



## **This document has been provided by the International Center for Not-for-Profit Law (ICNL).**

ICNL is the leading source for information on the legal environment for civil society and public participation. Since 1992, ICNL has served as a resource to civil society leaders, government officials, and the donor community in over 90 countries.

Visit ICNL's **Online Library** at  
<http://www.icnl.org/knowledge/library/index.php>  
for further resources and research from countries all over the world.

### Disclaimers

**Content.** The information provided herein is for general informational and educational purposes only. It is not intended and should not be construed to constitute legal advice. The information contained herein may not be applicable in all situations and may not, after the date of its presentation, even reflect the most current authority. Nothing contained herein should be relied or acted upon without the benefit of legal advice based upon the particular facts and circumstances presented, and nothing herein should be construed otherwise.

**Translations.** Translations by ICNL of any materials into other languages are intended solely as a convenience. Translation accuracy is not guaranteed nor implied. If any questions arise related to the accuracy of a translation, please refer to the original language official version of the document. Any discrepancies or differences created in the translation are not binding and have no legal effect for compliance or enforcement purposes.

**Warranty and Limitation of Liability.** Although ICNL uses reasonable efforts to include accurate and up-to-date information herein, ICNL makes no warranties or representations of any kind as to its accuracy, currency or completeness. You agree that access to and use of this document and the content thereof is at your own risk. ICNL disclaims all warranties of any kind, express or implied. Neither ICNL nor any party involved in creating, producing or delivering this document shall be liable for any damages whatsoever arising out of access to, use of or inability to use this document, or any errors or omissions in the content thereof.

**GOVERNMENT GAZETTE OF THE HELLENIC REPUBLIC**

**LAW 3691/2008**

**5 August 2008**

**Prevention and suppression of money laundering and terrorist  
financing and other provisions**

**CHAPTER A**

**Purpose, subject matter, predicate offences, definitions, obligated  
persons**

**Article 1**

***Purpose***

This Law aims at reinforcing and improving the legislative framework on the prevention and suppression of money laundering and terrorist financing. To this end, it transposes into legislation the provisions of Directive 2005/60/EC of the European Parliament and of the Council “on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing” (Official Journal of the European Union L 309/15/25.11.2005) and certain provisions of Directive 2006/70/EC of the European Commission (Official Journal of the European Union L 214/29/4.8.2006) and replaces relevant provisions of Law 2331/1995 (Government Gazette 173 A), as currently in force.

**Article 2**

***Subject matter***

1. The subject matter of this law is the prevention and suppression of money laundering and terrorist financing, as defined below, as well as the protection of the financial system from the risks entailed by such offences.
2. The following conduct shall be regarded as money laundering, i.e. legalisation of proceeds from the criminal activities listed in Article 3:
  - a) the conversion or transfer of property, knowing that such property is derived from criminal activity or from an act of participation in criminal activity, for the purpose of concealing or disguising the illicit origin of the property or of assisting

any person involved in the commission of such activity to evade the legal consequences of his action;

b) the concealment or disguise of the truth, with any manner or means, as it concerns the disposition, movement, use or the place where the property was acquired or is at present, or the ownership of the property or rights with respect to it, knowing that such property is derived from criminal activity or from an act of participation in such activity;

c) the acquisition, possession, administration or use of property, knowing, at the time of receipt or administration, that such property was derived from criminal activity or from an act of participation in such activity;

d) the utilization of the financial sector by placing therein or moving through it proceeds from criminal activities for the purpose of lending false legitimacy to such proceeds;

e) the setting up of organisation or group comprising two persons at least, for committing one or more of the acts defined above under a to d and the participation in such organisation or group.

3. Money laundering shall be regarded as such even where the activities which generated the property to be laundered were carried out in the territory of another country, provided that they would be a predicate offence if committed in Greece and are punishable according to the law of such other country.

4. Terrorist financing is the offence defined in paragraph 6 of in Article 187A of the Penal Code, as amended by paragraph 1 of Article 53 hereof.

5. Knowledge, intent or purpose required as an element of the activities mentioned in paragraphs 2 and 3 may be inferred from objective factual circumstances.

### **Article 3**

#### ***Criminal activities – Predicate offences***

“Criminal activities” shall denote the commission of one or more of the following offences (hereinafter referred to as “predicate offences”):

a) participation in an organized criminal group (Article 187 of the Penal Code);

- b) terrorist activities and terrorist financing (Article 187A of the Penal Code);
- c) passive bribery (Article 235 of the Penal Code);
- d) active bribery (Article 236 of the Penal Code);
- e) bribery of judges (Article 237 of the Penal Code);
- f) trafficking in human beings (Article 323A of the Penal Code);
- g) computer fraud (Article 386A of the Penal Code);
- h) sexual exploitation (Article 351 of the Penal Code);
- i) the offences provided for in Articles 20, 21, 22 and 23 of Law 3459/2006 re: “Codified Law on narcotic drugs” (Government Gazette 103 A);
- j) the offences provided for in Articles 15 and 17 of Law 2168/1993 re: “Weapons, ammunition, explosives etc.” (Government Gazette 147 A);
- k) the offences provided for in Articles 53, 54, 55, 61 and 63 of Law 3028/2002 re: “Protection of antiquities and cultural heritage in general” (Government Gazette 153 A);
- l) the offences provided for in Article 8, paragraphs 1 and 3, of Legislative Decree 181/1974 re: “Protection from ionised radiation” (Government Gazette 347 A);
- m) the offences provided for in Article 87, paragraphs 5, 6, 7, and 8, and Article 88 of Law 3386/2005 re: “Entry, residence and social integration of non-citizens on Greek territory” (Government Gazette 212 A);
- n) the offences provided for in the third, fourth and sixth Articles of Law 2803/2000 re: “Protection of the financial interests of the European Communities” (Government Gazette 48 A);
- o) bribery of a foreign civil servant and facilitation or concealment of the commission of such crime, as provided for in Articles 2 of Law 2656/1998 : “Ratification of the Convention on Bribery of Foreign Public Officials in international business transactions” (Government Gazette 265 A);
- p) bribery of employees of the European Communities or of the European Union Member States, as provided for: a) in Articles 2, 3, and 4 of the Treaty on Combating bribery of employees of the European Union or of European Union Member States, which was ratified by the first article of Law 2802/2000 (Government Gazette 47 A) and b) in the third and fourth article of Law 2802/2000;

- q) the offences provided for in Articles 29 and 30 of Law 3340/2005 re: “Protection of the capital market from actions by persons holding privileged information and from actions of market manipulation” (Government Gazette 112 A);
- r) any other offence punishable by deprivation of liberty for a minimum of more than six months and having generated any type of economic benefit.

#### **Article 4**

##### ***Definitions***

For the purposes of this Law, the following definitions shall apply:

1. “Property”: assets of every kind, whether corporeal or incorporeal, movable or immovable, tangible or intangible, and documents or instruments in any form, including printed, electronic or digital, evidencing title to or interests in such assets. For the purpose of this law, property shall include proceeds.

2. “Credit institution” :

- a) an undertaking whose main business is to receive deposits or other repayable funds from the public and to grant loans or other credit for its own account;
- b) an electronic money institution, in the sense of paragraph 19 of Article 2 of Law 3061/2007 (Government Gazette 178 A);
- c) non-incorporated branches or representative offices in Greece of non-resident credit institutions. Any number of branches in Greece of the same foreign credit institution shall be deemed a single credit institution.

For the purposes of this Law, the concept of “credit institution” shall include the Deposits and Loans Fund and the Bank of Greece.

3. “Financial institution”:

- a) leasing companies;
- b) factoring companies;
- c) bureaux de change;
- d) intermediary companies in funds transfers;
- e) credit companies;
- f) postal companies to the extent they act as intermediaries in funds transfers;
- g) portfolio investment companies;

- h) mutual funds management companies;
- i) mutual funds management companies investing in real estate;
- j) mutual funds management companies of venture capital;
- k) investment firms;
- l) investment intermediary firms;
- m) insurance companies providing life insurance and/or investment services;
- n) insurance intermediaries, as defined in Article 2, paragraph 5, of Presidential Decree 190/2006 (Government Gazette A 196), providing life insurance and/or investment services, with the exception of affiliated insurance intermediaries, as defined in Article 2 paragraph 7, of the said Presidential Decree;
- o) non-incorporated branches or representative offices in Greece of financial institutions seated in another country;
- p) undertakings other than credit institutions whose business is to acquire shares or other financial instruments or carry out one or more of the activities referred to in Article 11, paragraph 1, points b to l, of Law 3601/2007 (Government Gazette A 178). Other activities may be included in the undertakings of this category by decision of the Minister of Economy and Finance, following an opinion of the Governor of the Bank of Greece.

4. “Financial Group”: a group of companies from those listed in paragraphs 2 and 3 of this article, consisting of a parent company located in Greece, its subsidiaries and undertakings in which the parent company or its subsidiaries have a qualifying holding (holding companies), undertakings affiliated with the parent company, the subsidiary or the holding company, within the meaning of Article 42e, indent 5, points b, c or d, of Codified Law 2190/1920 (Government Gazette 37 A) and undertakings on which the parent company, the subsidiary or the holding company have effective control even where they may have no equity participation or with which they have any other close links or with which they are under common management even without a contractual or statutory arrangement to this effect. For the meaning of “parent company-subsidiary”, “qualifying holding” and “close links”, the definitions of Article 2 of Law 3601/2007 (Government Gazette 178 A) shall apply.

The group’s largest company is the one with the largest asset size as per the closing balance sheet for the preceding financial year.

5. “Commission”: the anti-money laundering and anti-terrorist financing commission referred to in Article 7 hereof.

6. “Person”: any natural or legal person.

7. “Electronic funds transfer”: any transaction that is initiated by electronic means through a credit institution or financial institution and includes an order to transfer an amount of money (cash or credit) to another credit or financial institution; the initiator and the beneficiary may be the same person.

8. “Cross-border funds transfer”: a funds transfer where the credit institution or financial institution receiving the order from the initiator is subjected to a legal regime in another than that in which the credit institution or financial institution paying the funds to the beneficiary is subjected.

9. “Financial sector”: the sector of the economy consisting of legal and natural persons supervised by the Bank of Greece, the Capital Market Commission, the Private Insurance Supervisory Committee and the Accounting Standards and Audits Committee.

10. “Shell bank”: a credit institution, or an institution engaged in equivalent activities, incorporated in a jurisdiction in which it has no physical presence, involving meaningful mind and management, and which is unaffiliated with a financial group that meets the regulatory and supervisory requirements of Community legislation or at least equivalent requirements.

11. “Politically exposed persons”: natural persons who are or have been entrusted with prominent public functions and immediate family members, or persons known to be close associates of such persons, as specified in Article 22 hereof.

12. “Payable through accounts”: correspondent accounts with Greek credit institutions, which are used directly by third parties to transact business on their own behalf.

13. “Suspicious transaction or activity”: any transaction or activity which is estimated to provide significant signs or suspicions of possible attempt or commission of the offences referred to in Article 2 hereof or of the involvement of the person concerned or the beneficial owner in criminal activities, on the basis of the evaluation and assessment of the circumstances and facts of the transaction (nature of transaction, type of financial instrument, frequency, complexity and amount, use or non-use of cash) and the person (occupation, financial status, transaction or business behaviour, reputation, personal record, other important aspects).

14. “Unusual transaction or activity”: any transaction or activity which is inconsistent with the transaction, business or professional behaviour or the financial status of the person or has no apparent economic, business or personal purpose or motive.

15. “Business relationship”: a business, professional or commercial relationship which connects the customer with the obligated persons, in the context of the latter’s activities, which is expected, at the time when the relationship is established, to have an element of duration.

16. “Beneficial owner” means the natural person(s) who ultimately owns or controls the customer and/or the natural person of whose behalf a transaction or activity is being conducted. The beneficial owner shall at least include:

- a) in the case of corporate entities:
  - (i) the natural person(s) who ultimately owns or controls a legal entity through direct or indirect ownership or control over a sufficient percentage of the shares or voting rights in that legal entity, including through bearer share holdings, other than a company listed in a regulated market that is subject to disclosure requirements consistent with Community legislation or subject to equivalent international



- standards; a percentage of 25% plus one share shall be deemed sufficient to meet this criterion;
- (ii) the natural person(s) who otherwise exercises control over the management of a legal entity;
- b) In the case of legal entities, such as foundations, and legal arrangements, such as trusts, which administer and distribute funds:
- i) where the future beneficiaries have already been determined, the natural person(s) who is the beneficiary of 25% or more of the property of a legal arrangement or entity;
  - ii) where the individuals that benefit from the legal arrangement or entity have yet to be determined, the class of persons in whose main interest the legal arrangement or entity is set up or operates;
  - iii) the natural person(s) who exercises control over 25% or more of the property of a legal arrangement or entity.

