by the decision of the General Meeting held on 7 October 1999, which was ratified by Law 2778/1999 (Government Gazette A 295/30 December 1999).

26 The decision of the Bank's General Council dated 17 January 2000, which was approved by Council of Ministers' Act No. 8/4 February 2000 (Government Gazette A 17/7 February 2000), provides for the split of each share of the Bank of Greece into two new shares per original share (see Article 8 of the present Statute).

SECTION III

GENERAL MEETINGS OF SHAREHOLDERS

Article 11

The General Meeting of Shareholders, as constituted in accordance with the provisions of this Statute, is the supreme decision-making body of the Bank and represents the whole body of shareholders. Its decisions are binding upon all shareholders, including those absent or disqualified from attending a meeting or disagreeing with the decisions taken thereat.

Article 12

General Meetings shall be held as follows:

- (a) an ordinary General Meeting shall be held once a year, not later than the month of April;
- (b) extraordinary General Meetings shall be held whenever required.

Ordinary General Meetings and extraordinary General Meetings shall be convened by the General Council. The General Council at the request, in writing, of duly qualified shareholders, representing at least one quarter of the share capital, shall call for an extraordinary General Meeting to take place within thirty days from the receipt of such request. Every such request shall be accompanied by the issues to be submitted to the Meeting and by an explanatory memorandum.

The notice calling for a General Meeting, specifying the place, the date, the time and the agenda, shall be displayed in a prominent position in the Offices of the Bank and shall be published in the Government Gazette and in such newspapers as the General Council may decide. Not less than twenty-one days' notice shall be given prior to any General Meeting.

In the case of the ordinary General Meeting, copies of the annual report shall be obtainable by shareholders at all the Offices of the Bank.

Proposals to amend this Statute, with the exception of the capital increase provided for in Article 9, may also be discussed at the Extraordinary General Meetings, to be held

for this purpose. Decisions taken on such issues shall be submitted to the Parliament, through the Government, for ratification.²⁷

Article 13²⁸

Every shareholder, who owns at least seventy-five²⁹ shares and has been registered as such in the special book of the Bank at the beginning of the fifth day prior to the General Meeting, shall be entitled to participate and vote at that General Meeting.³⁰ Seventy-five shares shall confer upon their holder the right of one vote. Shareholders having less than seventy-five shares may appoint a shareholder as a joint representative who may sit at the General Meeting, provided that he represents at least seventy-five shares. In the event of a share split according to the third sentence of Article 9 hereof, the above-mentioned minimum number of shares entitling shareholders to participate or sit and vote at a General Meeting of Shareholders may be adjusted accordingly, from time to time, by a decision of the General Council.³¹ No shareholder other than the State and the persons falling within the scope of Article 2 of Law 2292/1953 may exercise the right to vote in the General Meeting in respect to a number of shares exceeding the percentage that corresponds to two percent (2%) of the Bank's share capital.³²

Article 14

The following persons shall not be entitled to exercise the rights of shareholders at the General Meetings, individually or by proxy:

- (a) persons not having the Greek citizenship or the citizenship of a Member State of the European Union or of a country of the European Economic Area;³³
- (b) persons declared bankrupt, during the period of the limitation of their rights;

27 This last paragraph was added by the decision of the General Meeting held on 20 April 1932, which was ratified by paragraph (a) of the sole article of Law 5534/1932 (Government Gazette A 192).

28 As this article was initially amended by the decision of the General Meeting held on 20 April 1932, which was ratified by paragraph (b) of the sole article of Law 5534/1932 (Government Gazette A 192) and subsequently replaced by Article 3 of Legislative Decree 244/1973 (Government Gazette A 328).

29 By a decision dated 29 February 2000 (Meeting No. 2), the General Council of the Bank approved an increase in the minimum number of shares required for a shareholder to participate and vote at a General Meeting from 25, applicable until then, to 75. This adjustment was announced at the General Meeting held on 25 April 2000.

30 As this sentence was amended by the decision of the General Meeting held on 18 April 2011, which was ratified by Article 44 of Law 4021/2011 (Government Gazette A 218/3 October 2011).

31 This sentence was added by the decision of the General Meeting held on 7 October 1999, which was ratified by Article 34 of Law 2778/1999 (Government Gazette A 295/30 December 1999).

32 This sentence was added by the decision of the General Meeting held on 24 April 2012, which was ratified by Article 165 paragraph 7 of Law 4099/2012 (Government Gazette A 250/20 December 2012).

33 As item (a) was amended by the decision of the General Meeting held on 18 April 2011, which was ratified by Article 44 of Law 4021/2011 (Government Gazette A 218/3 October 2011).

- (c) persons who have not fulfilled their obligations towards the Bank, or whose bills, kept by the Bank, have been protested and remain unpaid;
- (d) persons whose civil or political rights have been curtailed or withdrawn, as a result of conviction for a criminal offence, so long as such curtailment or withdrawal remains in force.

Article 15

No employee of the Bank may represent a shareholder at a General Meeting, except in his capacity as a representative of his relatives up to the fourth degree inclusive, or as a legally appointed guardian or administrator.

Article 16³⁴

Every shareholder who has the right to sit and vote at the General Meetings is entitled to exercise such right by proxy, subject to the limitations provided for in Article 13.

Article 17

The General Council³⁵ shall prescribe the form in which the right of voting shall be transferred. The relevant proxies must be lodged with the Secretariat at least three days prior to the Meeting.³⁶

Article 18

The Chairperson of General Meetings of Shareholders shall be elected by the Meeting.³⁷ In case of a tie, the Chairperson shall have a casting vote.

Article 19

The annual General Meeting of Shareholders shall be the only competent body to decide on the following matters:

- (a) approval of the annual report;

34 As this article was initially amended by the decision of the General Meeting held on 20 April 1932, which was ratified by paragraph (c) of the sole article of Law 5534/1932 (Government Gazette A 192), and subsequently replaced by Article 4 of Legislative Decree 244/1973 (Government Gazette A 328).

35 This footnote concerns only the Greek version.

36 As this sentence was amended by the decision of the General Meeting held on 18 April 2011, which was ratified by Article 44 of Law 4021/2011 (Government Gazette A 218/3 October 2011).

37 As this sentence was replaced by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000). This reiterates an amendment with the same content introduced by Article 2 paragraph 2 of Legislative Decree 244/1973 (Government Gazette A 328).

- (b) approval of the balance sheet following the report of the Auditors;
- (c) appropriations to reserves and other special funds; the determination of dividends, and any other disposal of net profits;
- (d) election or removal of members of the General Council and of the Auditors and the determination of their fees and travelling expenses;
- (e) discharge of members of the General Council and of the Auditors from all personal responsibility. The voting on this issue shall be conducted by show ballot and by roll-call;
- (f) proposals to amend this Statute, except for capital increases (Article 9); such proposals to be submitted to the Parliament through the Government;
- (g) proposals on any other matter submitted to the Meeting by the General Council.³⁸

Subject to the provisions of this Statute, the General Meeting shall decide upon its rules of procedure.

38 As item (g) was amended by Article 6 of Legislative Decree 244/1973 (Government Gazette A 328).

SECTION IV

ADMINISTRATION

1. GENERAL COUNCIL

Article 20³⁹

The general management of the affairs of the Bank shall be entrusted to the General Council, which shall be responsible to the General Meeting of Shareholders. The General Council, within the limits of the Statute, shall be entitled to take all decisions and exercise all powers which are not specifically reserved to the General Meeting of Shareholders or to the Monetary Policy Council or, as provided for in the last sentence of Article 31 and in Article 55A hereof, to the Governor of the Bank.

Article 21⁴⁰

The General Council shall consist of the Governor, the two Deputy Governors and the other members of the Monetary Policy Council as well as of six Councillors. Three, at least, of the Councillors shall be elected amongst those specifically engaged in the fields of industry, commerce and agriculture.

The Governor and Deputy Governors shall be appointed as provided for in Article 29, while the other members of the Monetary Policy Council as provided for in Article 35A.

The six Councillors shall be elected by the General Meeting of Shareholders for a renewable three-year term.

The members of the Monetary Policy Council other than the Governor and the Deputy Governors shall participate in the General Council, as provided for in Article 35A, as from the day following the 1998 annual General Meeting of Shareholders. The serving

39 As this article was amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

40 This article was initially amended by the decision of the General Meeting held on 20 April 1932, which was ratified by paragraph (d) of the sole article of Law 5534/1932 (Government Gazette A 192). It was subsequently amended by Legislative Decree 4022/1959 (Government Gazette A 247) and incorporated, under Article 1 paragraph 3 thereof, in the Statute of the Bank by Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2); thereafter it was replaced with the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

Councillors shall remain in office until the 1998 General Meeting of Shareholders is held, on which date their term of office shall ipso jure terminate. Following a drawing of lots, two Councillors amongst the six Councillors so elected at the 1998 annual General Meeting of Shareholders shall retire at the 1999 General Meeting of Shareholders, two more at the 2000 General Meeting of Shareholders and the other two at the 2001 General Meeting of Shareholders.

Article 22⁴¹

The following persons cannot be elected Councillors:

- (1) members of the Government, or civil servants, or employees of public institutions and enterprises;
- (2) members of Parliament;
- (3) counsels or employees of other Banks;
- (4) any person falling within the scope of Article 14.⁴²

Upon the establishment of the European System of Central Banks, the Governor shall participate, ex officio, as an independent personality in the General Council and the Governing Council of the European Central Bank, in accordance with the Statute of the European System of Central Banks.

The Governor and Deputy Governors may participate in the Board of Directors of the Bank for International Settlements.

Persons who are associated in a business or who are relatives up to the third degree inclusive may not serve at the same time as Governors or Councillors of the Bank.

