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The Société Anonyme

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The Société Anonyme

The establishment and operation of a Société Anonyme (S.A.) is governed by law 2190/1920, as each time in force.

The S.A. is a commercial company with share capital. In this type of company, the company is liable with its entire property, whereas the liability of the shareholders is restricted to their participation in the company's share capital. Currently the minimum share capital of the company amounts to €60.000.

The S.A. may be established by one or more natural persons or legal entities. Its operation is regulated by mandatory provisions of law and its Articles of Association, which are executed by the company's founders and are a prerequisite for the company's establishment. While the company's founders have some discretion when determining the provisions of the company's Articles of Association, there exist mandatory provisions from which they cannot deviate.

The company's Articles of Association must at least contain regulations as to the following matters:

- i.** The name and the scope of the company
- ii.** The seat of the company
- iii.** The duration of the company
- iv.** The height of the share capital and the method of its payment
- v.** The type of the company's shares, as well as their number, their nominal value and their issuance

vi. The number of the shares of each category, if there exist more than one categories

vii. The transformation of nominal shares to shares-to-the-bearer and vice versa

viii. The convocation, formation, operation and the authorities of the company's Board of Directors

ix. The convocation, formation, operation and the authorities of the company's General Meeting

x. The company's auditors

xi. The rights of the shareholders

xii. The balance sheet and the disposal of profits

xiii. The dissolution of the company and the liquidation of its property

The company is administered and represented by its Board of Directors; however certain issues are delegated by mandatory provisions of law to the company's General Meeting. Members of the Board of Direc-

tors may be natural persons and, if expressly provided for in the company's Articles of Association, also legal entities. In the latter case, the legal entity must appoint a person, who will represent it at the meetings of the Board. The Board of Directors' meetings may be held by teleconference and outside the company (even abroad), if this is expressly provided for in the company's Articles of Association. While, as a rule, the Board acts collectively, it may, by its pertinent decision and according to the provisions of the company's Articles of Association, delegate its management and representation powers to its members or to third persons. Limitations to the Board's authorities by the company's Articles of Association or by decisions of the General Meeting can not be invoked towards 3rd parties.

The General Meeting is the supreme organ of the S.A. Even though it does not represent the company, it elects its Board of Directors and has the exclusive competence to decide on certain major issues. These include

Purpose of the present short report is to outline the basic features of the Greek Société Anonyme at the time of its production (August 2008). It serves general information purposes only and does not constitute professional advice. Appropriate legal advice should be sought before any action is taken.

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inter alia the modification to the company's Articles of Association, the election of the company's auditors, the approval of the company's financial statements and balance sheets, share capital increases and decreases, the disposal of profits (under the reservation of mandatory provisions, i.e. for the building up of reserves), dissolution & liquidation of the company, mergers etc. The shareholders are represented at the General Meeting according to their participation percentages.

Certain acts of and data pertaining to the S.A. are subject to publicity. These include among others:

- i.** The company's founding acts and their Articles of Association
- ii.** Decisions regarding the modification of the company's Articles of Association as well as the entire new Articles of Association
- iii.** The appointment of the persons who are competent to administer, to represent the company and those who are competent to conduct the regular audit of the company, as well as the revocation or cancellation of their such competence for any reason
- iv.** Any decision regarding the share capital increase or decrease
- v.** The minutes of the company's Board of Directors certifying that the company's share capital or the funds for capital increases were contributed
- vi.** The annual financial statements.

vii. The dissolution of the company

viii. Any court decision declaring the company bankrupt, as well as court decisions declaring decisions of the company's General Meeting annulled or annulling them

ix. The appointment and replacement of liquidators and their identity

x. The balance sheets of the liquidation, as well as the final balance sheet

The publicity is affected through the registration of the pertinent act or data in the Registry of Societes Anonymes maintained at the Prefecture at the company's seat and the publication of the aforementioned registration in the Government Gazette.

Law 2190/1920 further contains provisions, which aim at the protection of minority shareholders. These include, among others, the right of each shareholder to obtain prior to the company's annual general meeting copies of the company's balance sheets and the Board of Directors' report for his review, the right of shareholders representing at least 5% of the company's share capital to request the convocation of the company's General Meeting by also determining the matter to be discussed thereat or their right to request that topics be included into the agenda of a General Meeting already convoked and the right of

shareholders representing at least 5% of the company's share capital to request during an ordinary General Meeting the disclosure of the amounts paid by the company to the members of its Board of Directors or to its executives during the last two years. Minority shareholders may further, if they represent the percentage of the share capital provided for by law, request the cancellation of decisions of the company's General Meeting if these were reached in a manner or are per se contrary to law and the company's Articles of Association.

Of course the exercise of the aforementioned rights is subject to further conditions and time limits provided for by law and the Articles of Association.

The law also regulates the conduct of audit on the company's financial, the drafting of its balance sheets and financial statements as well as the consolidation of balance sheets of related companies.

It further contains provisions related to a company's reorganization, namely on mergers, split offs/ups and the change of its legal seat.

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