## **Article 5**

### ***Obligated persons***

1. Obligated persons that are subject to the requirements of this Law shall be the following:
- a) credit institutions;
  - b) financial institutions;
  - c) venture capital companies;
  - d) companies providing business capital;
  - e) chartered accountants, audit firms, independent accountants and private auditors;
  - f) Tax consultants and tax consulting firms;
  - g) Real estate agents and related firms;
  - h) Casino enterprises and casinos operating on ships flying the Greek flag, as well as public or private sector enterprises, organisations and other bodies that organize and/or conduct gambling and related agencies and agents;
  - i) Auction houses;
  - j) Dealers in high-value goods, only to the extent that payments are made in cash in an amount of EUR 15,000 or more, whether the transaction is executed in a single operation or in several operations which appear to be

linked. A joint decision of the Minister of Economy & Finance and the Minister of Development shall lay down criteria for classification under this category;

- k) auctioneers;
- l) pawnbrokers;
- m) notaries and other independent legal professionals, when they participate, whether by acting on behalf of and for their clients in any financial or real estate transaction, or by assisting in the planning and execution of transactions for the client concerning the:
  - i) buying and selling of real property or business entities;
  - ii) managing of client money, securities or other assets;
  - iii) opening or management of bank, savings or securities accounts;
  - iv) organisation of contributions necessary for the creation, operation or management of companies;
  - v) creation, operation or management of trusts, companies or similar structures.

The provision of legal advice continues to be subject to professional secrecy, unless the lawyer or notary participates in money laundering or terrorist financing activities or if his legal advice is provided for the purpose of committing these offences or if he is aware that his client seeks legal advice in order to commit such offences.

- n) Natural or legal persons providing services to companies and trusts (trust and company service providers) -except the persons under items j and m of this articles- which by way of business provide any of the following services to third parties:
  - forming companies or other legal persons;
  - acting as or arranging for another person to act as a director or secretary of a company, a partner of a partnership, or a similar position in relation to other legal persons or arrangements;
  - providing a registered office, business address, correspondence or administrative address and any other related services for a company, a partnership or any other legal person or arrangement;
  - acting as or arranging for another person to act as a trustee of an express trust or a similar legal arrangement;

- acting as or arranging for another person to act as a nominee shareholder for another person other than a company listed on a regulated market, within the meaning of Article 17, paragraph 2, point a, hereof, that is subject to disclosure requirements in conformity with Community legislation or subject to equivalent international standards. A decision of the Minister of Development will specify the requirements for the incorporation, authorization, registration and the pursuit of business or profession referred to in this subparagraph, by natural or legal persons.
2. A joint decision of the Minister of Economy and Finance and the Minister of Justice may specify further categories of obligated persons and the corresponding competent authorities within the meaning of Article 6 hereof.

## **CHAPTER B**

### **Competent authorities and other bodies**

#### **Article 6**

##### ***Competent authorities***

1. "Competent authorities" shall mean the public authorities which supervise the compliance of obligated persons with the provisions of this Law.
2. The competent authorities are:
  - a) the Bank of Greece for:
    - credit institutions;
    - leasing companies;
    - factoring companies;
    - bureaux de change;
    - intermediaries in funds transfers;
    - credit companies;
    - the undertakings of point jf of paragraph 3 of Article 4 hereof; and
    - postal companies, only to the extent that they act as intermediaries in funds transfers. The Bank of Greece, in supervising these companies,

- cooperates with the Ministry of Transport and Communications and the National Telecommunications and Post Commission;
- b) the Hellenic Capital Market Commission for:
- portfolio investment companies in the form of a société anonyme;
  - management companies of mutual funds;
  - management companies of mutual funds investing in real estate;
  - management companies of mutual funds for venture capital;
  - investment firms and
  - investment intermediary firms.
- c) the Hellenic Private Insurance Supervisory Committee for insurance companies and insurance intermediaries;
- d) the Accounting and Auditing Supervisory Commission for chartered accountants and audit firms;
- e) The Ministry of Economy and Finance (General Directorate for Tax Audits) for:
- venture capital firms;
  - companies providing business capital;
  - tax consultants, tax experts and related firms;
  - independent accountants and private auditors;
  - real estate agents and related firms;
  - auction houses;
  - dealers in high value goods;
  - auctioneers; and
  - pawnbrokers;
- f) the Gambling Control Commission of law 3229/2004 (O.G.G. A 38) for:
- casino enterprises;
  - casinos operating on ships flying the Greek flag;
  - companies, organisations and other entities engaged in gambling activities; and
  - betting outlets;
- g) the Ministry of Justice for notaries and lawyers;
- h) the Ministry of Development for the persons referred to in point n of paragraph 1 of Article 5; and

- i) for branches in Greece of financial institutions having their register office abroad, the competent authority shall be the corresponding authority responsible for domestic financial institutions conducting activities similar to those of such foreign financial institutions.
3. The authorities referred to in paragraph 2 hereinabove shall have the following tasks and powers:
  - a) to supervise the compliance of the obligated persons with the requirements imposed by this Law and issue the relevant individual and regulatory administrative acts;
  - b) to specify implementation details regarding the specific obligations of supervised persons in accordance with paragraph 4 of this Article;
  - c) to issue appropriate instructions and circulars, providing guidance to the obligated persons, whether generally or to certain obligated persons, on how to treat specific problems or on practices of conduct with respect to customers, the selection of appropriate IT systems and the adoption of internal procedures for detecting any suspicious or unusual transactions or activities potentially linked to the offences of Articles 2 and 3;
  - d) to issue regulatory decisions specifying the necessary documents and information for the identification and identity verification carried out by the obligated persons during the application of standard, simplified or enhanced customer due diligence measures, or third party customer due diligence under Article 23 hereof;
  - e) to inform the obligated persons of any country data and information on its compliance or not with Community legislation and FATF (Financial Action Task Force) recommendations;
  - f) to prepare and distribute to the obligated persons typology lists with data on new methods and practices used in Greece or abroad to commit the offences of Article 2. To this end, they should cooperate with other competent authorities, the Central Coordinating Authority, the Commission of Article 7 and possibly similar foreign authorities, they closely monitor the typology-related work at international fora and update the aforementioned typology lists;
  - g) to ensure through educational programmes, seminars, meetings or otherwise, the continuous training and education of their employees, especially auditors, as well as of the obligated persons and employees thereof;

- h) to conduct regular or extraordinary inspections, including on-site examinations at the obligated persons' head offices or other establishments, as well as at branches and subsidiaries located or operating in Greece or abroad, without prejudice to the legislation of the host country, in order to assess the adequacy of measures and procedures in place;
- i) to request from the obligated persons all evidence or data, of any nature or form, as may be necessary for the performance of their supervisory and auditing tasks;
- j) to take appropriate measures to ensure that the obligated persons manage properly and maintain records directly or indirectly related to transactions or activities potentially linked to the offences of Articles 2 and 3, as well as that such persons observe confidentiality;
- k) to impose disciplinary and administrative sanctions on the obligated persons and their employees for any breach of the obligations arising from this Law, pursuant to Articles 51 and 52 and
- l) any other task or power envisaged by the provisions of this Law.

4. Decisions of the competent authorities may modify the obligations laid down in this Law for the obligated persons, taking account in particular of their financial strength, the nature of their business activities, the degree of risk of committing or attempting to commit the offences of Articles 2 and 3 entailed by such activities and transactions, the legal framework governing the business activities of such persons and any objective inability of certain categories of obligated persons to apply some specific measures. The Bank of Greece, after evaluating the risks of money laundering and terrorist financing entailed by its own operations shall establish appropriate measures by a specific decision.

5. Decisions of the competent authorities may specify additional or stricter requirements further to those of the present Law, with a view to addressing risks of committing or attempting to commit the offences laid down in Articles 2 and 3.

6. The Bank of Greece, the Hellenic Capital Market Commission, the Private Insurance Commission, the Accounting Standards and Audit Committee and the General Directorate for Tax Audits of the Ministry of Economy and Finance shall each set up special units, adequately staffed with at least three full-time employees,

having as their task to assess the compliance of the obligated persons under their supervision with the requirements of this Law. Such units shall be assisted by other staff members of the aforementioned authorities and especially by employees involved directly or indirectly in the supervision and controls of the obligated persons.

7. The competent authorities referred to in paragraph 2 hereinabove shall submit on a biannual basis a detailed report to the Central Coordinating Authority on their activities, regulatory decisions and circulars, the outcome of supervisory inspections and assessments of obligated persons and any measures or sanctions imposed. The competent authorities which supervise a large number of obligated persons, particularly natural persons, perform checks in accordance with the risk-based principle. Such reporting by the competent authorities to the Central Coordinating Authority is effected by way of derogation from any general or specific provision on banking, capital market, tax or professional secrecy.

8. The competent authorities, in the context of their cooperation with each other under Article 40, may enter into bilateral or multilateral memoranda of understanding (M.O.U.) for the exchange of confidential and other information, conducting and facilitating joint inspections and examining ways and methods to achieve convergence of supervisory practices.

### **Article 7**

#### ***Anti-Money Laundering and Anti-Terrorism financing Commission***

1. A Commission under the name “Anti-Money Laundering and Anti-Terrorist Financing (AML/CTF) Commission” is established. It is based in Attica and is supervised by the Minister of Economy and Finance. By a decision of this Minister the exact place of its headquarters are specified.

2. The Commission consists of a Chairman and eight members appointed for a term of two years, renewable only once.

3. By decision of the Supreme Judicial Council, a superior acting Public Prosecutor is appointed as chairman of the Commission with his alternate and serves on a full-time basis.

4. The members of the Committee are appointed by a joint decision of the Minister of Economy and Finance and the Minister of Justice, published in the Government Gazette. Of the members to be appointed: (a) two members, one from the General Directorate of Economic Policy and the other from the Special Control Service are proposed by the Minister of Economy and Finance; (b) one Member is proposed by the Minister of Justice; (c) one Member from the Hellenic Police Headquarters is proposed by the Minister for the Interior; (c) one Member is proposed by the Governor of the Bank of Greece; (e) one Member is proposed by the Board of Directors of the Hellenic Capital Market Commission; (f) one Member is proposed by the Board of Directors of the Hellenic Private Insurance Supervisory Committee; and (g) one Member is proposed by the Board of Directors of the Accounting and Auditing Supervisory Board. One alternate for each regular Member should be appointed by the same procedure. The members of the Commission will be selected from among persons of recognised competence, moral integrity and professional experience in the field of banking, finance or law.

5. The Commission's Plenary consists of the Chairman and the members of the Committee. Any plenary session shall constitute a quorum if at least the Chairman and five members of the Commission are present. Decisions should be taken by the absolute majority of those present and, if there is equality of votes, the Chairman has a casting vote. Minority voting is always registered in the Plenary's decisions.

6. The Commission has the following tasks and powers:

a) to collect, investigate and evaluate any information forwarded to it by the obligated persons and other public or private bodies, on suspicious or unusual transactions or activities or business, professional or commercial relationships potentially linked to money laundering or terrorist financing, and to request any additional information as may be necessary to carry out its duties;

b) to receive, investigate and evaluate any information concerning transactions or activities potentially linked to the offences referred to in point (a) above, as may be



forwarded to it by foreign authorities and bodies with which the Commission maintains relationships of cooperation and mutual assistance, as well as any information made known to it via the internet or by the media or any other means;

c) to provide guidelines to the obligated persons and the authorities and bodies referred to in points a and b above for the handling of cases and for the more efficient conduct of its investigations;

d) to have access to any type of public documents, records and databases, including those of Teiresias S.A;

e) to carry out special on-site inspections, in situations that it considers to be serious, at any section of public administration or at public entities and public enterprises, potentially in co-operation with the competent authorities or any other public authority;

f) to request assistance and information from sections of public administration, legal persons of public or private law and organisations of any type, in connection with any investigation into cases potentially linked to the offences of Articles 2 and 3 hereof; Also, it may request any information held by judicial, investigation and preliminary investigation authorities;

g) to acknowledge, in writing or by secure electronic means, receipt of reports sent to it and provide the sender of such information with any further input, without prejudice to the confidentiality of investigations or the performance of its own tasks;

h) to inform the competent authorities of any failure of the obligated persons under their supervision to comply with the obligations hereunder or where cooperation with it is not satisfactory;

i) to request from the competent authorities and the obligated persons all necessary information for the conduct of its investigations, including grouped information about certain categories of transactions or activities of natural or legal persons or domestic or foreign legal schemes;

j) to examine during its investigations information and evidence for the detection of cases of committing or attempting to commit a predicate offence, so as to identify any illicit property possibly derived or obtained from money laundering, terrorist acts or terrorist financing;

k) to cooperate and exchange information with the authorities and bodies referred to in Article 40 hereof;

l) to keep statistics in accordance with Article 38; and

m) to take the actions provided for in Article 49 hereof in respect of the application of property seizure, as provided for by the United Nations Security Council resolutions, the decisions of its dependent bodies and EU regulations and decisions.

7. In performing their duties, the Chairman, the members and the employees of the Commission should respect the principles of objectivity and impartiality and refrain from examining cases where a conflict of interest may arise or cases involving family, friends or other persons with whom they have a professional, business or personal relationship or a subordination relationship. They are also bound to secrecy in respect of any information obtained during the performance of their duties. The latter obligation shall continue to apply after the voluntary or involuntary ending of their term of office. Any person who is found guilty of a breach of this duty of secrecy is punished by imprisonment for no less than three months.