If during the course of the year and between two annual General Meetings of Shareholders a Councillor's position is vacated, the General Council shall elect in replacement a new Councillor to hold office until the next annual General Meeting of Shareholders.

The Governor, the Deputy Governors, and Councillors shall, on taking up office, take oath to strictly and faithfully observe the provisions of this Statute, to promote the inter-

41 As this article was initially amended by Legislative Decree 4022/1959 (Government Gazette A 247) and incorporated, in accordance with Article 1 paragraph 3 thereof, in the Statute of the Bank by Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2), and as subsequently amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998), with the addition of the second paragraph.

42 As this paragraph was replaced with the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000). This reiterates an amendment with the same content introduced by Article 2 paragraph 2 of Legislative Decree 244/1973 (Government Gazette A 328).

ests of the Bank in all respects, to devote themselves, honourably and assiduously, to the administration of the Bank's business, and be pledged to secrecy with regard to the Bank's transactions. The Governor and Deputy Governors shall take oath before H.M. the King,⁴³ and the Councillors before the Governor at a meeting of the General Council.

Article 23⁴⁴

Article 24⁴⁵

The Governor, any of the Deputy Governors and any of the members of the General Council may be relieved from office by the General Meeting of Shareholders, if they are no longer capable of performing their duties or are guilty of serious misconduct, especially if they have violated the present Statute, disclosed confidential information about the affairs of the Bank or abused their position for their own benefit or for business purposes.

Article 25

The office of Councillors shall be honorary. Their fees and travelling expenses relevant to the exercise of their duties as Councillors shall be determined by the General Meeting of Shareholders.

Article 26⁴⁶

The Governor or, in his absence, the Deputy Governor replacing him as provided for in Article 32, shall summon meetings of the General Council whenever required and at least once a month, and shall chair these meetings. A quorum shall be met when not less than six members are present. Decisions shall be taken by a simple majority of votes of the members present at the meeting. In the event of a tie, the Chairperson shall have a casting vote.

43 As, under the present Constitution of Greece, adopted in 1975, Greece is a Presidential Parliamentary Republic, the Governor now takes the oath before the President of the Republic.

44 This article was replaced with Article 1 paragraph 1 of Legislative Decree 1385/1973 (Government Gazette A 94) and repealed by Article 2 paragraph 1 of Legislative Decree 244/1973 (Government Gazette A 328). The repealed article read as follows: "During his term of office, every Councillor must hold, registered in his name, not less than five shares of the Bank. This provision also applies to persons who are Councillors at the time of publication hereof". Prior to its replacement this article provided that every Councillor was obliged to hold, registered in his name, not less than 25 shares of the Bank.

45 As this article was amended, initially by Legislative Decree 4022/1959 (Government Gazette A 247), and incorporated, under Article 1 paragraph 3 thereof, in the Statute of the Bank pursuant to Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2), and subsequently supplemented by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

46 As this article was amended by Legislative Decree 4022/1959 (Government Gazette A 247) and incorporated, under Article 1 paragraph 3 thereof, in the Statute of the Bank pursuant to Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2).

The minutes of the meetings of the General Council shall contain the names of the Councillors present and reference to any decisions taken thereat.

The minutes shall be signed by the Chairperson of the Meeting and a member of the General Council.

No Councillor shall be entitled to a leave of absence extending beyond a maximum of four months within the year, except in the case of force majeure justifying his absence. A Councillor who fails to attend the meetings of the General Council for a period of four months within a year, or has been absent from four consecutive meetings without being on leave of absence or without the concurrence of a case of force majeure, shall be deemed to have resigned and shall be replaced in accordance with the provisions of the present Statute. The second sentence of Article 35 shall also apply to the Councillors of the Bank.⁴⁷

The General Council may decide to hold its meetings outside the Head Office of the Bank, but within the territory of Greece.⁴⁸

In relation to matters of urgency, the General Council may decide in a special composition, comprising the Governor, a Deputy Governor and two of its other members. Any decision taken in accordance with the preceding sentence shall be submitted to the General Council for approval in its immediately subsequent meeting.⁴⁹

Article 27

The General Council shall decide on the following matters:

- (a)⁵⁰
- (b) general conditions and the extent of business conducted by the Bank outside the scope of European System of Central Banks- related tasks.⁵¹
- (c) the selection of the persons, to whom the Bank will grant facilities by way of discount or credits and the approval of the limits proposed by the Governor for such

47 This paragraph was added by the decision of the General Meeting held on 24 October 1931, which was ratified by Article 1 paragraph 1 of Law 5305/1931 (Government Gazette A 431).

48 This paragraph was added by the decision of the General Meeting held on 30 April 1992, which was ratified by Article 8 paragraph 1 of Law 2275/1994 (Government Gazette A 238).

49 This paragraph was added by the decision of the General Meeting held on 24 April 2012, which was ratified by Article 165 paragraph 7 of Law 4099/2012 (Government Gazette A 250/20 December 2012).

50 Item (a) was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

51 As item (b) was initially amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998) and as subsequently replaced by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

credits, unless these matters fall within the field of competence of the Monetary Policy Council;⁵²

(d) the approval of the renewal of bills, the renewal of credits for fixed periods, and the periodical review (not less than once every six months) of all credits, discounts and advances, unless these matters fall within the field of competence of the Monetary Policy Council;⁵³

(e)⁵⁴

(f) the appointment or dismissal of Directors, on the proposal of the Governor, and the general internal organisation of the Bank;

(g)⁵⁵

(h)⁵⁶

(i) matters connected with the acquisition of immovable property under Articles 56 point (3), and 58;⁵⁷

(j) the depreciation of the Bank's assets;

(k) without prejudice to the provisions of Articles 30 and 31 of the Statute of the European System of Central Banks, the appointment of foreign correspondents and the determination of the maximum amounts of the funds which may be held with them⁵⁸ for the account of the Bank, as well as the limit of credit facilities by way of discounts or loans to be granted to them;⁵⁹

(l) matters concerning the design, text, material, denominations, and supply of banknotes denominated in drachmae, their withdrawal and cancellation, and the terms

52 As item (c) was amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

53 As item (d) was amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

54 Item (e) was repealed by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

55 Item (g) was repealed by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

56 Item (h) was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

57 As item (i) was amended by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

58 This footnote concerns only the Greek version.

59 As item (k) was amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

on which damaged banknotes denominated in drachmae may be paid; the design, text and denominations shall, however, be determined in agreement with the Minister of Finance;⁶⁰

- (m) matters regarding the liquidation of bankrupt enterprises and debts due to the Bank;
- (n) the opening and closing of Branches and Agencies of the Bank;
- (o) the agenda of General Meetings;
- (p) the signatures binding upon the Bank;
- (q) the approval of the annual report and balance sheet to be submitted to the annual General Meeting.

Subject to the provisions of this Statute, the General Council shall decide on its rules of procedure and may form Committees consisting of its members to consider and decide upon such matters as may be entrusted to them by the General Council.

2. EXECUTIVE COMMITTEE

Article 28⁶¹

The Executive Committee shall comprise the Governor and the Deputy Governors, shall be convened by the Governor or, in his absence, by the Deputy Governor replacing him, and shall decide with a quorum and majority of two members, one of which must be the Governor, unless he is replaced as mentioned above. If no quorum is achieved, the General Council member appointed in accordance with the last sentence of Article 32 shall also participate in the Executive Committee. The General Council shall every year appoint three of its members, other than those participating in the Executive Committee, to monitor the exercise of the tasks of the Executive Committee. Such persons may report to the General Council.

⁶⁰ As item (l) was amended by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

⁶¹ As this article was replaced with the decision of the General Meeting held on 24 April 2012, which was ratified by Article 165 paragraph 7 of Law 4099/2012 (Government Gazette A 250/20 December 2012). Previously, this article had been amended by Legislative Decree 4022/1959 (Government Gazette A 247), and incorporated, under Article 1 paragraph 3 thereof, in the Statute of the Bank pursuant to Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2).

3. THE GOVERNORS

Article 29⁶²

The Governor and the Deputy Governors shall be appointed for a six-year term by a Presidential Decree on a proposal of the Council of Ministers, following a proposal by the General Council of the Bank. They shall devote their whole time to the affairs of the Bank, except in cases where, by law, they are members of the Board of Directors of legal entities of Public Law, Public Enterprises or State advisory Bodies. They shall receive such salary and allowances as may be determined by the General Council. Their remuneration cannot take any form of commission (*percentage*) or share in the profits of the Bank. Both the Governor and Deputy Governors are eligible for reappointment. University professors of Law or Economics may be appointed to the positions of Governor and Deputy Governor of the Bank, while retaining the right to exercise their academic duties.

Article 30⁶³

(1) The Governor or, in his absence, the Deputy Governor replacing him as provided for in Article 32, shall chair the meetings of the General Council. Should all members of the Administration of the Bank be unable to attend, the meetings of the General Council shall be chaired by a member of the General Council appointed according to Article 32.

(2) The Governor shall represent the Bank before all Courts of Law and, should he be absent or unable to attend, the Bank shall be represented by the Governor's deputy according to Article 32; in the case of affairs of Branches and Agencies, the Governor may also be represented by the respective Managers or Deputy Managers thereof, or their alternates.

In cases requiring the personal appearance of the Governor or his alternate before a Court or Judge, or when the Bank is put on oath, the Bank shall be represented either by the Governor or his deputy, or, regarding the affairs of the Head Office, by the Director of the Legal Department or one of the Directors of the Head Office of the

62 This article was initially amended by the decision of the General Meeting held on 20 April 1932, which was ratified by paragraph (e) of the sole article of Law 5534/1932 (Government Gazette A 192), and was subsequently amended by Article 1 paragraph 1 of Law 3123/1955 (Government Gazette A 23). It was further amended by Legislative Decree 4022/1959 (Government Gazette A 247) and incorporated, under Article 1 paragraph 3 thereof, in the Statute of the Bank by Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2). Thereafter, the first sentence of this article was replaced by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

63 As this article was amended by Legislative Decree 4022/1959 (Government Gazette A 247), and incorporated, under Article 1 paragraph 3 thereof in the Statute of the Bank pursuant to Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2).