8. The Commission shall be supported by scientific, administrative and ancillary personnel seconded from Ministries, as well as the bodies referred to in paragraph 4 hereinabove; to this end, up to fifty (50) secondment positions are provided for and allocated to the various services of the Commission by the decision mentioned in paragraph 13 herein below. With particular regard to positions of scientific personnel, persons with skills and expertise in dealing with money laundering, terrorist financing and the combating of serious financial crimes should be seconded. The secondments referred to in the preceding sentences of this paragraph are effected by way of derogation from the provisions in force, following a proposal by the Chairman of the Commission. More specifically, such secondments are effected as follows: (i) with respect to secondments from ministries, by a joint decision of the Minister of Economy and Finance and the relevant Minister as appropriate; and (ii) with respect to secondments from the bodies referred to in paragraph 4 hereinabove, by a decision of the Minister of Economy, following an opinion from the Governor of the Bank of Greece or of the Presidents or Chairmen of the other bodies as appropriate.

The above Ministries and bodies should ensure the adequate staffing of the Commission and ensure that employees on secondment are persons who have a

sound employment background, as well as the necessary competence, scientific background and expertise to take up specific positions.

9. A decision of the Chairman may designate certain members of the Commission as supervisors to undertake the overall supervision of individual administrative units, as set up by the decision referred to in paragraph 13 of this Article. Such supervisors shall provide for the training and education of employees in their respective unit and the coordination of the unit's action with that of other units and of the Commission's Plenary, evaluate the operating efficiency of the unit and propose to the Plenary ways and measures to enhance it.

10. Where a suspicious transaction or activity is reported or otherwise made known to the Commission it conducts a preliminary administrative investigation to determine whether the offences defined in Article 2 and the related predicate offences of Article 3 hereof have taken place. Following such investigation, the Commission's Plenary decides whether the administrative investigation should be continued or the case should be filed in the archives or referred to the competent Public Prosecutor, provided that there is sufficient evidence collected, or whether a preliminary criminal investigation should be carried out. A case filed in the archives may be retrieved at any time in order to continue investigation or to link such investigation to another investigation by the Commission of a suspicious transaction or activity.

11. Where the Commission's Plenary decides the conduct of a preliminary criminal investigation, it appoints an employee or, in exceptional circumstances, if the case is extremely serious, a member of the Commission, who are deemed special preliminary investigation officials to carry out the preliminary investigation in accordance with the Code of Penal Procedure. In performing such investigation, the employee shall be assisted, if required, by the Chairman or a Member of the Committee specifically designated for this purpose. During the preliminary criminal investigation and where deemed necessary, witnesses or suspects may be brought to the Commission for questioning and a house search or a search at the business establishments of the natural or legal persons suspected for committing the offences laid down in Articles 2 and 3 hereof may be effected, subject to the guarantees set

out in Article 9 of the Greek Constitution. Following the completion of the preliminary investigation, the file shall be forwarded by the Chairman of the Commission to the competent Public Prosecutor. The involvement of employees or members of the Commission in preliminary investigation into such a case shall not disqualify them from testifying as witnesses in court hearings relating to that case.

12. During such investigations and audits, no provision requiring banking, capital market, taxation or professional secrecy is valid vis-à-vis the Commission. The provision of this paragraph does not prejudice to Articles 212, 261 and 262 of the Code of Penal Procedure.

13. A decision of the Ministry of Economy and Finance, following consultation of the Commission's Plenary, lays down the details of the operation of the Commission and notably the organogram, the administrative units, the operating rules, the tasks specific to the Plenary, the Chairman, the members, the supervising members, the employees and the administrative units, the handling of cases and the cooperation of the Commission with other national and foreign authorities.

14. The Chairman, members and employees of the Commission committing, either intentionally or out of negligence, a breach of their duties and obligations arising from this Article may be held disciplinarily liable, regardless of whether or not there is criminal liability. The disciplinary proceedings against the Chairman are initiated by the competent organs of the Constitution and of the Code for the Members of the Judiciary. The disciplinary proceedings against the members of the Commission are initiated by the Ministry of Economy and Finance before the Disciplinary Council provided for in paragraph 3 of Article 18 of Law 2472/1997 "Protection of individuals with regard to the processing of data of a personal character" (Gov. Gaz. 50 A), which decides at first and last instance whether the defendant should be released of all charges or be removed from the Commission. The disciplinary proceedings against the employees of the Commission are effected by the competent disciplinary organs of their originating ministries and bodies, following a report by the Chairman of the Commission.

15. The Commission participates in international fora for the exchange of information between authorities equivalent to it (F.I.U.'s), both at EU and international level and notably in FIU-net and Egmont Group, participate in their meetings and, where possible, in the working groups of such fora.

16. The emoluments of the Chairman, members, supervising members of the Commission and any additional remuneration for the seconded staff shall be specified by way of derogation of any other provision by a decision of the Minister of Economy and Finance. Staff on secondment to the Commission, receive from the originating Ministry or body, as of the date of secondment, full wages and bonuses as those applying to their original position, as well as the aforementioned additional remuneration and any remuneration for overtime work. Such additional remuneration is not subject to stoppages collected on behalf of third parties.

17. The Chairman and the members of the Commission shall each submit, on an annual basis, to the Supreme Court Public Prosecutor's Office the statement of property referred to in Law 3213/ 2003 (Government Gazette A 309), as in force at the time.

18. During January of every year, the Chairman of the Commission submits to the Institutions and Transparency Committee of the Greek Parliament a report, stating the activities of the Commission and relevant information and statistical data.

## **Article 8**

### ***Central Coordinating Authority***

1. The Ministry of Economy and Finance is designated as the Central Coordinating Authority with respect to the implementation of the provisions of this Law, the assessment and further reinforcement of the effectiveness of anti-money laundering and anti-terrorist financing mechanisms, the coordination of the competent authorities and the international representation of Greece. Decisions of the Minister of Economy and Finance may lay down procedures and measures for the implementation of the provision of the preceding sentence, as well as for the exchange of information, in accordance with Article 40, whether confidential or not,

between the said Ministry, the Commission, the competent authorities and other public authorities, with a view to enabling the more effective fulfillment of their tasks.

2. The Central Coordinating Authority has the following tasks and powers:

- a) to evaluate and assess the effectiveness of measures applied in different categories of obligated persons, as well as the degree of compliance of such persons with the obligations arising from this Law;
- b) to review, analyse and compare the biannual reports submitted to it by the competent authorities in accordance with paragraph 7 of Article 6 and propose appropriate measures to increase their supervisory effectiveness;
- c) to particularly analyse, the number, quality and trends of suspicious or unusual transaction or activity reports submitted to the Commission, by category of obligated persons, in accordance with data provided by it;
- d) to seek to continually increase the level of cooperation between competent authorities and between competent authorities and the Commission, especially in areas such as the exchange of information, the conduct of joint investigations, the adoption of common supervisory practices and the provision of harmonised instructions to the obligated persons, taking into account any differences there may be between such persons in terms of nature, economic scale and size, operational capacity or business, commercial and professional activities;
- e) to hold meetings, conferences and seminars, with the participation of representatives from the competent authorities, the Commission and the obligated persons, to discuss and address specific issues and to inform participants about developments in international organisations and fora concerning the prevention and suppression of the offences set out in Article 2;
- f) to coordinate the preparation of draft studies and set up working groups to examine specific issues, following consultation of the Strategy Committee referred to in Article 9, the Commission and the competent authorities;
- g) to be the central representative of Greece in the international organisations and fora mentioned in point e above, and notably in the European Union, the Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures (Moneyval Committee) and the Financial Action Task Force (FATF), be aware of developments in other international organisations and fora in which the

competent authorities, the Commission or the representatives of certain categories of obligated persons may participate and ensure the dissemination of relevant information to all such authorities and persons;

h) to provide for responding to questionnaires of, and submitting comments or suggestions to international organisations and bodies, as well as for preparing and submitting Action Plans and streamlining responses to assessments by international organisations and bodies concerning Greece, in co-operation with the Commission, the competent authorities and the representatives of obligated persons;

i) to fully brief the Chairman of the Strategy Committee provided for in Article 9, so as to ensure greater operational effectiveness to this Committee ; and

j) to communicate with, and provide every possible information and support, to the forum referred to in Article 11 below and to consider its proposals and recommendations.

3. The foregoing tasks and powers are to be exercised by the General Directorate of Economic Policy of the Ministry of Economy and Finance, with the assistance, if required, of the other administrative units of the said Ministry.

### **Article 9**

#### ***Committee for the Elaboration of a Strategy and Policies to deal with Money Laundering and Terrorist Financing***

1. A committee is hereby established in the Ministry of Economy and Finance, by the name “Committee for the Elaboration of a Strategy and Policies to combat Money Laundering and Terrorist Financing” (hereinafter referred to as “Strategy Committee”).

2. The composition of such committee is specified by a decision of the Minister of Economy and Finance published in the Government Gazette and comprises the following persons:

- a) a Chairman, who is the General Secretary of the Minister of Economy and Finance, and members, who are senior staff appointed by:
- b) The Ministry for Interior Affairs (Hellenic Police Headquarters);
- c) The Ministry of Economy and Finance (General Directorate of Economic Policy);

- d) The Ministry of Foreign Affairs;
- e) The Ministry of Justice;
- f) The Ministry of Merchant Marine, Aegean and Island's Policy;
- g) The Anti-Money Laundering and Anti-Terrorist Financing Commission;
- h) The Bank of Greece;
- i) The Hellenic Capital Market Commission;
- j) The Hellenic Private Insurance Supervisory Committee ;
- k) The Accounting and Auditing Supervisory Committee;
- l) The Gambling Supervision and Control Committee;
- m) The Special Control Service; and
- n) The General Directorate for Tax Audits of the Ministry of Economy and Finance.

3. Before the Strategy Committee meets for the first time, its members should inform the Chairman of their substitutes in case of impediment.

4. Depending on the issues to be examined, the Strategy Committee may invite to its meetings, as appropriate, representatives of other public or private authorities and bodies. Such authorities and bodies include in particular the Ministry of Development, the General Directorate of Customs of the Ministry of Economy and Finance and the Hellenic Bank Association.

5. The Chairman's office provides secretarial support to the Strategy Committee and is adequately staffed in this connection.

6. The Strategy Committee has the following tasks:

- a) to prepare and design policies specifically tailored to address identified weaknesses in the overall national anti-money laundering and anti-terrorist financing mechanism;
- b) to study and design the necessary legislative, regulatory and organisational measures to improve the supervisory framework and ensure the compliance of Greece with international standards and requirements;
- c) to be aware of the studies conducted by the Central Coordinating Authority, the Directorate of International Relations and Studies of the Commission, the



competent authorities and any other authorities or bodies and to examine and evaluate such studies;

d) to examine ways to increase the effectiveness of the Commission, notably by providing for the secondment of expert staff, the deepening of its cooperation with the competent authorities, the increase of the number, and the improvement of the quality, of suspicious and unusual transaction reports via the reinforcement of the supervisory effectiveness of competent authorities and the activation and involvement of other public bodies in reporting to the Commission;

e) to monitor developments in international organisations and fora, notably in the European Union, the Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures (Moneyval Committee), the International Monetary Fund (IMF) and the Financial Action Task Force (FAFT). The Central Coordinating Commission, as a representative of Greece in international organisations and fora, the competent authorities and the consultation forum provided for in Article 11 should provide it with all information relevant to this task;

f) to monitor the degree of compliance of Greece with international anti-money laundering and anti-terrorist financing standards and ensure rapid and effective implementation of United Nations Security Council resolutions and of the EU and other international organisations and bodies' decisions dealing with money laundering and terrorist financing;

g) to ensure ever-growing cooperation between the authorities, bodies and ministries listed in paragraph 2 hereinabove and promote the conclusion of bilateral or multilateral memoranda of understanding;

h) to develop initiatives for cooperation with the private sector in order to exchange experiences and examine the need for adjustments so as to increase the contribution of natural and legal persons of the private sector to countering the offences set out in Article 2;

7. The Strategy Committee meets regularly once every two months or extraordinarily on the Chairman's initiative. The Chairman may invite to an extraordinary meeting only some members competent for specialised subjects and/or may entrust the examination of such subjects to relevant sub-committees. The Strategy Committee prepares its own Operating Rules, approved by the

Minister of Economy and Finance. The Operating Rules specify the formulation of the agenda for the meetings, the decision-making process, the organisation of secretarial and scientific support and other relevant issues.

8. The Strategy Committee prepares and submits to the Institutions and Transparency Committee of the Greek Parliament an annual report, stating its actions and activities and proposing policies and specific measures to continually increase the effectiveness of the national mechanism for preventing and suppressing the offences laid down in Article 2. The first such report shall be submitted by the Strategy Committee in January 2009.

9. The information exchanged in the context of the operations of the Strategy Committee are deemed confidential.

#### **Article 10**

##### ***Other public authorities***

1. The administrative units of the Ministry of Economy and Finance which are responsible for collecting and maintaining information and documentation in respect of any type of real estate transaction, or collecting taxes and levies related to such transactions, take all necessary organizational measures to identify possible cases of the commission of the offences of Articles 2 and 3 hereof via such transactions. Such measures are supplementary to "origin of wealth" measures applying to prospective real estate buyers and provide for risk assessment procedures involving a classification of transactions and parties to transactions, legal or natural persons, which entail a higher risk and require enhanced control. A decision of the Minister of Economy and Finance should specify the units responsible, their respective tasks, the modalities for their cooperation with their foreign counterparts, as well as the procedures and technical details for the implementation of the above measures.

2. The competent customs and tax authorities and the Special Control Service of the Ministry of Economy and Finance take all necessary organizational measures to prevent and suppress the use of cross-border and domestic trade for the purpose of committing the offences of Articles 2 and 3 of this Law. Such measures shall provide for risk assessment procedures depending on the type and quantity of

transported commodities and goods, the country of origin or destination, the consistency of these data with the financial status and the business, commercial or professional activities of the persons involved in such transactions, the reliability of transport companies and any other relevant element. The aforementioned authorities cooperate and cross-check data and information with other domestic or foreign public agencies and bodies, as well as with credit institutions carrying out, either directly or indirectly, transactions related to the aforementioned commercial operations or maintaining business relationships with persons involved in such transactions. A decision of the Minister of Economy and Finance specifies the units responsible, their respective tasks and the procedures and technical details for the implementation of the above measures.

3. The competent tax authorities and the Special Control Service of the Ministry of Economy and Finance, in cooperation with the competent authorities of the Ministry of Development and other ministries or public bodies, which keep registers of companies of any legal form, containing information about the establishment, operation, any amendments to the articles of associations or the constituting documents, founding members, partners or shareholders, or approve share capital increases or have other related tasks with respect to such companies, take all necessary measures to prevent and suppress the use of companies or company vehicles for the purpose of committing the offences laid down in Articles 2 and 3 hereof. Such measures include in particular:

- a) checking the reliability and credibility of partners and shareholders, board members or managers;
- b) laying down procedures to verify the lawful origin of initial and subsequent capital, especially during increases of the share capital of sociétés anonymes, whether listed or not on a regulated market;
- c) providing increased supervision with respect to the proper and lawful use of national and Community subsidies, grants and other financial assistance to companies and other corporations or natural persons;

Joint ministerial decisions of the Minister of Economy and Finance and the Minister of Development or other competent ministers, and by decisions of supervisory public authorities and bodies specify the units responsible, their respective tasks and the procedures and technical details for specific actions and measures, based on a

assessment of risks and the cost-benefit aspects of the imposition of additional obligations on companies or additional controls on the part of the relevant authorities and units, so as to ensure the effective implementation of the above measures.

4. Joint decisions of the Minister of Economy and Finance and the Minister competent for the licensing, registration, subsidisation or control of corporations, institutions, organisations, associations and other types of non-profit organizations, should specify methods, measures and procedures aimed at preventing the use of such entities for committing the offences of Articles 2 and 3 hereof. Such measures include in particular maintaining a register of the above entities by the competent authority for the respective type of entity, the requirement that their main transactions be effected through credit institutions and the conduct of risk-based random checks in such entities by the competent public authorities.

5. The administrative units of the Ministry of Foreign Affairs responsible for the supervision and subsidisation of non-profit institutions or non-governmental organisations should take all necessary measures to ensure the proper management of subsidies, grants or financial assistance of any type, especially if such funds are allocated to programmes of any kind in countries with high levels of corruption or criminality or vulnerable to terrorism.

6. The ministries, the competent authorities and units and other public agencies referred to in paragraphs 1 to 5 of this Article shall promptly report to the Commission any case for which there may be evidence or suspicions of committing or attempting to commit the offences of Articles 2 and 3 hereof, independently from any other action they are entitled to take.

## **Article 11**

### ***Anti-money laundering and anti- terrorist financing consultation forum***

1. By a decision of the Minister of Economy and Finance, a special entity shall be established, bringing together representatives of the various categories of obligated persons, by the name “Anti-money laundering and anti- terrorist financing consultation forum ” (hereinafter referred to as “the AML/ATF Forum”).

2. The General Secretary of the Hellenic Bank Association is appointed as the Chairman of the AML/ATF Forum. The members of it are proposed by the representatives of the various categories of obligated persons. The foregoing persons are appointed for a renewable term of three years.

3. The AML/ATF Forum is located at the premises of the Hellenic Bank Association meets regularly at least thrice a year and extraordinarily on the Chairman's initiative. At the first meeting the Chairman and the members of the AML/ATF Forum shall designate their alternates.

4. The Chairman may invite only some of the members to an extraordinary meeting to discuss specific issues of relevance to these members only.

5. The Plenary of the AML/ATF Forum prepares its own Operating Rules, approved by the Minister of Economy and Finance. The Operating Rules specify the procedure for calling a meeting, the keeping of records of discussions, the preparation of the agenda for the meetings, secretarial support and other technical issues and details.

6. The Operating Rules state the activities of the AML/ATF Forum, including but not limited to:

- a) cooperation and consultation between participants to ensure the effective fulfillment of their obligations under this Law;
- b) exchange of expertise and knowledge of international developments, the study of specific problems and identification of sectors, activities and circumstances that are vulnerable to committing or attempting to commit the offences of Article 2;
- c) giving guidance to the various categories of obligated persons on how to deal with certain technical issues, in accordance with this Law and the regulatory decisions of the competent authorities;
- d) dissemination of information contained in typology lists from Greek and international organisations, studies and analyses of such reports and proposals to the competent authorities in respect of arising issues;

- e) setting up working groups to discuss topics of relevance to all or some of the participants, in particular referring to the effectiveness and improvements in applicable procedures, measures and practices for the detection of suspicious or unusual transactions or activities, with a view to ensuring more effective compliance by the obligated persons with their obligations under this Law;
- f) organisation of training seminars, workshops or conferences and production of information brochures and educational material aimed at raising awareness among the obligated persons of threats that the offences of Article 2 could pose to the society and to their trustworthiness and reputation and warning them of any disciplinary, administrative or criminal liability entailed by their non-compliance.

7. In the context of country examinations carried out by international organisations and regarding Greece's compliance with international standards against the offences of Article 2, the AML/ATF Forum and the representatives of the obligated persons cooperate with the competent authorities and notify on time the Central Coordinating Authority any useful information.

8. The AML/ATF Forum prepares within the first two months of each year a report on its past year's activities and submits it to the competent authorities, the Commission the Central Coordinating Authority and the Strategy Committee. The report must be available on the website of the Hellenic Bank Association. The first such report shall be submitted in 2009.

9. Information of a confidential nature may not be communicated to the public. The Chairman of the Body may propose to the Plenary the criteria and categories of confidential information.

## **CHAPTER C**

### **Customer due diligence**

#### **Article 12**

##### ***Cases of application of due diligence measures***

Obligated persons apply customer due diligence measures:

- (a) when establishing a business relationship;

- (b) when carrying out occasional transactions amounting to 15.000 € or more, whether the transaction is carried out in a single operation or in several operations which appear to be linked;
- (c) when there is a suspicion that an offence referred to in Article 2 has either been committed or attempted, regardless of any derogation, exemption or threshold pursuant to paragraph 10 of Article, paragraphs 2 and 3 of Article 14 and paragraphs 1, 2 and 5 of Article 17;
- (d) when there are doubts about the veracity, completeness or adequacy of previously obtained identification data about the customer, other persons on behalf of whom the customer is acting and the beneficial owner(s) of the customer.

### **Article 13**

#### ***Standard due diligence measures***

1. Standard customer due diligence measures applied by obligated persons should comprise:
  - (a) identifying the customer and verifying the customer's identity on the basis of documents, data or information obtained from a reliable and independent source;
  - (b) identifying, where applicable, the beneficial owner(s) of the corporate customer, updating the information and taking risk-based and adequate measures to verify his identity so that the obligated person is satisfied that it knows who the beneficial owner(s) is (are), including other natural or legal persons on behalf of whom the customer is acting. As regards other legal persons, trusts and similar legal arrangements, obligated persons shall take risk-based and adequate measures to understand the ownership and control structure of the customer. "Risk" denotes the strong possibility of customer involvement in committing or attempting to commit the offences referred to in Articles 2 and 3;
  - (c) obtaining information on the purpose and intended nature of the business relationship or of important transactions or activities of the customer or the beneficial owner;
  - (d) examining with special attention any transaction or activity which, by nature or by virtue of the customer's personal circumstances or capacity, could be associated with money laundering or terrorist financing. These transactions comprise especially complex or unusually large transactions and any unusual kind of transaction that is conducted with no apparent economic or lawful purpose;

(e) taking any other appropriate measure, including refraining from the transaction and refusing to provide services or carry out activities, unless the customer identification requirements are met;

(f) conducting ongoing monitoring of the business relationship, including scrutiny of transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the obligated persons' knowledge of the customer and of the beneficial owner, the business and risk profile, including, where necessary, the source of funds, according to criteria determined by the relevant authorities. The obligated persons ensure that the documents, data or information held are kept up-to-date.

2. Credit and financial institutions, in particular, must also evaluate the customer's overall business portfolio maintained with them and/or with other companies in their group, in the sense of Article 32, paragraph 2, in order to confirm that the transaction is consistent and compatible with such portfolio(s).

3. When the customer is acting on behalf of other persons, he should state so and, in addition to proving his own identity under para.1, shall prove the identity of the third party, natural or legal person, on whose behalf he is acting. In any event, obligated persons shall verify the accuracy of this information when the customer does not make the said statement, but there are serious doubts about whether he is acting on his own behalf or it is certain that he is acting on behalf of others.

4. If, during the business relationship, the obligated person questions whether the customer is acting on his own behalf or it is certain that he is not acting on his own behalf, the obligated person should take the required measures to obtain information about the true identity of the persons on whose behalf he is acting.

5. Obligated persons apply, at the appropriate time, risk-based due diligence measures not only to new, but also to existing customers. Decisions of the competent authorities may determine the criteria and the method of application of due diligence to existing customers.



6. In the case of jointly held accounts of deposits, securities or other financial products, the co-holders should be considered as customers and due diligence shall also apply to all of them.

7. Decisions of the relevant competent authorities may specify further details on the provisions of Regulation 1781/2006/EC of the European Parliament and of the Council (L 345/8.12.2006) on information on the payer accompanying transfers of funds.

8. Where an obligated natural person performs his professional activities as an employee of an obligated legal person, the obligations under this law shall apply to that legal person rather than to the natural person. When an obligated natural person performs his professional activity as an employee or associate, under any type of contract or agreement, of a non-obligated legal person, that natural person shall meet the obligations under this law, in accordance with the decisions of the competent authority which is the supervisor of the relevant category of persons.

9. Where two or more credit institutions, financial institutions or other obligated persons participate in any way whatsoever in a transaction or a series of related transactions, each of them shall apply due diligence measures, without prejudice to the provisions of Chapter D. This shall be the case, in particular, with insurance policies, purchases and sales of shares, derivatives, bonds or other financial products and transactions with cards of any type.

10. Obligated persons shall apply the customer due diligence requirements set out in paragraph 1, but may determine the extent of such measures on a risk-based basis depending on the type of customer, his economic status, business relationship, product or transaction, in compliance with the relevant decisions of competent authorities made pursuant to para.4 of Article 6. Obligated persons should be able to demonstrate to the competent authorities that the extent of the measures is appropriate in view of the risks of offences referred to in Article 2, that they apply such measures consistently and effectively and that they comply with the decisions of the competent authorities.

## Article 14

### *Time of application of due diligence*

1. The identification and verification of the relevant data of the customer and the beneficial owner and other person(s) on whose behalf the customer is acting, should take place before the establishment of a business relationship or the carrying out of a transaction.
2. By way of derogation from paragraph 1, the verification of the identity of the persons referred to in paragraph 1 above, could be allowed to be completed during the establishment of a business relationship if this is necessary not to interrupt the normal conduct of business and where there is little risk of money laundering or terrorist financing occurring. In such situations, these procedures should be completed as soon as practicable after the initial contact.
3. By way of derogation from paragraphs 1 and 2, in relation to life insurance contracts, the verification of the identity of customer and/ or of the beneficiary under the policy could be allowed to take place after the business relationship has been established. In that case, verification shall take place at or before the time of payout or at or before the time the beneficiary intends to carry out a transaction, including but not limited to exercising rights vested under the policy. Verification should also take place in the case of Article 17, paragraph 5, point (a), second sentence.
4. Where the obligated person is unable to comply with paragraph 1 of this article or of points (a) to (c) and (f) of paragraph 1 of Article 13, it may not carry out the transaction or establish a business relationship and could terminate the business relationship, considering the necessity of submitting a report to the Commission. The previous sentence does not apply to lawyers when they are in the course of ascertaining the legal position of their client or performing their task of defending or representing that client in or concerning judicial proceedings, including advice on instituting or avoiding proceedings.

## **Article 15**

### ***Anonymous accounts***

Credit and financial institutions must not keep secret, anonymous or identified-by-number accounts or anonymous passbooks or accounts in fictitious names or accounts without the full name of their holder, in accordance with the identity certification documents.

## **Article 16**

### ***Casinos***

1. Casinos operating in Greece must verify the identity of their customers on entry in the gambling facilities and take appropriate measures to identify suspicious cases that might relate to the offences referred to in Article 2. They should examine, in particular:

- a) customers who place large amounts to any type of gambling, when, according to the information available to the casino, the customer does not have or does not appear to have the corresponding economic means; and
- b) customers who win large amounts in casino gambling and there is evidence of commission of the offences referred to in Article 2.