Bank, or, regarding the affairs of the Branches or Agencies of the Bank, by the respective Branch or Agency Manager or Deputy Manager or their alternates.

Article 31⁶⁴

The Governor shall, on behalf of the General Council, be in permanent control of the management of the Bank's assets and general business, taking decisions in all cases not specifically reserved to the Executive Committee or the General Council or the Monetary Policy Council or not governed by regulations which the said Councils have issued.

Except for matters assigned to the Monetary Policy Council, the Governor shall decide on all other matters falling within the tasks of the European System of Central Banks.

Article 32⁶⁵

The Governor may delegate any of his duties to the Deputy Governors.

The senior Deputy Governor of the Bank, who is second only to the Governor, shall replace the latter when absent, unable to attend or non-existing, to the full extent of his duties. In the absence of both, the Governor shall be replaced by the junior Deputy Governor.

The seniority among Deputy Governors shall be determined on the basis of the time elapsed since their initial appointment, provided that their term of office has been uninterrupted since then.

If all members of the Administration of the Bank are unable to attend, the Governor shall be replaced by another member of the General Council, to be appointed at the beginning of each year to this effect.

Article 33⁶⁶

The staff of the Bank, with the exception of Directors, shall be appointed and dismissed by the Governor on the proposal of the Management Council, in accordance with Article 38.

64 As this article was replaced by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998), and subsequently amended by the decision of the General Meeting held on 24 April 2012, which was ratified by Article 165 paragraph 7 of Law 4099/2012 (Government Gazette A 250/20 December 2012).

65 As this article was amended by Legislative Decree 4022/1959 (Government Gazette A 247), and incorporated, under Article 1 paragraph 3 thereof, in the Statute of the Bank pursuant to Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2).

66 As this article was amended by the decision of the General Meeting held on 14 February 1934, which was ratified by Article 1 paragraph 1 of Law 6294/1934 (Government Gazette A 319).

Article 34⁶⁷**Article 35⁶⁸**

The Governor and Deputy Governors shall not engage in any business for their own account. No bills or notes signed by them shall be accepted for discount or as guarantee for a credit granted by the Bank.

4. MONETARY POLICY COUNCIL**Article 35A⁶⁹**

The Monetary Policy Council shall be responsible for decisions pertaining to monetary policy definition and implementation and to the conduct of exchange rate policy, the operation and efficiency of payment systems and means of payment and the issue of banknotes.⁷⁰ These tasks shall be exercised by virtue of Acts of the said Council. As from the adoption of the euro as the currency of Greece, the competences of the Council directly related to monetary policy shall be restricted as follows:

The Monetary Policy Council shall analyse economic and monetary developments and examine the implications of the monetary policy formulated within the framework of the European System of Central Banks, without prejudice to the Governor's independence from instructions, as provided for in Article 22 hereof. In the execution of the European System of Central Banks-related tasks, the Monetary Policy Council shall act in accordance with the guidelines and instructions of the European Central Bank.⁷¹

The Monetary Policy Council shall consist of the Governor of the Bank of Greece, the two Deputy Governors and three (3) other members, who shall be appointed by a Presidential Decree, to be issued on a proposal by the Council of Ministers, following a Governor's opinion, and shall take the oath provided for in Article 22 hereof.

67 This article was replaced pursuant to Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2), and then repealed by Article 2 paragraph 1 of Legislative Decree 244/1973 (Government Gazette A 328). The repealed article read as follows: "During their term of office, the Governor and Deputy Governors must each hold, registered in their name, not less than fifty shares of the Bank".

68 As this article was amended by Legislative Decree 4022/1959 (Government Gazette A 247) and incorporated, under Article 1 paragraph 3 thereof, in the Statute of the Bank pursuant to Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2).

69 This article was added by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

70 As this sentence was amended by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

71 As the third sentence of the first paragraph was replaced with the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

The members of the Monetary Policy Council shall be appointed from among persons of recognised standing and professional experience in monetary or banking matters, and shall perform their duties on a full-time basis. Civil servants and employees of legal entities of public or private law shall not have the right to retain their position, once they have accepted their appointment as members of the Monetary Policy Council. However, university professors who are appointed as members of the Monetary Policy Council retain the right to exercise their academic duties as well.

Members of the Monetary Policy Council shall not disclose, even after their duties have ceased, any information acquired during the performance of their duties and which is covered by the obligation of professional secrecy.

The terms of employment and the remuneration of the members of the Monetary Policy Council shall be determined by a decision of the General Council of the Bank.

The Governor and Deputy Governors are *ex officio* members of the Monetary Policy Council and their term of office lasts as long as they retain their position. The term of office of the remaining members is six years and is renewable. In the event of demise or withdrawal, for any reason whatsoever, of a member of the Monetary Policy Council prior to the expiry of his term of office, except for the Governor and the Deputy Governors, the term of office of the member appointed as a replacement shall be for the remainder of the term of office of the deceased or outgoing member and for an additional full term, provided that the remainder of the predecessor's term of office is less than two (2) years.

When the first Monetary Policy Council is established, the term of office of its members, except for the Governor and one of the Deputy Governors, may exceptionally be less than six years so as to ensure the said Council's gradual and partial renewal, as specified by law.⁷² The exact term of office of each of these members shall be specified in the act of appointment thereof.

Chairperson of the Monetary Policy Council is the Governor of the Bank of Greece or his alternate in accordance with Article 32 hereof. The Chairperson shall convene a meeting of the Council whenever required and at least once a month.

The quorum of the Monetary Policy Council shall be met only if a minimum of four (4) members are present at meetings. Decisions shall be taken by the Council by simple majority. In the event of a tie, the Chairperson shall have the casting vote. In the event of the demise, expiry of the term of office or withdrawal of members of the Monetary Policy Council, the Council may function with a smaller number of members pending the appointment of new members. The provision of the final paragraph of Article 26⁷³

⁷² See Article 13 paragraph 2 of Law 2548/1997 (Government Gazette A 259).

⁷³ Under the current edition of the Statute, reference is made to the fourth paragraph of Article 26.

hereof shall apply accordingly to the members of the Monetary Policy Council, other than the Governor and Deputy Governors of the Bank.

The Monetary Policy Council shall be assisted in its tasks by the Bank's services and by committees comprising members of the Council and employees of the Bank. The Council may assign these committees the task of taking decisions on matters within its fields of competence, while retaining its decision-making powers on these matters.

The Monetary Policy Council may assign the supervision of sectors falling within its field of competence to certain of its members.

The Council shall draw up its internal organisation and operating regulations.

The members of the Monetary Policy Council are ex officio also members of the General Council of the Bank.

5. MANAGEMENT COUNCIL

Article 36⁷⁴

A Management Council shall be established to ensure the unity of policy and procedure throughout the various Departments of the Bank. The Management Council shall consist of the Governor, the Deputy Governors and the Directors.

The Management Council shall hold meetings at least once a week.

A service unit shall be formed, consisting of employees belonging to the two upper ranks of any branch and specialty, to be appointed by a Governor's Act. During the tenure of their office, the said employees shall not perform duties at any other service of the Bank, but shall be members of a Committee chaired by the Deputy Governor or by the senior Director in the Committee. The task of the Committee shall be to deal with matters falling within the field of competence of the Management Council, forwarded to the Committee by the Governor, prior to their submission to the Council for discussion. The Governor may entrust the Committee and/or any member thereof with the study of any matter.⁷⁵

Article 37

The Management Council shall submit to the General Council a detailed monthly report regarding the business and the position of the Bank, in particular on issues rele-

74 As this article was amended by Legislative Decree 4022/1959 (Government Gazette A 247) and incorporated, under Article 1 paragraph 3 thereof, in the Statute of the Bank by Royal Decree No. 3, dated 8 January 1960 (Government Gazette A 2).

75 The last paragraph was added by Article 9 of Legislative Decree 110/1974 (Government Gazette A 307).

vant to the discounts and credits, and shall deliver its opinion on all matters referred to it by the General Council.

6. SOCIAL SECURITY BOARD

Article 37A⁷⁶

To enable the Bank of Greece to perform its task of providing social insurance to its staff pursuant to the law and the second to last sentence of Article 38 hereof, a “Social Security Board of the Bank of Greece” shall be established, appointed by a decision of the General Council of the Bank for a term of three years and comprising: (a) the Governor of the Bank of Greece as Chairperson, having as alternate a Deputy Governor or a member of the General Council of the Bank designated by the General Council; (b) three (3) high-ranking employees of the Bank of Greece, designated with their alternates by the General Council of the Bank of Greece; (c) two (2) representatives of the insured staff members of the Bank of Greece, designated with their alternates by the Bank of Greece Employees’ Union; and (d) one (1) representative of pensioners, designated with his alternate by the Association of Pensioners of the Bank of Greece. A Government Commissioner, appointed with his alternate according to the applicable provisions of law on social security funds, shall participate in the meetings of the Social Security Board without the right to vote and shall always be invited, under penalty of nullity of the meeting, to all Board meetings. The powers of the Government Commissioner shall be those specified for government commissioners at the Boards of Directors of Social Security Funds under the applicable provisions of law on matters pertaining to the main pension branch. The absence of the Government Commissioner or his alternate, if they have been duly invited and have failed to attend, shall not affect the validity of Board meetings. An employee of the Bank of Greece, appointed with his alternate by a decision of the Chairperson of the Board, shall serve as secretary to the Social Security Board. The Social Security Board of the Bank of Greece shall establish its Rules of Procedure, to be adopted by a decision of the General Council of the Bank of Greece.