2. When casinos keep records on winnings and payments of chips in the names of customers, these records shall be maintained for at least five years pursuant to the procedures stipulated in the decisions of the competent casino authority mentioned in paragraph 4 hereof. This information shall be made available to the competent authority and the Commission for inspection.

3. The provisions of this article apply also to casinos operating on ships flying the Greek flag.

4. Decisions of the relevant authority may further specify the above measures and other obligations of casinos under this law.

## **Article 17**

### ***Simplified customer due diligence***

1. By way of derogation from points a, b and d of Article 12, paragraph 1 of Article 13 and paragraph 1 of Article 14, obligated persons are not be subject to the

requirements provided for in those provisions where the customer is a credit or financial institution situated in the European Union or a third country which imposes requirements equivalent to those laid down in Directive 2005/60/EC and is supervised for compliance with those requirements.

2. By way of derogation from points a, b and d of Article 12, paragraph 1 of Article 13 and paragraph 1 of Article 14, obligated persons are not be subject to the identity verification requirements in respect of:

a) listed companies whose shares are admitted to trading on a regulated market within the meaning of Article 43 of Law 3606/2007 (Government Gazette A 195) in one or more Member States and listed companies from third countries which are subject to disclosure requirements consistent with the provisions of Directive 2004/39/EC (L145/30.4.2004);

b) companies operating as undertakings for collective investment in transferable securities pursuant to Article 2 of Law 3283/2004 (Government Gazette A 210) and companies that operate as undertakings for collective investment in transferable securities, are based in the European Union and operate in consistency with the provisions of Directive 85/611/EEC (L 375/31.12.1985, p.3), as currently in force;

c) Greek public authorities or legal persons of public law or enterprises or organisations in which the State has a participation of at least 51%;

d) public authorities or public bodies that fulfil all of the following criteria:

i) they have been entrusted with public functions pursuant to the Treaty on the European Union, the Treaties on the Communities or Community secondary legislation;

ii) their identity is publicly available, transparent and certain;

iii) their activities, as well as their accounting practices are transparent;

iv) either they are accountable to a Community institution or to the authorities of a Member State, or appropriate check and supervising procedures exist ensuring control of their activity.

3. In the cases referred to in paragraphs 1 and 2, obligated persons should gather sufficient information to establish if the customer qualifies for an exemption as mentioned in these paragraphs and shall decide on the basis of risk management procedures. Decisions of the competent authorities may specify the sufficient information to be gathered.

4. The Ministry of Economy and Finance, as the Central Coordinating Authority informs the European Commission and the relevant Ministries of the other Member States of cases where it considers that a third country meets the requirements of paragraphs 1 or 2 hereof, as well as of cases where it considers that the technical criteria established in accordance with Article 40(1)(b) of Directive 2005/60/EC are met.

5. By way of derogation from points a, b and d of Article 12, paragraph 1 of Article 13 and paragraph 1 of Article 14, obligated persons are not be subject to the identity verification requirements in respect of:

a) life insurance policies, where the annual premium is no more than EUR 1,000 or the single premium is no more than EUR 2,500. When the premium payable within a year increases to more than EUR 1,000, the insured's identity shall be verified;

b) a pension, superannuation or similar scheme that provides retirement benefits to employees, where contributions are made by way of deduction from wages and the scheme rules do not permit the assignment of a member's interest under the scheme;

c) insurance policies for pension schemes concluded on the basis of employment contracts or of professional activities of the insured, provided that there is no surrender clause and the policy can not be used as collateral;

d) electronic money, as defined in Article 14(3) of Law 3148/2003 (Government Gazette A 136), where, if the device cannot be recharged, the maximum amount stored in the device is no more than EUR 150, or where, if the device can be recharged, a limit of EUR 2,500 is imposed on the total amount transacted in a calendar year. When an amount of EUR 1,000 or more is redeemed in that same calendar year by the bearer as referred to in paragraph 6 of Article 14 of Law 3148/2003, identity verification should be conducted.

6. The competent authorities may issue decisions specifying the details and criteria for the determination of the foreign financial institutions referred to in paragraph 1 and the public authorities referred to in paragraph 2, point d.

## **Article 18**

### ***Non-reliable third countries***

Where the European Commission adopts a decision pursuant to Article 40(4) of Directive 2005/60/EC, obligated persons shall be prohibited from applying simplified due diligence to the legal persons referred to in Article 17(1) and (2)(a) that are situated in the third country referred to in the said decision of the European Commission.

## **Article 19**

### ***Enhanced Customer Due Diligence***

Obligated persons shall apply, on a risk-based basis, enhanced customer due diligence measures, in addition to the measures referred to in Articles 13 and 14, paragraph 1 hereof. More specifically, without prejudice to Article 14, paragraph 2, when obligated persons find that there are increased risks, they shall:

- a) apply in a consistent and effective manner the measures defined in Articles 20, 21 and 22, in the cases referred to in such Articles;
- b) take any other appropriate measure decided by the competent authority supervising them to prevent the commission of the offences mentioned in Article 2, including the careful examination of the total portfolio(s) of the customer, the beneficial owner, the person(s) on whose behalf the customer is acting, the relatives, the spouses, partners and close associates of those persons for at least the three preceding calendar years.

## **Article 20**

### ***Transactions without the physical presence of the customer –***

#### ***Risks from new products and technologies***

1. Obligated persons take specific and adequate measures to counter the higher risk in cases where the customer is not physically present for identification purposes, mainly by applying one or more of the following measures:
  - a) ensuring that the customer's identity is verified by additional documents, data or information;

(b) taking supplementary measures to verify or certify the documents supplied, or requiring confirmatory certification by a credit or financial institution based in the European Union;

(c) ensuring that the first payment of the operations is carried out through an account opened in the customer's name with a credit institution based in the European Union.

Decisions of the competent authorities specify the measures referred to in this paragraph and determine procedures for their effective application.

2. Obligated persons pay special attention to any product or transaction which might favour anonymity and which, by nature or by virtue of information about the profile of the characteristic features of the customer, may be associated with money laundering or terrorist financing and take appropriate measures to avert this risk.

3. The competent authorities take appropriate measures to ensure that obligated persons implement organizational, functional and technological procedures to prevent the risks associated with technological advances or new financial products.

## **Article 21**

### ***Cross-border correspondent banking***

1. In respect of cross-border correspondent banking relationships of greek credit institutions with respondent institutions from third (non-European Union) countries, credit institutions should:

a) gather sufficient information about a respondent institution to understand fully the nature of the respondent's business and to determine from publicly available information the reputation of the institution and the quality of supervision on it;

b) assess the respondent institution's anti-money laundering and anti-terrorist financing controls;

c) provide for the approval from senior management before establishing new correspondent banking relationships;

d) document the respective responsibilities of each party to the corresponding banking agreement;

e) with respect to payable-through accounts, be satisfied that the respondent credit institution has verified the identity of and performed ongoing due diligence

on the customers having direct access to accounts held in the correspondent and that it is able to provide relevant customer due diligence data to the correspondent institution, upon request.

2. Credit institutions are prohibited from entering into or continuing a correspondent banking relationship with a shell bank and shall not engage in or continue correspondent banking relationships with a bank that is known to permit its accounts to be used by a shell bank. The Bank of Greece shall ensure credit institutions' compliance with the above obligations and may define which of these requirements are applicable to correspondent banking relationships with credit institutions authorized in European Union member countries.

## **Article 22**

### ***Politically exposed persons***

1. For the purposes of this Article, "politically exposed persons who are or have been entrusted with prominent public functions" include the following natural persons:

- a) heads of State, heads of government, ministers and deputy or assistant ministers;
- b) members of parliaments;
- c) members of supreme courts, of constitutional courts or of other high-level judicial bodies whose decisions are not subject to further appeal, except in exceptional circumstances;
- d) members of courts of auditors;
- e) members of the boards of central banks;
- f) ambassadors and chargés d'affaires;
- g) high-ranking officers in the armed forces;
- h) members of the administrative, management or supervisory bodies of State-owned enterprises.

None of the categories set out in points (c) to (h) shall be understood as covering middle ranking or more junior officials.

2. The categories set out in points b to g of paragraph 1 include positions at Community and international level.



3. For the purposes of this Article, “immediate family members” include the following:

- a) the spouse;
- b) any partner considered by national law as equivalent to the spouse;
- c) the natural or adopted children and their spouses or partners;
- d) the parents.

4. For the purposes of this Article, “persons known to be close associates” include the following:

- a) any natural person who is known to have joint beneficial ownership of legal entities or legal arrangements, or any other close business relations, with a person referred to in paragraph 1;
- b) any natural person who has sole beneficial ownership of a legal entity or legal arrangement which is known to have been set up for the benefit de facto of the person referred to in paragraph 1.

5. Without prejudice to the application, on a risk-sensitive basis, of enhanced customer due diligence measures, where a person has ceased to be entrusted with a prominent public function within the meaning of paragraph 1 for a period of at least one year, obligated persons are not be obliged to consider such person as politically exposed.

6. As regards transactions or business relationships with politically exposed persons, obligated persons must:

- a) have appropriate risk-based procedures to determine whether the customer is a politically exposed person;
- b) have senior management approval for establishing business relationships with such customers;
- c) take adequate measures to establish the source of wealth and source of funds that are involved in the business relationship or transactions;
- d) conduct enhanced ongoing monitoring of the business relationship.

7. The competent authorities may specify by decisions the manner of implementation of the above obligations.

8. Politically exposed persons do not include persons resident in Greece. Standard due diligence measures shall apply to such persons.

## **CHAPTER D**

### **Performance of customer due diligence by third parties**

#### **Article 23**

##### *Eligible third parties and their obligations*

1. The obligated persons referred to in paragraph 5 of this Article may rely on third parties to meet the requirements laid down in points a and b of paragraph 1 of Article 13. Such third parties must recommend or introduce persons only from among their own customers and must always conduct customer due diligence in accordance with this Law. However, the ultimate responsibility for meeting the aforementioned requirements shall remain with the obligated person which relies on the third party.

2. For the purposes of this Law, "third parties" shall mean:

- a) credit institutions;
- b) investment firms;
- c) mutual funds; and
- d) insurance companies only in respect of insurance intermediaries, which are located in a Member State of the European Union or in a FATF member third country. Where obligated persons rely on a third party, they must always identify the customer, any third person on behalf of whom the customer may be acting and the beneficial owner.

3. Persons relying on a third party must also ensure that such third party

- a) can make immediately available, upon request, any information obtained while applying the customer due diligence measures in respect of the customer, any third person on behalf of whom the customer may be acting and the beneficial owner; and

b) can forward immediately, upon request, any copy of identification and identity verification documentation obtained while applying the customer due diligence measures in respect of the persons mentioned in (a).

4. If the third party's business relationship with their customer ends for any reason whatsoever, the obligated person shall verify the identity of the customer and apply the complete customer due diligence measures.

5. The obligated persons covered by this Law may rely on third parties only if they are credit or financial institutions. If not, their respective competent authorities may set out the criteria and requirements for the supervised natural and legal persons to be able to do so, in conformity with the provisions of this Article.

#### **Article 24**

##### ***Status of third countries***

1. The Ministry of Economy and Finance, as the Central Coordinating Authority, informs the other Member States and the European Commission of cases where it considers that a third country meets the conditions laid down in paragraph 1(b) of article 15 of Directive 2005/60/EC. It shall also receive assessments by other Member States and shall notify accordingly the appropriate competent authorities, which shall then convey the relevant information to the obligated persons, with instructions on how to handle such information. Such assessments by other Member States are not binding.

2. Where the European Commission adopts a decision pursuant to Article 40(4) of Directive 2005/60/EC, the obligated persons may not rely on third parties from the third country concerned in order to meet the requirements laid down in paragraph 1 of Article 23. The Ministry of Economy and Finance should inform the competent authorities of any such decisions.

#### **Article 25**

##### ***Exemptions and decisions by competent authorities***

1. Article 23 does not apply to outsourcing or agency relationships where, on the basis of a contractual arrangement, the outsourcing service provider or agent is to be regarded as part of the obligated person.

2. The competent authorities may specify details for the implementation of the provisions of this Chapter.

## **CHAPTER E**

### **Reporting obligations and prohibition of disclosure**

#### **Article 26**

##### ***Reporting of suspicious transactions to the Commission***

1. The obligated persons and their staff, including managers, must:
  - a) promptly inform the Commission, on their own initiative, where they know, suspect or have reasonable grounds to suspect that money laundering or terrorist financing is being or has been committed or attempted; and
  - b) promptly furnish the Commission or other anti-money laundering and anti-terrorist financing authorities, when requested, with all necessary information, in accordance with the procedures established by the applicable legislation.
  
2. The persons referred to in points e, f and m of paragraph 1 of Article 5 hereof shall not be subject to the requirements of the preceding paragraph in respect of information received from or regarding any of their clients while they are in the course of ascertaining the legal position for their client or representing that client in or concerning judicial proceedings, including advice on instituting or avoiding proceedings, irrespective of whether the information is received before, during or following the proceedings.
  