The Social Security Board shall define on behalf of the General Council the general policy guidelines of the Bank as a provider of an insurance plan for its staff and shall decide on general issues relating to the application of the legislation in force by the competent bodies of the Bank. The Board shall also decide on appeals against any -in whole or in part- negative decision of the Bank of Greece, as insurer of its staff, and shall approve the exercise of all legal remedies and actions available to the Bank of Greece, as insurer of its staff, before all courts of law regardless of their level and scope of jurisdiction.

⁷⁶ This article was added by the decision of the General Meeting held on 18 April 2011, which was ratified by Article 44 of Law 4021/2011 (Government Gazette A 218/3 October 2011).

SECTION V

STAFF OF THE BANK

Article 38

The staff of the Bank, with the exception of the Directors, shall be appointed and dismissed by the Governor, on the proposal of the Management Council.^{77,78}

Employees shall be appointed only to positions created by a decision of the General Council. The number of employees of the Bank, of any rank or category whatsoever, shall be determined by the General Council taking into account the relevant needs. No employee shall be appointed, up to the rank of assistant accountant inclusive, without having passed an examination, details of which shall, on each occasion, be specified by regulations. For the auxiliary personnel (collectors etc.), a test of qualifications of each candidate, compared with the qualifications of the other candidates, shall be sufficient. Special technical employees may be appointed for either a specific period of time or not, by a decision of the General Council, determining their salary. Said employees may be appointed to permanent posts by a decision of the General Council, following an examination.⁷⁹

The Directors and employees of the Bank shall be pledged to secrecy with regard to all transactions and business of the Bank.

The Directors and employees of the Bank shall receive their salaries, pensions, or any other remuneration, on terms laid down by the General Council. Their remuneration cannot take any form of commission (percentage) or share in the profits of the Bank.

⁷⁷ This paragraph was initially amended by the decision of the General Meeting held on 14 February 1934, which was ratified by Article 1 paragraph 2 of Law 6294/1934 (Government Gazette A 319); it was subsequently replaced by the decision of the General Meeting held on 22 November 1947, which was ratified by Article 3 of Law 2120/1952 (Government Gazette A 132). Thereafter, pursuant to Article 1 paragraph 3 of Law 3123/1955 (Government Gazette A 23), the position of the General Director of the Bank was abolished and that provision was amended accordingly to restore its content prior to the replacement.

⁷⁸ See also Article 13 paragraph 1 of Law 2548/1997 (Government Gazette A 259) "Provisions on the Bank of Greece".

⁷⁹ This paragraph was added by the decision of the General Meeting held on 14 February 1934, which was ratified by Article 1 paragraph 2 of Law 6294/1934 (Government Gazette A 319).

Article 39⁸⁰

The Directors and all other employees of the Bank shall not be entitled to engage in business for their own account.

No bills or notes signed by them shall be accepted for discount or as guarantee for a credit granted by the Bank.

80 This article was amended by the decision of the General Meeting held on 22 November 1947, which was ratified by Article 3 of Law 2120/1952 (Government Gazette A 132). Thereafter, pursuant to Article 1 paragraph 3 of Law 3123/1955 (Government Gazette A 23), the position of the General Director of the Bank was abolished and that provision was amended accordingly to restore its content in the initial text of the Statute (Law 3424/1927).

SECTION VI

DISCOUNT COMMITTEES

Article 40⁸¹

Article 41⁸²

Article 42⁸³

Article 43⁸⁴

81 This article was repealed by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

82 This article was repealed by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

83 This article was repealed by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

84 This article was repealed by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

SECTION VII

AUDITORS

Article 44

The first General Meeting of Shareholders and, subsequently, each annual General Meeting shall elect three qualified persons and two alternates as Auditors, to examine and report upon the balance sheet of the Bank to be presented at the next annual General Meeting, and shall determine their fees. No Councillor or other employee of the Bank shall be eligible as Auditor during his term of office. Instead of the above mentioned natural persons, the General Meeting may elect as auditors a corporation or syndicate of Chartered Accountants.⁸⁵

The Auditors are entitled to obtain any explanation or information they may require from the Governors or Directors and to examine the books and documents of the Bank.

The Auditors shall submit a report to the shareholders on the annual balance sheet and accounts, and in every such report they shall state whether, in their opinion, the balance sheet is complete and accurate, containing all necessary details and properly drawn up so as to present a true and accurate view of the state of the affairs of the Bank, and, in case⁸⁶ they have requested any explanation or information from the Governors or Directors, whether it has been given and whether it is satisfactory. Any such report submitted to the shareholders shall be read out at the annual General Meeting.

The Auditors may, at the expense of the Bank, employ accountants or other persons to assist them in reviewing the accounts of the Bank.

With the exception of information provided to the General Meeting of Shareholders, the Auditors and their assistants shall observe strict secrecy in regard to the affairs of the Bank.

The aforementioned audit shall be carried out without prejudice to the audit by independent external auditors under Article 27 of the Statute of the European System of Central Banks.⁸⁷

⁸⁵ This sentence was added by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

⁸⁶ This footnote concerns only the Greek version.

⁸⁷ This paragraph was added by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

SECTION VIII

RELATIONS WITH THE STATE

Article 45⁸⁸

The State may entrust the Bank with its monies, cheques, foreign exchange and in general banking transactions in Greece or abroad. In particular, bank accounts and balances of the State in drachmas, including the accounts of public enterprises, may be kept with the Bank.⁸⁹ The accounts and reserves in foreign currency of the State shall be kept with the Bank.

The Bank shall pay interest on such accounts. The interest rate shall be determined in an agreement to be entered into between the parties concerned and shall in any case reflect the market terms and conditions.

The Bank shall receive and disburse State monies and keep accounts thereof in accordance with the instructions to be given by the competent State authorities and under a remuneration to be determined in a relevant agreement. The liability of the Bank in relation to these funds shall be limited to the exact performance of the instructions received.

The Bank shall be entrusted with issuing and servicing all domestic State loans according to any terms to be agreed thereon.

All agreed fees for services rendered to the State shall also reflect market terms and conditions.

Article 46⁹⁰

It is not permitted to the Bank to grant, directly or indirectly, credit facilities to the State or to public enterprises, by way of discounts, loans, advances or overdrafts nor is it permitted to the Bank to guarantee bills issued by the State Cashier's Office or other obligations of the State or public enterprises.

88 As this article was amended by the decision of the General Meeting held on 4 November 1994, which was ratified by Article 8 paragraph 3 of Law 2275/1994 (Government Gazette A 238).

89 See also Article 2 of Law 6294/1934 (Government Gazette A 319).

90 As this article was amended by the decision of the General Meeting held on 29 April 1993, which was ratified by Article 8 paragraph 2a, of Law 2275/1994 (Government Gazette A 238).

Article 47

The Minister of Finance may appoint a General Commissioner of the State⁹¹ who shall have the right to attend all General Meetings of Shareholders and meetings of the General Council, but shall not have the right to vote. The remuneration of the Commissioner shall be paid by the State.

The Commissioner shall have the right to oppose any decision of the General Meeting of Shareholders or of the General Council, which he considers to be in conflict with this Statute or other laws of the State. Any such opposition, if endorsed by the Minister of Finance within two days, shall have the force of a suspensive veto, until the issue in dispute is resolved by a three-member Committee, appointed within seven days upon request from either the Bank or the General Commissioner of the State; the Committee shall decide on the issue in dispute within seven days from its appointment. The Committee shall consist of one representative of the Government, one representative of the General Council, and a Chairperson elected by mutual agreement of the State and the Bank. Failing an agreement, the President of the Supreme Court shall become Chairperson.

Article 48

No representative of the State shall have access to the books of the Bank, either in the Head Office, or in the branches of the Bank, except for the purposes of the preceding article, where the General Commissioner of the State may require the Administration of the Bank to furnish him with all necessary evidence to enable him to form his opinion. The General Commissioner shall observe strict secrecy in regard to the affairs of the Bank.

Article 49

Any other issue in dispute between the State and the Bank, other than those leading to a suspensive veto of the General Commissioner of the State, shall also be settled by arbitration, in accordance with the procedure provided for in Article 47.

Article 50

The Bank shall not be subject to any special regulations issued by the Government or any other authorities, during the period of its privilege of issuing banknotes, with the exception of the regulations provided for in this Statute.

⁹¹ For the General Commissioner of the State see Law 3729/1928 (Government Gazette A 1/3 January 1929) and Article 2 of Legislative Decree 2181/1943 (Government Gazette A 52).

SECTION IX

ACCOUNTS AND STATEMENTS

Article 51

The financial year of the Bank shall begin on 1 January and shall end on 31 December. At the end of the financial year, the accounts of the Bank shall be submitted for auditing to the Auditors elected by the annual General Meeting of Shareholders, as provided for in Article 44.

Article 52⁹²

The Bank shall draw up a statement of its assets and liabilities on the last day of each month, and shall publish it not later than one week after the end of the reference month.

Article 53

The Bank shall also publish, annually, and not later than one month prior to the date of the annual General Meeting of Shareholders, its balance sheet and Profit and Loss account as at December 31st of the preceding year.

Article 54

The Bank shall publish the above-mentioned statements, the balance sheet, the Profit and Loss account and any other notifications in the Government Gazette and in such newspapers as the General Council may decide. A copy of all such statements and notifications and of the annual report shall be submitted to the Minister of Finance.

Article 54A⁹³

The accounts and statements of the Bank shall be drawn up on the basis of the accounting rules and techniques applicable from time to time to the European System of Central Banks, as determined by the European Central Bank.

92 As this article was initially replaced by the decision of the General Meeting held on 22 November 1947, which was ratified by Article 4 of Law 2120/1952 (Government Gazette A 132), and subsequently amended by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

93 This article was added by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

SECTION X

BUSINESS OF THE BANK AND MONETARY POLICY INSTRUMENTS⁹⁴

Article 55

The business of the Bank shall be restricted to the following operations. The Bank, acting in accordance with the provisions applicable from time to time within the legal framework of the European System of Central Banks, may:⁹⁵

- (1) make and issue banknotes;
- (2) issue demand bills and cheques made payable at its Head Office or Branches. No such bills or cheques drawn by the Bank on itself shall be made payable to bearer;
- (3) acquire and sell, spot and forward, all types of foreign exchange assets, as well as precious metals. The term “foreign exchange assets” shall include securities and all other assets denominated in any foreign currency or unit of account; hold and manage the assets referred to above;⁹⁶
- (4) keep an account for the State as well as for public entities, credit institutions, legal entities, natural persons and other market participants. For the purpose of securing its claims, the Bank may also accept pledges on book-entry securities as well as on claims;⁹⁷
- (5) establish operating rules and oversee payment systems and settlement systems for over-the-counter transactions, with a view to ensuring the efficiency and soundness

94 As the initial title of Section X (“Business of the Bank”) was supplemented by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

95 As this sentence was replaced by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

96 As point (3) was initially amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998), and subsequently amended by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

97 As point (4) was initially amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998), and subsequently supplemented by the decision of the General Meeting held on 15 April 2009, which was ratified by Article 48 of Law 3763/2009 (Government Gazette A 80/27 May 2009).

of these systems and in particular to reducing systemic risk and strengthening competition; the Bank may also manage such systems, without prejudice to the provisions applicable from time to time within the legal framework of the European System of Central Banks. Moreover, it may set rules and oversee the operational reliability and legal safety of means of payment, with a view to safeguarding their efficiency, in accordance with the provisions applicable from time to time within the legal framework of the European System of Central Banks.

These systems shall include systems for netting, settlement and in general clearing of payments, as well as systems for the conduct, netting, settlement and in general clearing of over-the-counter transactions in securities, in physical or book-entry form, and other financial instruments.

The Bank shall take all the necessary measures for the application of the rules set forth by the European Central Bank with a view to ensuring efficient and sound clearing and payment systems in the sense of Article 22 of the Statute of the European System of Central Banks.⁹⁸

(6)⁹⁹

(7) undertake the issue and management of the State Loans and Loans of other legal entities of Public Law, as well as the conduct of transactions for the State, as provided for in Article 45;

(8) operate in money and capital markets by dealing in claims or securities in any currency, as well as precious metals;¹⁰⁰

(9) act as agent for, or correspondent of any other bank in Greece or abroad;

(10) conduct lending or borrowing operations with credit institutions or other money and capital market participants. Lending should be based on adequate collateral, including, but not limited to, pledges on book-entry securities and/or on claims, as well as purchase of securities with a resale agreement or with other specific agreements. The form and the general terms and conditions of collateral shall be specified by the

⁹⁸ Point (5), with its initial content, was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998), and subsequently readded, with new content, by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000), and supplemented, as far as the third sentence of its first paragraph is concerned, by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

⁹⁹ Point (6) was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

¹⁰⁰ As point (8) was amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

Monetary Policy Council in accordance with the provisions applicable from time to time within the legal framework of the European System of Central Banks.¹⁰¹

(11)¹⁰²

(12) accept the custody and management of monies, securities and other articles of value;

(13) undertake, on behalf of third parties, the purchase and sale, collection and payment of securities, currencies and credit instruments in Greece and abroad, and the purchase and sale of gold and silver;

guarantee bills bought for the account of other Central Banks and the Bank for International Settlements and rediscount them following a decision of the General Council, at a commission specified thereby;¹⁰³

(14) subscribe, for its own account, to the capital of the Bank for International Settlements and keep among its assets shares of that Bank;¹⁰⁴

(15) promote the establishment of a clearing-house and provide facilities for the conduct of its business in premises belonging to the Bank.¹⁰⁵

(16) perform any other action relevant to the carrying out of the Bank's legitimate business, as defined in this Statute;

(17) without prejudice to the powers of the institutions and bodies of the European Union, establish relations with Central Banks and financial institutions in other countries, as well as with international organisations. Moreover, the Bank may conduct all types of banking transactions in the context of relations with other countries and international organisations. More specifically, the Bank may conduct, together with the Bank for International Settlements, all operations which that Bank is autho-

101 Point (10) was initially amended by the decision of the General Meeting held on 29 April 1993, which was ratified by Article 8 paragraph 2b of Law 2275/1994 (Government Gazette A 238) and subsequently amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998). Point (10) was further amended by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000), and finally by the decision of the General Meeting held on 15 April 2009, which was ratified by Article 48 of Law 3763/2009 (Government Gazette A 80/27 May 2009).

102 Point (11) was repealed by the decision of the General Meeting held on 29 April 1993, which was ratified by Article 8 paragraph 2a of Law 2275/1994 (Government Gazette A 238).

103 As the second sentence of point (13) was amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

104 As point (14) was amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

105 As point (15) was initially amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998), and subsequently amended by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000), reinstating the initial text of the Statute (Law 3424/1927).

rised to undertake with a view to enhancing cooperation among Central Banks and which, although they have not been specifically provided for in the present Statute, would be in conformity to the monetary policy of the Bank of Greece;¹⁰⁶

- (18) by securing and keeping the required technical equipment and necessary personnel, undertake the striking of metal coins and medals also on behalf of the Greek State or of third parties. Moreover, the Bank may engage in printing activities of any nature whatsoever and dispose of the articles produced as provided hereunder by way of derogation from the provisions of Article 56 point (2) hereof;¹⁰⁷
- (19) issue bond loans within the country and/or abroad by public subscription or otherwise, denominated in foreign currency or in drachmas under any kind of safeguarding clause. Such loans are issued exclusively by a decision of the Monetary Policy Council, specifying the issue amount, currency, maturity, interest rate, without any limitation, par value, any premium or discount and the type of bonds (registered, to the bearer, to the order, hybrid) which are always non-convertible. All other terms and details for the issuance, disposition and repayment of the bonds, as well as all matters related to their eventual listing in domestic or foreign Stock Exchanges shall be determined and effected exclusively through Acts of the Governor of the Bank of Greece, or of an organ of the Bank authorised by him, by way of derogation from any other provision of the law.

The aforementioned loans shall enjoy all facilities and tax exemptions provided for in Legislative Decree 3746/1957 “Safeguarding clauses, tax exemptions and other facilities for bond loans or preferred shares issued for productive purposes”, without being subject to the restrictions of same Legislative Decree. The provisions of Article 8 paragraph 1 of Law 1083/1980, as supplemented by Article 9 paragraph 3 of Law 1266/1982, the provisions of Article 3 of Law 128/1975 and the provisions of Article 1 of Legislative Decree 970/1971 shall apply to the same loans *mutatis mutandis*;^{108,109}

106 As point (17) was initially amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998), and subsequently amended by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

107 Point (18) was added by Article 1 paragraph 2 of Legislative Decree 1385/1973 (Government Gazette A 94) and subsequently amended and supplemented with the addition of a second sentence, by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

108 Point (19) was added by paragraph 1 of the sole article of Law 1392/1983 (Government Gazette A 124) and amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Law 2609/1998 (Government Gazette A 101/11 May 1998).

109 Article 21 paragraph 9 of Law 1921/1991 on the separate taxation of income in specific cases abolished the tax exemption provided for in Article 4 of Legislative Decree 3746/1957 applicable to interest income from bonds as specified therein, including bonds issued by the Bank of Greece under point (19) of the present article. Paragraph 7 (g) of the said Article 21, as amended by Article 13 paragraph 2 of Law 1989/1991 and currently in force, exempts from separate taxation under paragraph 1 of the same Article 21, the interest income on bonds denominated in a foreign currency issued by the Bank of Greece from 1 January 1991 onwards. Article 12 paragraph 7 (f) of Law 2238/1994 (Income Tax Code), as amended by Article 10 paragraph 7 of Law 2459/1997 (Government Gazette A 17) and currently in force, stipulates that interest on foreign-currency bonds issued by the Bank of Greece from 1 January 1991 to 31 December 1996 is exempted from the separate taxation of income from securities under the present article.

- (20) by way of derogation from the provisions of paragraphs 2 and 4 of Article 56 of the present Statute, the Bank may establish or participate in legal entities specialised in the support or the specific pursuit of objectives related to the tasks of the Bank;¹¹⁰
- (21) in pursuing monetary policy objectives, the Bank may, until the adoption of the euro as the currency of Greece, require monetary financial institutions to hold interest-bearing or non-interest-bearing deposit accounts with the Bank and impose administrative sanctions under Article 55B in cases of non-compliance with such requirement. As from the adoption of the euro as the currency of Greece, the power to impose reserve requirements shall be exclusively regulated by the legal framework of the European System of Central Banks.

Under the present paragraph, monetary financial institutions shall be deemed to be all those coming under the definition of such institutions adopted from time to time by the European Central Bank. Without prejudice to the previous sentence, monetary financial institutions shall comprise credit institutions, as well as all financial corporations and quasi-corporations, which are principally engaged in financial intermediation and whose business is to receive deposits and/or close substitutes for deposits from economic entities other than monetary financial institutions, to grant credit for their own account, and to invest in securities for their own account;¹¹¹

- (22) in addition to the instruments referred to in this article, the Bank of Greece may, until the adoption of the euro as the currency of Greece, use other monetary policy instruments, as it may deem appropriate for the pursuit of its objectives set forth in Article 4 hereof;¹¹²
- (23) in addition to the operations referred to in the previous paragraphs, the Bank of Greece may also perform other functions, provided that they do not obstruct the conduct of monetary policy and contravene the objectives and tasks of the European System of Central Banks.¹¹³

110 Point (20) was added by the decision of the General Meeting held on 29 April 1993, which was ratified by Article 8 paragraph 2b of Law 2275/1994 (Government Gazette A 238).