3. Foreign branches and representative offices of Greek credit and financial institutions should forward the information referred to in paragraph 1 above to the foreign equivalent of the Commission – whether a body, a unit or other authority of the host country– and to their respective parent company, notwithstanding Article 32(2) and (4) below.

4. Suspicious transaction reporting to the Commission by credit and financial institutions and financial groups is effected in accordance with the provisions of Article 44.

### **Article 27**

#### ***High-risk transactions - Refraining from executing suspicious transactions***

1. In the cases of high-risk transactions as described in point d of paragraph 1 of Article 13 and provided that an officer has been appointed under paragraph 1 of Article 44, such officer should be promptly informed, a report shall be prepared and the need for reporting to the Commission shall be examined.

2. The obligated persons must refrain from carrying out transactions, engaging in activities or providing any services, which they know or suspect to be related to the offences set out in Article 2, unless refraining in such manner is impossible or likely to frustrate efforts to pursue the customers, the beneficial owners or the persons on behalf of whom the customers may be acting; in the latter case the obligated persons shall execute the aforementioned operations and simultaneously inform the Commission.

### **Article 28**

#### ***Reporting obligations of competent authorities and market operators***

1. The competent authorities must promptly inform the Commission if, in the course of inspections carried out in the obligated persons, or in any other way, they discover facts that could be related to the offences set out in Articles 2 and 3.

2. Operators of markets for stocks, bonds, other financial instruments, financial derivatives and foreign exchange must have in place adequate mechanisms and procedures for the prevention and immediate detection of possible cases of committing or attempting to commit the offences set out in Articles 2 and 3, and report to the Commission without delay all cases where they reasonably suspect that any of the above may be happening, also providing all the relevant information and

data and any assistance as necessary for the investigation of such cases. Included in the above markets are the Electronic Secondary Securities Market (HDAT), the Multilateral Systems for Trading in financial instruments provided for in Law 3606/2007 (Government Gazette A 195), as well as in-house markets for financial instruments operating within a credit institution or an investment firm.

3. The supervisory bodies which oversee the markets referred to in paragraph 2 above take all appropriate measures to ensure market operators' compliance with their obligations, the effective operation of their systems and the adequate training of their employees.

### **Article 29**

#### ***Reporting obligations in relation to offences against tax or customs legislation***

Where predicate offences consist in offences against tax or customs legislation or other offences that fall within the fields of responsibility of the Special Audits Service (YPEE), the following procedure applies:

- a) The YPEE is authorised to bring to justice any cases of money laundering relating to smuggling, tax evasion and cases that fall within its other fields of responsibility, after having prepared a conclusive report. The report is submitted to the competent Public Prosecutor and is immediately communicated to the Central Service of the YPEE, 3rd Directorate of Special Cases, Department B - Special Economic Cases, and to the Commission. The YPEE may refer to the Commission any cases for which it has not prepared a conclusive report, and cooperate with it, including by joint investigations into cases for which they have a shared responsibility.
- b) For the aforementioned cases that are examined by the Internal Revenue Offices or the Local and Regional Tax Audit Centers or Customs Offices, reports should be submitted to the Commission and the YPEE, through the relevant General Directorates of Tax and Customs Controls.
- c) The obligated persons must report to the Commission any suspicious transactions which are likely to be related to the above offences. An exception is made for lawyers who may report such transactions to the special committee provided for in Article 34.

### **Article 30**

#### ***Protection of reporting employees***

A joint decision of the Minister of Economy and Finance and the Minister of Justice may specify measures to protect the obligated persons' employees and obligated natural persons reporting, either internally or externally to the Commission or the Public Prosecutor, suspected cases of committing or attempting to commit the offences set out in Article 2, from threats or hostile acts.

### **Article 31**

#### ***Prohibition of disclosure***

The obligated persons and their directors and employees must not disclose to the customer concerned or to other third persons the fact that information has been transmitted or shall be transmitted to the Commission or other public authorities or has been sought by them or that an investigation is being or shall be carried out in relation to the offences of Article 2 and 3 hereof. The above also applies to the Chairman, the board members and staff of the Commission, managers and staff of the competent authorities, as well as to other public servants who may be aware of the facts referred to in the preceding sentence. Natural persons who intentionally violate their duty to observe secrecy are punished by imprisonment for not less than three months and a pecuniary penalty.

### **Article 32**

#### ***Exemptions from the prohibition of disclosure***

1. The disclosure of information provided for in Articles 26 to 29, either internally to the competent structure of the legal person or externally to the Commission or the Public Prosecutor, by the persons referred to in Article 31 shall not constitute a violation of the disclosure prohibition imposed by Article 31 or by any other legislative, regulatory, administrative or contractual provision and shall not involve these persons and the relevant legal persons in liability of any kind, unless they have not acted in good faith.
2. The prohibition laid down in Article 31 shall not prevent the exchange of information between credit or financial institutions situated in Greece or in another Member State and belonging to the same group as defined in paragraph 4 of Article

4. This also applies to the exchange of information between credit or financial institutions situated in Greece and similar institutions of the same group which are situated in a third country that imposes requirements at least equivalent to those laid down herein and which are subject to supervision of their compliance with those requirements.

3. For the obligated persons referred to in points e, f and mof paragraph 1 of Article 5, the prohibition laid down in Article 31 shall not prevent disclosure between persons operating in Greece and persons resident in another Member State, or in a third country which imposes requirements at least equivalent to those laid down herein, provided that they perform their professional activities, whether as employees or not, within the same legal person, financial group or network. For the purposes of this Article, a "network" means the larger structure to which the legal persons belong and which share common ownership, management or compliance control.

4. The obligated persons referred to in points a, b, e, f and mof paragraph 1 of Article 5 which are situated or conduct their business in Greece may exchange information with persons from the same professional category regarding the same customer and the same transactions or activities involving two or more of the above persons. The foregoing shall also apply to the exchange of information between resident obligated persons and natural or legal persons from the same professional category situated or conducting their business in another Member State or in a third country that imposes requirements at least equivalent to those laid down herein, provided that such persons are from the same professional category and are subject to at least equivalent obligations as regards professional secrecy and personal data protection. The information exchanged is used exclusively for the prevention and suppression of the offences of Article 2.

5. Where lawyers and notaries seek to dissuade a client from engaging in illegal activity, this does not constitute a violation of the prohibition laid down in Article 31.



6. Decisions of the competent authorities may further specify the provisions of this Article and requirements for the exchange of information.

### **Article 33**

#### ***Non-reliable third countries***

Where the European Commission adopts a decision pursuant to Article 40(4) of Directive 2005/60/EC, it shall be prohibited the disclosure of any information between the obligated persons referred to in paragraphs 2, 3 and 4 of Article 32 hereof and legal or natural persons situated, operating or conducting their business in the third country concerned.

### **Article 34**

#### ***Committee of lawyers***

A committee of lawyers, composed of five members, appointed for a three-year term by the Plenary of the National Federation of Bar Associations, located at the premises of the Athens Bar Association, is established with the task to receive lawyers' reports on suspicious or unusual activities or transactions, to assess their compliance with the provisions herein and forward them without delay to the Commission. A decision of the Minister of Justice, following consultation of the above Plenary, shall specify the operating procedures of the committee, the procedure for its receiving lawyers' reports from all over Greece, as well as the procedure for its cooperation and communication with the Commission.

## **CHAPTER F**

### **Record keeping and statistical data**

### **Article 35**

#### ***Record and data keeping by obligated persons***

1. Obligated persons shall keep the following documents and information for use in investigations into any possible attempt or actual commission of any of the offences referred to in Article 2 by the Commission, the competent authority supervising them or any other competent public authority, including the prosecutorial and judicial authorities:

a) the customer identification information and data on its verification, upon the conclusion of any agreement, for a period of at least five years after the business relationship with the customer has ended;

b) the authorization documents, the photocopies of documents on the basis of which the identity of the customer was certified and verified, and the originals or copies of the documentation of all kinds of transactions, for a time period of at least five years following the end of the business relationship or the execution of each transaction;

c) the internal documents concerning approvals or verifications or proposals in cases related to investigations into the above offences or cases reported or not reported to the Commission, for a time period of at least five years following the end of the business relationship with the customer involved in the above cases;

d) data on business, commercial and professional correspondence with customers, as these may be specified by the competent authorities.

2. All the data and documents referred to in subparagraphs (a), (b), (c) and (d) of paragraph 1 shall be kept in writing or in electronic form, for the time period referred to in these subparagraphs, unless a longer time period is required by another provision of law or regulatory decision.

3. The above data shall be kept in such a way as to enable the obligated person to respond promptly to any request of the Commission, the competent authority or any other competent public authority without delay for the establishment of audit trails.

### **Article 36**

#### ***Record and data keeping by subsidiary companies and branches in other countries***

1. Credit and financial institutions shall apply in their subsidiary companies, within the meaning of para. 4 of Article 4, and in their branches in other countries,

measures which are at least equivalent to those referred to in article 35 on record and data keeping. Where the legislation of a non-EU country does not allow the implementation of such measures, wholly or partly, the above persons shall inform to this effect the Commission, the competent authorities and the Central Coordinating Authority.

2. The Central Coordinating Authority shall inform the European Commission on any situations where the legislation of a non-EU country does not permit, wholly or partly, the application of the measures referred to in Article 35.

3. Credit and financial institutions shall, where the legislation of a non-EU country does not permit the application of the measures required under article 35, take additional measures to effectively manage the risk of commission of the offences referred to in Article 2. The competent authorities may specify these additional measures by their decisions.

### **Article 37**

#### ***Application of procedures and systems***

1. Credit and financial institutions shall have in place procedures and systems enabling them to respond fully and rapidly to any request or enquiry by the Commission, the competent authority supervising them or any other competent public authority, as to whether they maintain or have maintained, during the previous five years, a business relationship with specific natural or legal persons, the nature of this relationship and any other relevant transaction.

2. By decisions of the competent authorities supervising obligated persons other than credit and financial institutions, obligations of these obligated persons similar to those referred to in para. 1 can be specified on an *ad hoc* basis.

### **Article 38**

#### ***Collection, keeping and processing of statistical data by public authorities***

1. All public authorities involved, including the Ministry of Justice, the Commission, the competent and judicial authorities, the prosecutorial, police and tax authorities and services, shall keep complete and updated statistical data relating

to areas or matters falling within their scope of authority. These data shall be collected by the Central Coordinating Authority every calendar semester.

2. These statistics shall cover at least:

- a) The number of reports of suspicious or unusual transactions or activities submitted to the Commission, the classification of these reports according to sender, the number of findings reports submitted to the Public Prosecutor for investigation, the number of archived cases, and data on the international cooperation of the Commission with foreign peers;
- b) the collection, classification and processing of the data referred to in Article 39;
- c) the statistical data referred to in paragraph 7 of Article 6 which are included in the half-yearly reports of the competent authorities; and
- d) the statistical data mentioned in the regulatory decisions of the competent authorities.

3. The Ministry of Justice, the Commission and the competent authorities shall publish aggregated statistics in order to inform the public fully and adequately.

### **Article 39**

#### ***Collection of judicial data and information***

1. A decision of the Minister of Justice shall lay down the procedure and the technical details for the collection, classification and processing of statistical data on the cases that come before the courts of any degree of jurisdiction and concern the offences referred to in Article 2, the number of cases investigated and the number of persons prosecuted, the relevant court judgments or decrees, and any property confiscated or seized. The same decision shall also lay down the procedure for monitoring the judicial progress of the reports submitted by the Commission to the competent Public Prosecutor.

2. The services of the Ministry of Justice shall also ensure the collection, registration and processing of data similar to the above on the most important categories of predicate offences, requesting information from the secretariats of Public Prosecutors' Offices and Courts and from police services.

## **CHAPTER G**

### **Implementation measures**

#### **Article 40**

##### ***Cooperation and exchange of confidential information***

1. During an administrative investigation carried out by the Commission into any case, the Prosecutorial Authority and the investigating judge may request confidential information. Once the investigation has ended and the case has been archived, they may request data or the entire file of the case.
  
2. The Commission may forward confidential information to the competent authorities, Prosecutorial Authorities, the Special Control Service, the National Intelligence Service, the competent service of the Hellenic Coast Guard and the units of the Hellenic Police, as specified by a joint Decision of the Minister of the Economy and Finance and the Minister of the Interior, where such information is deemed useful for the investigating tasks of the aforementioned agencies and for the fulfilment of their mandate. This information is forwarded either at the initiative of the Commission or following a reasoned request by the said agencies, without prejudice to the preceding paragraph.
  
3. The Commission may request information on the results of any investigation that has been carried out by the aforementioned agencies, with the exception of prosecutorial and investigating judicial authorities, on the basis of the information supplied under paragraph 2, as well as any information provided for in Article 7 of this Law.
  
4. The competent authorities may exchange confidential information about the fulfilment of their obligations under this Law and shall inform each other about the

results of relevant investigations. Bilateral or multilateral memoranda of understanding may specify the modalities for such exchange of information.

5. A decision of the Minister of Economy and Finance lays down the procedures for the exchange of confidential information between the Commission, the competent authorities, the tax and customs authorities and the Special Control Service, for the fulfilment of their obligations arising from this Law.