111 Point (21) was added by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998). Subsequently, the first paragraph of point (21) was replaced by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

112 Point (22) was added by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998), and subsequently replaced by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

113 Point (23) was added by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

Article 55A¹¹⁴

The Bank of Greece shall exercise prudential supervision over credit institutions, insurance companies, as well as over the following categories of enterprises and institutions of the financial sector:

- (a) financial leasing companies;
- (b) factoring companies;
- (c) mutual guarantee companies;
- (d) counter guarantee funds,
- (e) bureaux de change;
- (f) money-market broker companies;
- (g) payment institutions.¹¹⁵

Other categories of enterprises and organisations may also be brought under the prudential supervision of the Bank of Greece, as provided for by law, without prejudice to the provisions of the last paragraph of Article 5B hereof.

The scope and content of prudential supervision for each of the above-mentioned categories of institutions, undertakings and organisations is stipulated in each case by law.

The objectives of prudential supervision shall be to enhance the stability and effectiveness of the credit system and of the financial sector in general. In this context, the Bank of Greece shall exercise, *inter alia*, its macroprudential tasks with a view to strengthening the resilience of the financial system and decreasing the build-up of systemic risks. In particular, the Bank shall identify, monitor and assess such risks and adopt the measures provided for by law. Prudential supervision shall also be aimed at ensuring transparency of the procedures and terms of transactions carried out by those subject to supervision.¹¹⁶

In performing its supervisory tasks, the Bank may impose administrative sanctions on all persons subject to its supervision, as well as on their legal representatives and on

114 This article was added by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

115 As the first paragraph of this article was amended by the decision of the General Meeting held on 18 April 2011, which was ratified by Article 44 of Law 4021/2011 (Government Gazette A 218/3 October 2011).

116 The second and third sentences of this paragraph were added by the decision of the General Meeting held on 24 April 2012, which was ratified by Article 165 paragraph 7 of Law 4099/2012 (Government Gazette A 250/20 December 2012).

managers, in cases of non-compliance with provisions pertaining to the responsibilities of the Bank of Greece.

With the exception of violations of provisions related to the tasks of the Monetary Policy Council under Article 35A, in which case the sanctions laid down in Article 55B shall be exclusively imposed, the Bank may impose on all persons subject to its supervision administrative sanctions, as it may deem appropriate, from among those sanctions which are applicable, under the law, to credit institutions that fail to comply with legislative or regulatory provisions governing the pursuit of their activities or concerning the obstruction of control provided for by law; the Bank may, in addition, impose the following sanctions:

- a non-interest-bearing deposit with the Bank of Greece in an amount of up to forty per cent (40%) of the amount of the violation or, if the amount of the violation cannot be determined, up to GRD 3,000,000,000 (three billion drachmae) and for up to one (1) year;
- a fine in favour of the Greek State, calculated either as a percentage of up to forty per cent (40%) of the amount of the violation or as a lump sum of up to GRD 300,000,000 (three hundred million drachmae) and, in the event of repetition, up to GRD 500,000,000 (five hundred million drachmae).

The maximum amounts of the non-interest-bearing deposit or of the fine may be adjusted by an Act of the Governor of the Bank of Greece.

In respect of these violations, the Bank may also lay down further administrative sanctions and specify the details of their application as well as of the application of the other sanctions provided for in the present article or in other legal provisions in force.

The sanctions referred to in the present article can also be imposed cumulatively.

The powers referred to in this article shall be exercised by acts of the Executive Committee or organs empowered by it to that effect.¹¹⁷

Article 55B¹¹⁸

The Bank, through the Monetary Policy Council, shall establish a framework of administrative sanctions and specify in detail how they are to be applied to persons who vio-

117 Paragraphs 5 et seq. of this article were replaced by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000). Subsequently, the last sentence of the article was replaced by the decision of the General Meeting held on 24 April 2012, which was ratified by Article 165 paragraph 7 of Law 4099/2012 (Government Gazette A 250/20 December 2012).

118 This article was added by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

late the provisions pertaining to the tasks of the Monetary Policy Council under Article 35A.

These sanctions shall include in particular the following:

- (a) a pecuniary penalty, calculated as interest on the amount of the violation, for a period equal to the duration of such violation and at an interest rate exceeding by up to five (5) percentage points the rate applicable to the marginal lending facility granted to credit institutions by the Bank of Greece, which can be increased in case of repetition of the offence as prescribed by the legal framework of the European System of Central Banks;
- (b) suspension of eligibility as a counterparty in monetary policy-related operations;
- (c) restriction of the access to the marginal lending facility granted to credit institutions by the Bank of Greece, suspension of access to the marginal lending facility, suspension or exclusion from access to the intra-day lending facility granted by the Bank of Greece, suspension of the use of settlement accounts held by participants in payment systems, provisional or permanent exclusion from such systems;
- (d) a non-interest-bearing deposit with the Bank of Greece in an amount of up to three times the amount of the violation, for a duration that shall not exceed the duration of the violation, or, if the amount of the violation cannot be determined, a non-interest-bearing deposit of up to GRD 3,000,000,000 (three billion drachmae) and for up to one year;
- (e) abolition of the averaging provision regarding reserve requirements.
- (f) a fine in favour of the Greek State, calculated either as a rate of up to forty per cent (40%) of the amount of the violation, or as a lump sum of up to two hundred thousand euros (€200,000) and in case of repetition, up to three hundred thousand euros (€300,000), provided that the imposition of such sanction does not contradict the rules from time to time in force within the framework of the European System of Central Banks. The above ceilings may be readjusted by an Act of the Monetary Policy Council.¹¹⁹

The above sanctions shall be imposed cumulatively or alternatively by virtue of an Act of the Governor of the Bank of Greece or of an organ empowered by the Governor to that effect.

As from the adoption of the euro as the currency of Greece, the provisions set forth in items d and e above shall be repealed. As from the same date, the powers of the Bank

¹¹⁹ Item (f) was added by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

of Greece under the present article shall only be maintained to the extent that an exclusive competence of the European Central Bank to impose administrative sanctions is not provided for by Articles 19 and 34.3 of the Statute of the European System of Central Banks and such powers shall be exercised in accordance with the relevant rules applicable from time to time within the framework of the European System of Central Banks, in particular the rules concerning the type, the calculation method and the maximum limits of the sanctions to be imposed. The Monetary Policy Council shall issue the necessary Acts for the transposition of such rules into the Greek legal order.

Article 55C¹²⁰

Without prejudice to the statistical reporting requirements of the European Central Bank under Article 5 of the Statute of the European System of Central Banks and the complementary European Union legislation adopted in application thereof, credit and financial institutions, natural persons, legal entities or other market participants shall be required, without being entitled to invoke banking or other secrecy, to report to the Bank of Greece all the data and information in their possession, which are necessary for the performance of its tasks, in accordance with Article 2 hereof.¹²¹ The same requirement shall also apply to departments providing public services.

The reporting requirements shall also apply to the data needed by the Bank to compile the balance of payments and the financial accounts of the various sectors of the economy, as well as the country's international investment position. More specifically, in order to meet this requirement, all credit and financial institutions carrying out transactions, on behalf of natural persons or legal entities resident in Greece with non-resident natural persons or legal entities, shall collect from the resident counterparties to these transactions the data required by the Bank of Greece according to the following paragraph.

The Bank of Greece shall specify the data and information which the natural persons or legal entities mentioned in paragraph 1 are required to report in relation to their transactions and to their asset and liability position vis-à-vis residents or non-residents. The Bank shall also determine the manner, time, procedure and every other relevant detail according to which these data and information are to be reported.

All individuals acting or having previously acted on behalf of the Bank of Greece are forbidden to disclose to any natural person or legal entity and to any public authority the information or data reported in accordance with the above provisions, without prej-

¹²⁰ This article was added by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998) and renumbered 55C by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

¹²¹ As this sentence was supplemented by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

udice to the exceptions stipulated by law. This prohibition shall not apply to the disclosure, in aggregate form, of the above-mentioned information and data, provided that the identity of the entities or persons to which the data refer is not revealed.

Persons acting or having previously acted on behalf of the Bank of Greece shall be penalised under Article 371 of the Penal Code if they violate the secrecy mentioned above. All other persons disclosing data submitted to the Bank of Greece shall be penalised under the same article, irrespective of how they may have acquired knowledge of these data.

In the event of non-compliance with the requirements of the present article, the Bank may, by virtue of an Act of its Governor or of an organ empowered by the Governor to that effect, impose on the persons referred to in the first sentence of the first paragraph of this article, as well as on their legal representatives and on managers, in the case of persons and entities subject to supervision by the Bank, the sanctions laid down in Article 55A and, in the case of any other person required to report data, a fine in favour of the Greek State in an amount of up to GRD 100,000,000 (one hundred million drachmae) and, in case of repetition, up to 200,000,000 (two hundred million drachmae). These amounts may be adjusted by virtue of a similar Act.¹²²

As from the adoption of the euro as the currency of Greece, the provisions of the present article shall be applicable in the context of the tasks performed by the Bank under Article 14.4 of the Statute of the European System of Central Banks.¹²³

Article 55 D¹²⁴

Without prejudice to the provisions of Article 5 of the Statute of the European System of Central Banks and of the complementary European Union legislation adopted in application thereof, the Bank of Greece, in addition to its controlling authority in the context of prudential supervision, shall have the right to examine and make copies of all the books and records belonging to any natural person or legal entity engaged in any sort of enterprise, provided that, in the Bank's judgment, there are indications of a violation in the conduct of any activity which is related to the tasks of the Bank of Greece.¹²⁵

122 As this paragraph was replaced by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

123 This paragraph was added by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

124 This article was added by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998) and renumbered 55D by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

125 As this paragraph was supplemented by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000), and subsequently amended by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

Moreover, in order to verify reported information, the Bank of Greece shall have the right, with the same content and scope, to examine the books and records of the natural persons and legal entities mentioned in the first sentence of Article 55C hereof.¹²⁶ The prohibitions of disclosure of information under that article, as well as the sanctions provided for therein, shall also apply to the data which the organs of the Bank of Greece may acquire in the exercise of the controls mentioned in the present article.

Natural persons, as well as the legal representatives and managers of the legal entities mentioned in paragraph 1, who deny the right of, or obstruct control shall be punished, upon formal accusation by the Bank of Greece, with a minimum of three (3) months' imprisonment.

Article 55 E¹²⁷

When a legal entity supervised by the Bank of Greece goes into liquidation following withdrawal of its authorisation, the Bank may, where appropriate, pay a remuneration and liquidation costs to the liquidator. In this case, the Bank shall have a claim against the legal entity in liquidation for the reimbursement of any amounts paid by the Bank to the liquidator with priority over any other claim in respect of the proceeds of liquidation.

Article 56

The Bank is not entitled to:

- (1) issue banknotes of, or a lower denomination than, 20 drachmae;^{128,129}
- (2) engage in trade, or otherwise have a direct participation in any commercial, industrial or other enterprise;
- (3) acquire immovable property, except insofar as it is necessary for its own business, and with the exception provided for in Article 58 as well as with the exception of an acquisition by virtue of a specific provision of law or by a universal or quasi-universal succession. Upon a justified decision of the General Council, the maintenance

¹²⁶ As this sentence was amended by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

¹²⁷ This article was added by the decision of the General Meeting held on 18 April 2011, which was ratified by Article 44 of Law 4021/2011 (Government Gazette A 218/3 October 2011).

¹²⁸ As point (1) was initially amended by the decision of the General Meeting held on 19 June 1948, which was ratified by Article 8 paragraph 2 of Legislative Decree 1126/1949 (Government Gazette A 240), and subsequently amended by the decision of the General Meeting held on 29 April 1960 on the basis of the authorisation granted by Article 2 of Law 4034/1960 (Government Gazette A 14).

¹²⁹ See footnote to the first paragraph of Article 3 hereof, which refers to the Agreement between the Greek State and the Bank of Greece dated 14 August 1980.

or the acquisition of immovable property may be permitted, provided that it serves a specific interest of the Bank;¹³⁰

- (4) purchase the shares of any other bank or corporation, except for the shares of the Bank for International Settlements;¹³¹
- (5) pay interest on deposits or current accounts held with the Bank. The Bank may, in derogation to the general prohibition, pay interest to the Greek State as provided for in Article 45, as well as on deposits of other banks in Greece. Furthermore, interest may be paid on deposits kept with the Bank by other banks or legal entities established abroad, as well as on credits granted to the Bank by the said entities, and in the cases where payment of interest is provided for by the rules applicable from time to time within the framework of the European System of Central Banks;¹³²
- (6)¹³³
- (7) directly or indirectly grant advances to the State;¹³⁴
- (8) grant overdrafts or unsecured credits.¹³⁵
- (9)¹³⁶
- (10)¹³⁷

Article 57

If the value of a pledged asset is reduced, the debtor must provide additional collateral of a suitable kind, or repay the loan.¹³⁸ If he fails to comply with such require-

130 As point (3) was amended by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

131 As point (4) was amended by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

132 As point (5) was amended by the decision of the General Meeting held on 4 November 1994, which was ratified by Article 8 paragraph 3 of Law 2275/1994 (Government Gazette A 238), and subsequently amended by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

133 Point (6) was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

134 As point (7) was amended by the decision of the General Meeting held on 29 April 1993, which was ratified by Article 8 paragraph 2b of Law 2275/1994 (Government Gazette A 238).

135 As point (8) was amended by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

136 Point (9) was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

137 Point (10) was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

138 As this sentence was amended, initially by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998), and subsequently by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

ments, or if the loan is not repaid when due, the Bank shall take immediate steps to recover the debt due and may realise, in whole or in part, the collateral held, to satisfy its claims for principal, interest and any fees and costs, entering the remaining balance, if any, to the credit of the debtor. Where the proceeds of the realisation of collateral does not suffice to satisfy the claims of the Bank, the latter may take action against the debtor.

The Bank shall be under no obligation to realise any collateral and, its failure to do so shall not affect its claims for principal, interest, fees and costs.

In the case of bankruptcy of a debtor, the claims of the Bank on any collateral provided against credits shall rank before the claims of any other creditor until repayment of the principal due to the Bank, together with interest, fees and costs.

The provisions of the present article shall be applicable without prejudice to the provisions of Article 55 point (10) hereof pertaining to the acceptance of collateral, as well as to the provisions applicable from time to time within the framework of the European System of Central Banks.¹³⁹

Article 57A¹⁴⁰

To secure the entirety of its claims against a credit institution or an enterprise in general, arising from lending operations in the context of monetary policy, as well as from transactions through the systems referred to in Article 55 point (5), the Bank shall have a legal pledge on such assets as may be from time to time deposited with the Bank, either compulsorily or voluntarily, by these entities. Such collateral shall cover the total amount of the relevant claim plus the prescribed margins.

If there are overdue obligations of credit institutions or enterprises in general towards the Bank resulting from operations which are associated with the implementation of monetary policy or from transactions which are carried out in the context of the systems referred to in Article 55 point (5), the Bank may, in order to satisfy its claims and by way of derogation from provisions on pledge and realisation thereof, proceed to the sale of the pledged securities or claims, either on the Stock Exchange, through a member of a regulated market designated by the Bank, or over-the-counter, at its option, or, if the securities or claims are due and payable, cash them on its own behalf. The Bank shall select, at its discretion, the pledged securities and claims to be sold or cashed in order to satisfy its secured claims. The proceeds of such sale or cash collection shall be used

¹³⁹ This paragraph was added by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

¹⁴⁰ This article was added by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

to satisfy the secured claims, in terms of costs, interest and principal, prior to the claims of any other creditor.¹⁴¹

The rights of the Bank arising from its participation in the above systems, as manager or simple member, with respect to any type of collateral guarantee established in any manner whatsoever by or in favour of an enterprise participating in such systems shall not be affected by the bankruptcy of such enterprise. With regard to its effect on the rights and obligations of the bankrupt enterprise arising from participation in the system, bankruptcy status shall not be antedated to a time earlier than the date of publication of the bankruptcy order of the court. Bankruptcy shall be understood to include any other proceedings by which creditors can collectively pursue the satisfaction of their claims.

The accounts held with payment systems or systems for the clearing of over-the-counter transactions operated by the Bank of Greece shall not be subject to seizure, including provisional seizure, by third parties, or to any equivalent blocking measure.¹⁴²

The provisions of this article shall also apply where the Bank acts on behalf of the European Central Bank or a National Central Bank participating in the European System of Central Banks.

Article 58

If, after the granting of a credit, the value of the collateral held against it is reduced, or the debt is regarded, for this or other reasons, as a doubtful one, the Bank may accept as additional collateral, if necessary, a mortgage on the immovable property of the debtor, or any other collateral approved by the General Council.

In the case of failure to repay a debt due to the Bank, any immovable property coming into the possession of the Bank under this article shall be realised as speedily as possible by public auction or private sale. No such property may be retained by the Bank for its own purposes, without prejudice to Article 56 point (3).¹⁴³

The provisions of the present article shall be applicable without prejudice to the provisions of Article 55 point 10 hereof pertaining to the acceptance of collateral, as well as to the provisions applicable from time to time within the framework of the European System of Central Banks.¹⁴⁴

141 As the first and second paragraph of this article were replaced by the decision of the General Meeting held on 15 April 2009, which was ratified by Article 48 of Law 3763/2009 (Government Gazette A 80/27 May 2009).

142 This paragraph was added by the decision of the General Meeting held on 15 April 2009, which was ratified by Article 48 of Law 3763/2009 (Government Gazette A 80/27 May 2009).

143 As this sentence was amended by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

144 This paragraph was added by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

Article 59

The Bank may refuse to accept an application for the opening of a current or a deposit account, or may close an account already opened, without giving any reason for so doing.

Article 60¹⁴⁵

¹⁴⁵ This article was repealed by the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000).

SECTION XI¹⁴⁶

COVER FOR BANKNOTES AND OTHER DEMAND LIABILITIES

Article 61¹⁴⁷

Article 62¹⁴⁸

Article 63¹⁴⁹

Article 64¹⁵⁰

146 Section XI was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

147 Article 61 was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

148 Article 62 was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

149 Article 63 was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

150 Article 64 was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

SECTION XII

BANKNOTE ISSUANCE IN DRACHMAE

Article 65¹⁵¹

Article 66¹⁵²

The banknotes denominated in drachmae issued by the Bank of Greece shall be legal tender throughout the territory of Greece and, subject to the provisions of Article 68, they shall be accepted at their face value by the State and by all legal entities or natural persons, in the discharge of debt.

Article 67¹⁵³

Before the issuance of any new form of banknotes denominated in drachmae, the Bank must publish a description thereof in the Government Gazette.