6. Joint decisions of the Minister of Economy and Finance and of the relevant Minister specify the procedures and scope of the exchange of confidential information between the Commission and the competent authorities on the one hand and the services of the Hellenic Police, the National Intelligence Service and the competent service of the Hellenic Coast Guard on the other, for the fulfilment of their obligations arising from this Law.

7. The agencies referred to in paragraphs 4, 5 and 6 of this article may carry out joint investigations into cases of common interest and responsibility, for the fulfilment of their obligations arising from this Law.

8. The information referred to in this article includes any information which the agencies transmitting or exchanging it have obtained in the context of their international cooperation with their foreign counterparts, provided that this is permitted by the terms and conditions of such cooperation.

9. For the purposes of the implementation of the provisions of this Law, confidential information means any information about the business, professional or commercial behaviour of legal or natural persons, data and facts regarding their transactions and activities, or tax records and information on criminal offences and breaches of tax, customs or other administrative laws and regulations.

#### **Article 41**

##### ***Internal procedures***

1. The obligated persons should apply adequate and appropriate policies and procedures with respect to customer due diligence and the actual beneficial owner,

reporting of suspicious transactions; record-keeping; internal control; risk assessment; continuous assessment of the degree of compliance and internal communication, in order to prevent transactions and activities that may be associated with the offences referred to in Article 2.

2. Credit and financial institutions ensure that the provisions of this law are also implemented by their subsidiaries, within the meaning of paragraph 4 of Article 4, provided that the latter are obligated persons, as well as by their branches and representative offices abroad, unless this is wholly or partly forbidden by the relevant foreign legislation. In that case they must inform the Commission, the competent authority supervising them and the Central Coordinating Authority. In any case, they should apply the stricter law between the Greek law and the law of the host country, to the extent allowed by the law of the host country.

3. The competent authorities supervising obligated persons other than credit and financial institutions may further specify by decisions the obligations referred to in paragraph 1, taking into account the factors referred to in paragraph 4 of Article 6, in particular the distinction between obligated natural persons and obligated legal persons.

#### **Article 42**

##### ***Education and Training***

The obligated persons take appropriate measures so that their employees are informed about the provisions of this law and the relevant regulatory decisions. These measures include, *inter alia*, the competent employees' participation in special training courses that help them identify activities that may be associated with the offences referred to in Article 2 and train them to take proper action in such cases.

#### **Article 43**

##### ***Conditions of incorporation, operation and registration***

1. Without prejudice to the provisions governing the authorisation of incorporation, operation or registration, the competent authorities shall refuse to authorise the incorporation, operation or registration of obligated legal persons unless they are

convinced that the persons holding a substantial stake in the capital or controlling or actually managing the undertakings of such persons or their actual beneficial owners are appropriate and honourable persons.

2. In order to pursue their business activities, payment institutions referred to in Directive 2007/64/EC on payment services in the internal market shall obtain authorisation of operation from, be registered and supervised by, the competent authority.

#### **Article 44**

##### ***Compliance officers – Obligations of financial groups***

1. Each credit or financial institution appoints a management officer (the compliance officer) to whom all other management officers and employees should report any transaction they consider as unusual or suspicious and suggestive of an attempt at, or commission of, the offences referred to in Article 2, and any event of which they are aware in the context of their duties that could be an indication of such acts. In branches or special departments or units, such events shall be reported directly to the manager of the branch or department or unit, who shall report them immediately to the compliance officer, provided that he shares the suspicions. If the manager or his alternate is unavailable or refuses or shows negligence or does not share the suspicions of the reporting employee, then the employee may report to the compliance officer. The latter shall inform the Commission by phone or a confidential document or secure electronic medium, providing any useful information or data, if after an examination he judges that the information and existing data justify such report. The provisions of this paragraph shall also apply to other obligated legal persons, determined according to the criteria laid down by the relevant decisions of the competent authorities.

2. Every financial group shall appoint a management officer from the largest company in the group as coordinator responsible for ensuring compliance with the requirements of this law by the group's companies. To this end, this officer cooperates and exchanges information with the management officers of the group's companies defined in paragraph 1; is informed about any reports made by them to the Commission; and may submit reports to the Commission himself, providing data from all the companies of the group.



Decisions of the competent authorities supervising the largest company of each group may lay down procedures and obligations to be complied with by groups and the companies of each group.

## **CHAPTER H'**

### **Criminal and administrative sanctions, seizure and confiscation of assets**

#### **Article 45**

##### ***Criminal sanctions***

- 1.a) Persons who have committed money laundering shall be punished with imprisonment of up to 10 years and a pecuniary penalty of €20,000 to €1,000,000.
- b) The perpetrator of the offence referred to in (a) above shall be punished with imprisonment (i.e. a term from 5 to 20 years) and a pecuniary penalty of €30,000 to €1,500,000 if he acted as an employee of an obliged legal entity or the predicate offence is included in the offences referred to in Article 3(c), (d) and (e) above, even if a term of imprisonment of less than 5 years is envisaged for these offences.
- c) The perpetrator of the offence referred to in (a) above shall be punished with imprisonment of at least 10 years and a pecuniary penalty of €50,000 to €2,000,000 if he engages in these activities professionally or out of habit or he is a recidivist or has acted on behalf of, for the benefit of, or as a member of a criminal or terrorist organisation or group.
- d) An employee of an obliged legal entity or any other person obliged to report suspicious transactions shall be punished with a term of imprisonment up to 2 years if he intentionally fails to report to the competent authorities suspicious or unusual transactions or activities or provides false or misleading data, in breach of the relevant legal, administrative or regulatory provisions and rules, provided that his act is not punishable with heavier criminal sanctions.
- e) Criminal responsibility for the predicate offence shall not exclude the punishment of offenders (the principal and his accomplices) for the offences referred to in

items (a), (b) and (c) of this paragraph, if the circumstances of the ML acts are different from those of the predicate offence.

- f) If the envisaged penalty for the predicate offence is a term of imprisonment up to 5 years, offender shall be punished for the ML offence with a term of imprisonment of at least 1 year (up to 5 years) and a pecuniary penalty of €10,000 to €500,000. The same sanction shall apply to any ML perpetrator who is not an accomplice to the predicate offence if he is a lineal relative of the perpetrator of the predicate offence by blood or affinity, or a collateral relative of up to second degree, or a spouse, adoptive parent or adopted child thereof.
- g) If the perpetrator of the predicate offence was convicted for this offence, imposed on him or a third person of those referred to in the second sentence of item (f) for committing ML of the illicit proceeds generated by the same predicate offence, may not exceed the penalty imposed for the commission of the predicate offence.
- h) The provisions of items f' and g' shall not apply to the circumstances of item c' above and to the predicate offences referred to in case b' of this article.
- i) If the envisaged sanction for the predicate offence is a term of imprisonment up to 5 years and the illegal gains do not exceed €15,000, the penalty for money laundering shall be a term of imprisonment of up to 2 years. If the circumstances referred to in item (c) apply to the perpetrator of the predicate offence or to a third person, the penalty for money laundering shall be a term of imprisonment of at least 2 years and a pecuniary penalty from €30,000 to €500,000.

2. Criminal prosecution and conviction of the perpetrator of the predicate offence shall not be a precondition for prosecuting and convicting someone for money laundering.

3. When the respondent's criminal liability is rejected by the Court, he is acquitted because the act is no longer prosecutable or because the person who suffered damage has obtained satisfaction for the predicate offence (provided that under the law satisfaction may bring about this result), criminal liability shall also be eliminated or the offender shall be acquitted of the relevant ML acts. This provision shall not apply where criminal liability has been eliminated due to prescription.

4. Where this article provides for cumulative custodial sentences and pecuniary penalties, Article 83(e) of the Criminal Code shall not apply.

5. The felonies provided for by Article 2 shall be tried by the Three-Judge Court of Appeal for Felonies<sup>1</sup>.

#### **Article 46**

##### ***Confiscation of assets***

1. Assets derived from a predicate offence or the offences referred to in Article 2 or acquired directly or indirectly out of the proceeds of such offences, or the means that were used or were going to be used for committing these offences shall be seized and, if there is no legal reason for returning them to the owner according to Article 310(2) and the last sentence of Article 373 of the Code of Criminal Procedure, shall be compulsorily confiscated by virtue of the court's sentence. Confiscation shall be imposed even if the assets or means belong to a third person provided that such person was aware of the predicate offence or the offences referred to in Article 2 at the time of their acquisition. The provisions of this paragraph shall also apply in cases of attempts to commit the above offences.

2. Where the assets or proceeds referred to in para. 1 above no longer exist or have not been found or cannot be seized, assets of a value equal to that of the said assets or proceeds as at the time of the court sentence shall be seized and confiscated according to the conditions of para. 1. Their value shall be determined by the court. The court may also impose a pecuniary penalty up to the value of the said assets or proceeds if it rules that there are no additional assets to be confiscated or the existing assets fall short of the value of the said assets or proceeds.

3. Confiscation shall be ordered even where no criminal proceedings have been initiated because of death of the offender or where prosecution was terminated or declared inadmissible. In these cases, confiscation shall be ordered by a decree of the competent judicial council or the court decision terminating prosecution or declaring prosecution inadmissible. If no criminal proceedings have been instituted,

---

<sup>1</sup> Felonies are serious criminal offences punishable by a term of imprisonment of at least 5 years.

confiscation shall be ordered by a decree of the council of misdemeanours<sup>2</sup> court judges having competence *ratione loci*. The provisions of Articles 492 and 504(3) of the Code of Criminal Procedure shall also apply by way of analogy to this case.

4. The provisions of Article 310(2) and the last sentence of Article 373 of the Code of Criminal Procedure shall also apply by way of analogy where confiscation has been ordered against the assets of a third person who was not tried or summoned to the trial.

#### **Article 47**

##### ***Compensation of the State***

1. The State may, on an opinion from the State Legal Council, raise a claim before a civil court against anyone convicted to imprisonment of an offence referred to in Articles 2 and 3 above, in order to receive any other assets acquired by him through another offence referred to in Articles 2 and 3, even if no criminal proceedings were instituted for such offence because of death of the offender or if prosecution was terminated or declared inadmissible.

2. If the assets referred to in paragraph 1 have been transferred to a third person, the convicted person shall be liable to compensation equal to the value of the assets as at the time of the hearing of the action. The above claim may also be raised against a third person who acquired assets without consideration, provided that at the time of acquisition such person was a spouse or lineal relative by blood or a brother/sister or adopted child of the convicted person, as well as against any third person who acquired assets after the institution of criminal proceedings against the convicted person for the above crime, provided that at the time of acquisition he was aware of the initiating of criminal proceedings against the convicted person. The third person and the convicted person shall be severally liable.

#### **Article 48**

##### ***Freezing and prohibition of sale of assets***

---

<sup>2</sup> Misdemeanours are criminal offences punishable by a term of imprisonment from one to five years.

1. During a regular investigation for the offences referred to in Article 2, the investigating judge may, with the consent of the public prosecutor, freeze any accounts, securities or financial products kept at a credit or financial institution, as well as any safe deposit boxes of the accused, including those owned jointly with any other person, provided that there are well-founded suspicions that these accounts, securities, financial products or safe deposit boxes contain money or things derived from the commission of the offences referred to in Article 2. The same shall apply when a predicate offence is investigated and there are well-founded suspicions that the accounts, securities, financial products or safe deposit boxes contain money or things derived from the commission of the above offence or are subject to confiscation according to Article 46 above. In case of a preliminary examination or investigation, freezing of accounts, securities, financial products or safe deposit boxes may be ordered by the judicial council. The order of the investigating judge or the decree of the judicial council shall have the power of a seizure report and shall be issued without prior summoning of the accused or third person. It is not necessary that the order mentions any specific account, security, financial product or safe deposit box and shall be served upon the accused and a management officer of the credit or financial institution referred to in Article 44, paragraph 1 above or to the manager of the branch where the investigating judge or the public prosecutor is based. In case of jointly owned accounts, securities, financial products or safe deposit boxes, it shall also be served upon the third person.

2. The freezing referred to in the preceding paragraph shall apply from the time of service of the order of the investigating judge or the decree of the judicial council upon the credit or financial institution. From this time, the safe deposit box may not be opened and any withdrawal of money from an account or any sale of securities or financial products shall be null and void against the State. Any management officer or employee of the credit or financial institution who intentionally violates the provisions of this paragraph shall be punished with a term imprisonment up to 2 years and a pecuniary penalty.

3. If the conditions of paragraph 1 of this article are met, the investigating judge or the judicial council may prohibit the sale of a specific real estate of the accused. The

order of the investigating judge or the decree or the judicial council shall have the power of a seizure report, shall be issued without prior summoning of the accused and served upon the accused and the competent registrar, who shall make a note in the appropriate books the same day and file the document served upon him. A decision of the Minister of Justice shall specify the details for the implementation of this provision. Any juridical act, mortgage, attachment or other act registered by the mortgage registry after the registration of the above note shall be null and void against the State.

4. The accused, the person suspected of committing the offences referred to in Articles 2 and 3 and the third person shall have the right to demand the revocation of the investigating judge's order or of the judicial council's decree, by an application addressed to the judicial council and filed with the investigating judge or the public prosecutor within 20 days from the service of the order or the decree. The investigating judge may not be a member of the judicial council. The decree of the judicial council may be appealed against by the above persons and the Public Prosecutor of the Misdemeanours' Court (i.e. first-instance criminal court) or of the Court of Appeal before a Board of Appellate Court Judges, which shall decide irrevocably on such appeal. The submission of the application shall not suspend the enforcement of the order or the decree. The order or the decree may be revoked if there is new evidence.

5. Where the Commission conducts an administrative investigation or a criminal preliminary investigation according to Article 7, paragraph 11, the freezing of accounts, securities, financial products or safe deposit boxes or the prohibition of sale or transfer of any other asset may be ordered in emergencies by the Chairman or the member of the Committee supervising the investigation (in the first case) and the Chairman (in the second case), subject to the conditions provided for by paragraphs 1-3 of this article. In both cases, the data concerning such freezing and the case file shall be transmitted to the competent Public Prosecutor by the Chairman of the Commission. This shall not prevent the continuation of the administrative investigation by the Commission. Any person affected by such freezing shall have the rights provided for in paragraph 4 of this article. The Public Prosecutors of the Misdemeanours' Court and the Court of Appeal shall have the

same rights. In the above cases, even after the issuance of an irrevocable decree by the judicial council on the application for lifting such freezing, the Prosecutor may decide that the investigation has not been completed and either return the case file to the Commission or complete the investigation himself.

6. In the cases of paragraphs 4 and 5 of this article, the applicants may only question the fulfilment of the conditions for freezing or prohibition.

7. The provisions of this article shall apply by way of analogy, in addition to credit and financial institutions, also to the other obligated persons referred to in Article 5.

#### **Article 49**

##### ***Enforcement of sanctions imposed by international organisations***

When the freezing of assets belonging to states, legal entities or unincorporated entities and natural persons is imposed by resolutions of the United Nations Security Council and organs or by Regulations and decisions of the European Union for the purpose of combating terrorist financing, the following procedure shall apply after the transposition of the above resolutions or Regulations to Greek law according to the provisions in force:

- a) The above resolutions and Regulations shall be forwarded upon their issuance by the Ministry of Economy and Finance and the Ministry of Foreign Affairs to the Commission referred to in Article 7 above.
- b) The Commission shall promptly inform all credit and financial institutions on the above resolutions and Regulations and shall demand a thorough investigation for the identification of assets of any nature belonging to the aforementioned natural persons and legal entities.
- c) The Commission may also forward the relevant information to other obligated persons referred to in Article 5 above if it considers that they may identify relevant assets.
- d) As soon as the Committee is advised of the existence of any assets, it shall inform the Minister of Economy and Finance (General Directorate for Economic Policy), providing any relevant information.

e) The Minister of Economy and Finance shall issue a decision freezing the assets, accounts and safe deposit boxes belonging to the natural persons and legal entities named in the above resolutions and Regulations, prohibit the provision of financial or investment services to these persons and entities and take any other measure provided for in the above resolutions and Regulations. This decision shall be served upon the above natural persons and legal entities.

f) The natural person or legal entity whose assets have been frozen may attack the relevant decision of the Minister of Economy and Finance before the administrative courts within a time limit of 30 days from the service of the above decision. The provision of Article 48, paragraph 6 above shall apply in this case too.

g) The Minister of Economy and Finance may grant, following a petition by the persons concerned, a special permit to unfreeze or use all or any of the frozen assets, for the reasons and according to the procedure mentioned in the relevant resolutions of the United Nations Security Council or Regulations of the Council of the European Union.

## **Article 50**

### ***Access of the judicial authorities to records and data***

In case of a preliminary judicial examination, investigation or trial for the offences referred to in Articles 2 and 3, the public prosecutor, the investigating judge and the court of law shall have access to the books and records that the obligated persons are required to keep according to the legislation in force and may attach to the case file only extracts from these books or records containing the entries that concern the investigated person. The accuracy of the extracts shall be certified by the legal representative of the obliged legal entity or by the obligated natural person. The public prosecutor, the investigating judge and the court of law shall have the right to control these books and records in order to verify the accuracy of the entries in the extracts or the existence of other entries that concern the aforementioned person. This person may only control the existence of the entries allegedly concerning him.

## **Article 51**

### ***Liability of legal entities***

1. Where any of the offences referred to in Articles 2 and 3 is committed with the purpose of providing a financial benefit to a legal entity and at least one or more



persons who manage or administer its business knew or ought to have known that the benefit derived from such offence, the following sanctions shall cumulatively or alternatively apply, after summoning the responsible persons to provide explanations at least ten days earlier:

a) Where the obligated person is an obliged legal entity or a company listed in a regulated market, a decision of the competent authority referred to in Article 6 above shall impose:

- i) an administrative fine of €30,000 to €3,000,000 increased by the benefit acquired;
- ii) provisional or final withdrawal or suspension of authorisation or prohibition of carrying out its business;
- iii) prohibition of the carrying out of specific business activities or of the establishment of branches or capital increase, for the same time period;
- iv) provisional or temporary exclusion from public benefits, aid, subsidies, award of public works and services, procurements, advertising and tenders of the public sector or of legal entities of the public sector, for the same period.

The administrative fine referred to in (i) above shall always apply, regardless of the imposition of other sanctions.

The Hellenic Capital Market Committee shall be the competent authority to impose the above sanctions on companies listed on a regulated market which are not supervised by other competent authorities referred to in Article 6 above.

b) Regarding non-obliged legal entities, the following sanctions shall be imposed by a joint decision issued by the Minister of Justice and the competent minister:

- i) an administrative fine of €20,000 to €2,000,000, increased by any benefit acquired;
- ii) the sanctions listed in subparagraph (a), items (ii), (iii) and (iv) above.

Competent minister shall be considered the Ministry in charge of a ministry that has the following powers, in priority order:

- to supervise the proper and legitimate operation of the legal entity and to impose sanctions;
- to grant the required authorisation;
- to keep a register in which the deed of incorporation is recorded;
- to keep a professional register in which the legal entity is recorded;
- to finance and provide subsidies or economic aid.

The above powers may be exercised by agencies or other bodies subordinated to, or supervised by, the relevant ministry.

2. Where the persons listed in the preceding paragraph were negligently unaware of the origin of the illegal assets or benefit, the following sanctions shall apply cumulatively or alternatively, under the same conditions:

a) In the case referred to in paragraph 1a above:

- an administrative fine of €10,000 to €1,000,000;
- the sanctions listed in paragraph 1a, items (ii), (iii) and (iv) for a time period of six months.

b) In the case referred to in paragraph 1b above:

- an administrative fine of €5,000 to €500,000;
- the sanctions listed in paragraph 1a, items (ii), (iii) and (iv) for a time period of six months.

3. For the cumulative or alternative imposition of the sanctions listed in the previous paragraphs and determination of these sanctions, the following shall in particular be taken into account: the gravity of the offence; the degree of culpability; the financial condition of the legal person; the amount of illegal gains and the acquired benefit; any recidivism; and the other circumstances.

4. The enforcement of the provisions of the preceding paragraphs shall be independent and shall not affect the civil, disciplinary or criminal liability of the persons who manage or administer the funds or affairs of the legal entities.

5. The sanctions referred to in the preceding paragraphs shall be imposed unless other provisions envisage more severe sanctions against legal entities.

6. The prosecutorial and police authorities, the Special Audits Agency and the Commission shall inform the competent authorities and the Minister of Justice about cases where a legal entity within the meaning of paragraph 1 is implicated in attempts or in the commission of the offences listed in Articles 2 and 3, as well as about any relevant court judgments issued.

## Article 52

### *Administrative sanctions*

1. The competent authorities that supervise obligated legal persons impose on them, when they fail to comply with their obligations under this law, Regulation 1781/2006/EC and the regulatory decisions, cumulatively or alternatively, either the obligation to take concrete corrective measures within a specific time period, or one or more of the following sanctions, after summoning the obligated persons to provide explanations, at least 10 days earlier:

- a) a fine on the corporation of €30,000 to €2,000,000 and, in case of recidivism, of €50,000 to €3,000,000;
- b) a fine of €10,000 to €300,000 on the directors, the managing director, management officers or other employees of the corporation who are responsible for the violations or exercise of insufficient control and supervision of the services, the employees and activities of the corporation; in case of recidivism, a fine of €20,000 to €500,000 shall be imposed;
- c) removal of the directors, the managing director, management officers or other employees for a specific time period and prohibition of assuming other important duties;
- d) prohibition of the corporation from carrying out certain activities, establishing new branches in Greece or abroad or increasing its share capital;
- e) in case of serious and/or repeated violations, final or provisional withdrawal or suspension of authorisation of the corporation for a specific time period or prohibition to carry out its business.

2. The sanctions referred to in paragraph 1a to e above shall be independent from the sanctions listed in Article 51 for the offences referred to in Articles 2 and 3 above. These sanctions shall be justified and publicised provided that their publication is unlikely to cause disproportionate damage to the legal entity on which the sanction is imposed.

3. Every competent authority supervising financial corporations shall specify in its publicised decisions:

- a) the individual obligations of corporations, their officers and employees, either separately or by category;
- b) the degree of importance of each obligation or category of obligations, with indicative reference of possible sanctions in case of non-compliance therewith;
- c) other general or special criteria taken into account by the competent authority in determining and computing the sanctions.

4. Where an obligated natural person breaches its obligations under the provisions of this law and the relevant regulatory decisions, if disciplinary control is exercised according to the provisions in force by a special disciplinary body, the competent authority shall refer the obligated natural person to the said body, transmitting to it all the details of such breach.

5. The sanctions referred to in the previous paragraphs shall be imposed unless other provisions provide for stricter sanctions against their employees and the obligated natural persons.

6. The fines referred to in this and the preceding article that are imposed by the public bodies mentioned therein shall be certified by the relevant authorities and collected according to the provisions of the Code of Collection of Public Revenue.

## **CHAPTER I**

### **Transitional, repealed and other provisions**

#### **Article 53**

##### **Other provisions**

1. *Para.6 of article 187A of the Penal Code shall be replaced as follows:*

*“6. Whoever provides information or materials or receives, collects, provides or manages in any way funds within the meaning of paragraph 1 of Article 1 of Law 3034/2002 (Government Gazette 168A) with the aim of facilitating or supporting the execution of terrorist activities according to paragraphs 1, 3 and 4 either by a*

*criminal organisation or an individual terrorist shall be punished with a sentence of up to ten years”.*

2. Within the Audit Directorate of the General Directorate for Tax Audits of the Ministry of Economy and Finance, a Section E entitled “AML/CTF Supervision and Control Section” shall be established. It shall support and coordinate the actions of the General Directorate for Tax Audits of the Ministry of Economy and Finance as competent authority for the supervision of the obligated persons referred to in Article 5 of this law. The powers of the aforementioned competent authority which concern the control of obligated persons and the imposition of the relevant sanctions according to points (h), (i) and (k) of paragraph 3 of Article 6 shall be exercised by, in addition to Section E (the provisions of this law on the exercise of these powers and the relevant issues in general applying by way of analogy), also the Regional Audit Centres, Inter-regional Audit Centres and the Internal Revenue Offices, which are responsible for the tax audit of obligated persons. Especially for the imposition of the sanctions referred to in point (k) of paragraph 3 of Article 6 by the above auditing services, except for the imposition of fines and corrective measures, the consent of the General Director for Tax Audit shall be required.

This Section shall be headed by an officer of the Tax Officer Branch, holder of a university degree, failing which a technological institution degree, failing which a secondary education graduation diploma.

#### **Article 54**

##### ***Transitional provisions***

1. The regulatory decisions and other administrative acts of the ministers or competent authorities referred to in Article 6 shall remain in force until their amendment or abolition, provided that they do not run contrary to the provisions of this law.

2. Where a legislative or regulatory provision mentions the Committee referred to in Article 7 of Law 2331/1995 or the AML Authority referred to in law 3424/2005, it shall be understood as the AML/CTF Commission referred to in Article 7 of this law.

3. As from the entry into force of this law, the National AML Authority referred to in Article 7 of Law 2331/1995, as replaced by Article 7 of Law 3424/2005, shall be abolished.

### **Article 55**

#### ***Repealed provisions***

1. As from the publication of this law, the following provisions shall be repealed:
- a) the provisions of Articles 1 to 9 (Chapter A') of Law 2331/1995 (Government Gazette 173A);
  - b) the provisions of Articles 1 to 11 of Law 3424/2005 (Government Gazette 305A), except for Article 10 thereof;
  - c) Article 8 of Law 2928/2001 (Government Gazette 141A);
  - d) indent (e) of Article 2 of Law 2331/1995, as added by Article 17 of Law 3472/2006 (Government Gazette 135A);
  - e) paras. 1 and 2 of Article 34 of Law 3556/2007 (Government Gazette 91A);
  - f) every other provision of any law, presidential decree or regulatory decision which runs contrary to the provisions of this law.

### **Article 56**

#### ***Final provisions***

The provisions of this law shall enter into force as from its publication in the Government Gazette.

Athens, 14 July 2008

THE MINISTERS

G. Alogoskoufis

MINISTER OF ECONOMY AND FINANCE

S. Hadzigakis

MINISTER OF JUSTICE