Article 68¹⁵⁴

In the event of the calling in of any series of banknotes denominated in drachmae, the General Council shall determine and publicly announce the period within which the said banknotes should be presented for exchange. After the expiration of such period, the banknotes denominated in drachmae which were recalled shall cease to be legal tender except within the Bank of Greece.

After the expiration of the latest date publicly announced for the calling in of a series of banknotes denominated in drachmae, the Bank is entitled to deduct from the amount of banknotes in circulation the amount of the banknotes denominated in drachmae of

151 Article 65 was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998).

152 According to the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000), in Article 66 the words “denominated in drachmae” are added after the word “banknotes”.

153 According to the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000), in Article 67 the words “denominated in drachmae” are added after the word “banknotes”.

154 According to the decision of the General Meeting held on 25 April 2000, which was ratified by Article 18 of Law 2832/2000 (Government Gazette A 141/13 June 2000), in Article 68 the words “denominated in drachmae” are added after the word “banknotes”.

the series then outstanding and unpaid, and these banknotes shall no longer be considered in circulation. Ten years after the expiration of the same as above date, these banknotes shall be considered as having been prescribed and their bearer shall have no valid claim whatsoever arising therefrom.¹⁵⁵

Article 69

The Bank shall exchange the banknotes at its Head Office and Branches for banknotes of other denominations or coins in such quantities as may, in the opinion of the Bank, be required for circulation.

Article 70

The Bank shall retain any forged or altered banknotes presented, issuing a receipt.

¹⁵⁵ This paragraph was amended by the decision of the General Meeting held on 24 October 1931, which was ratified by paragraph 2 of Article 1 of Law 5305/1931 (Government Gazette A 431), was replaced by Article 1 of Legislative Decree 2106/1943 (Government Gazette A 24) and was reinstated (as in force prior to its amendment) by paragraph 3 of Article 6 of Law 2120/1952 (Government Gazette A 132), which repealed Legislative Decree 2106/1943 and the relevant Emergency Law 3032/1941 (27 June 1941). Subsequently, it was amended by the decision of the General Meeting held on 22 April 2003, which was ratified by Article 8 of Law 3193/2003 (Government Gazette A 266/20 November 2003).

SECTION XIII

APPROPRIATION OF PROFITS

Article 71^{156,157}

- (1) After making provision for bad and doubtful claims, depreciation in assets, contributions to Personnel and Pension Funds, and such other contingencies as are usually provided for by banks, and after repayment, out of the net profits of the Bank, of a dividend at the rate of twelve per cent (12%) per annum on the capital, one-half of the surplus shall be allocated to the regular reserve fund, until such reserve fund is equal to the capital, and the remaining half shall be paid to the State. If the regular reserve fund has become equal to the capital, a percentage out of the net profits may be paid to the shareholders, as additional dividend, as from financial year 1973 onwards, pursuant to a decision of the 1974 General Meeting of Shareholders, and thereafter, to be taken after a proposal by the General Council, such decision to be valid only for each respective year, and the balance thereof to be paid to the State.¹⁵⁸
- (2) As capital in the preceding paragraph is understood to be the amount specified in Article 8 of the Statute, as fixed from time to time.
- (3) Exceptionally for financial years 2012-2020, and following a decision of the General Council taken in implementation of international agreements, the income from

¹⁵⁶ As this article was amended by Article 1 of Legislative Decree 244/1973 (Government Gazette A 328). This article had previously been amended by Legislative Decrees 1303/1949 (Government Gazette A 304) and 4022/1959 (Government Gazette A 247), which ratified the decision of the General Meeting held on 11 April 1957, Emergency Law 278/1968 (Government Gazette A 31) and Legislative Decree 513/1970 (Government Gazette A 87).

¹⁵⁷ Under Article 8 paragraph 1 of Law 1083/1980 (Government Gazette A 252), as supplemented by paragraph 3 of Article 9 of Law 1266/82 (Government Gazette A 81), "Differences arising from the evaluation of foreign currency or exchange claims and obligations of the Bank of Greece and from the Bank's transactions in foreign currency or exchange in each financial year, as well as commissions paid by the Bank of Greece on foreign exchange operations, shall be entered, as of financial year 1980, in a special account and not brought to the financial results. Debit balances in such account shall be written off against the net profits of the Bank of Greece which remain after provisions, ordinary and any additional dividend payments and contributions to the regular reserve fund are made under Article 71 of the Statute of the Bank. Credit balances in the same account remain there to be set off against any debit balances of subsequent financial years. As of financial year 1982, part or the total of the interest paid in foreign exchange by the Bank of Greece may be entered in the special account provided for in the preceding sentences, to the extent it exceeds the interest paid in foreign exchange to the Bank of Greece".

¹⁵⁸ The third sentence of paragraph 1 of Article 71, as amended by Article 1 of Legislative Decree 244/1973 (Government Gazette A 328), was repealed by Article 9 paragraph 1 of Law 1266/1982 (Government Gazette A 81), with effect as of financial year 1981 [Article 9 paragraph 2 of Law 1266/1982 (Government Gazette A 81)]. This sentence reads as follows: "Such percentage, determined in accordance with the above decision, may never exceed the percentage required so that the total amount of dividends distributed to the shareholders is equal to 12% on the total net profits for that financial year".

Greek government bonds held in the investment portfolio of the Bank of Greece as at 31 December 2011, as well as from Greek government bonds held for monetary policy purposes in the context of the Securities Markets Programme (SMP) of the Eurosystem, may be transferred to the Greek State. Any such transfer shall be subsequent to the payment of dividend at 12% on the capital, shall be conditional on the regular reserve fund having become equal to the share capital of the Bank and may not exceed the remaining net profit¹⁵⁹.

¹⁵⁹ This paragraph was added by the decision of the General Meeting held on 24 April 2012, which was ratified by Article 165 paragraph 7 of Law 4099/2012 (Government Gazette A 250/20 December 2012), and subsequently supplemented by the decision of the General Meeting held on 25 February 2013, which was ratified by Article 81 of Law 4170/2013 (Government Gazette A 163/12 July 2013).

SECTION XIV

SPECIAL PRIVILEGES OF THE BANK

Article 72

The provisions of the laws on corporations (Sociétés Anonymes) and Banks shall not apply to the Bank of Greece when in conflict with this Statute.

Article 73¹⁶⁰

- (1) The Bank shall be exempt from all taxes or duties levied by the State. The Bank is in particular exempted from the payment of any tax or duty on the issued banknotes [other than the tax imposed in certain cases as provided for in Article 63].¹⁶¹
- (2) Loan Agreements or agreements for the granting of credit made between the Bank of Greece and any foreign natural person or legal entity shall be exempted from any stamp duty, contribution or fee in favour of any Insurance Fund or third party. The interest paid by the Bank of Greece to its creditors on loans granted by any foreign natural person or legal entity shall not be subject to income tax or any other tax or fee.^{162,163}

¹⁶⁰ Article 5 of the Agreement between the Greek State and the Bank of Greece dated 25 November 1929, which was ratified by Law 4502/1930 (Government Gazette A 100), stipulates the following: “The meaning of Article 73 of the Statute of the Bank of Greece is that the Bank is exempted from all direct or indirect taxation charges levied in the form of State tax or duty, as well as from any other compulsory contributions including postal and telegraphic dues (inland). Building materials for the use of the Bank, imported from abroad, are not included among the above exemptions. Whenever, according to a provision of law or to a custom in business transactions, the tax or duty is divided among several participants in the taxable transaction, the Bank of Greece shall be exempted from its proportion of tax or duty”. According to Article 1 paragraph 2, item 32, of Law 896/1937 (Government Gazette A 395), as of the date of application thereof the exemption of the Bank of Greece from customs’ duties shall be subject to the restrictions of paragraphs 2 and 3 of Article 2 thereof.

¹⁶¹ The text in square brackets has become obsolete after Article 63 has been repealed.

¹⁶² This paragraph was added by the sole article of Legislative Decree 847/1971 (Government Gazette A 44).

¹⁶³ See also Article 15 paragraph 2, item 30 of Legislative Decree 1077/1971 (Government Gazette A 273), which was added by the sole article of Legislative Decree 350/1974 (Government Gazette A 74), stipulating that the exemption under Legislative Decree 847/1971 shall remain in force. See also Article 12 paragraph 1 item 3 of Law 1676/1986 (Government Gazette A 204) on VAT exemption.

SECTION XV

DISSOLUTION OF THE BANK

Article 74

In case of withdrawal of the note-issuing privilege (Article 2), the Bank shall be dissolved, its assets and liabilities to be valued by three experts. One of these experts shall be appointed by the Government, one by the General Council, while the third shall be a person mutually agreed upon by the Government and the General Council or, failing such agreement, he shall be appointed by the President of the Supreme Court. The State shall assume unimpaired full liability on obligations previously attaching to the Bank towards its serving and pensioned staff in respect of all their rights.

After having ascertained, as described above, the value of the assets and liabilities of the Bank, the nominal value of the shares shall be, in the first place, paid out to the shareholders, and any net excess in value shall be divided in the proportion of one-half to the Government and one half to the shareholders.

SECTION XVI

TRANSITIONAL PROVISIONS

Article 75¹⁶⁴

¹⁶⁴ This article was repealed by the decision of the General Meeting held on 22 December 1997, which was ratified by Article 1 of Law 2609/1998 (Government Gazette A 101/11 May 1998). Article 75 had been added by Article 5 of Law 2120/1952 (Government Gazette A 132) and authorised the Bank of Greece to grant credit to industrial, agricultural, banking and other enterprises or organisations in order to support the economy of the country. According to Article 7 of that Law, the provisions of Article 75 of the Statute had come into force upon its endorsement by the 14th General Meeting of Shareholders of the Bank of Greece, i.e. on 22 November 1947.



BANK OF GREECE
EUROSYSTEM