

Greece

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Long-awaited company law revisions

Alkis Psarras
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The most important corporate formation throughout the EU is the joint stock company. The Greek form is the *anonymos etereia* (AE). The basic legislation regulating AEs is the Codified Law 2190 of 1920. The core of this legislation has not materially changed since 1962. There have been sporadic patches, to harmonize the Law with the relevant EU directives, but not a systematic attempt to bring the entire vintage piece of legislation up to date, despite the urgent need to do so.

At last, following long preparations and consultations, the Greek government has adopted a Bill (the AE Bill), which has been enacted by the Greek Parliament in July 2007. The new law (which has not yet been published in the Official Gazette at the time that these lines were written) aims to create an attractive and competitive environment which will facilitate and simplify the formation or transformation of an AE, attract investment and financing, and boost productivity. The AE Bill is part of a general framework of changes which have been implemented or are scheduled to take effect in the near future. Among others, a new law for the operation of a commercial register has been promulgated, and is being implemented, and the adoption of a new codified General Accounting Plan for company accounts is under way.

The new AE Law carries three main characteristics: (i) the reduction of bureaucracy and simplification of procedures, (ii) more options and flexibility for investors, and (iii) the enhancement of certain minority rights, without introducing unnecessary adverse or blocking effects.

The most significant changes introduced by the AE Bill are the following:

Reduction of administrative interventions

Under the new AE Law, no administrative control will be required for companies with paid-up capital of up to €3 million. It will be the responsibility of the founders, shareholders and board of directors of the company (respectively) to see to the substantial and procedural validity of all matters surrounding the incorporation and operation of an AE.

Extensive rights of the administration to intervene by imposing sanctions have been replaced by the right of the shareholders to judicially pursue the correction of eventual irregularities. No special permission will be required for holding a directors' meeting outside Greece.

The Law introduces for the first time the possibility to establish a sole shareholder AE. (Two founders are currently required to incorporate an AE, although the subsequent acquisition of all the shares of an AE by one person is permitted.)

Valuation of contributions in kind by the administration has been restricted and can now be performed by private specialists. However, the control and intervention of the administration will remain in place in the case of mergers and other corporate transformations.

The above provisions are expected to significantly speed up procedures for setting up and administering an AE.

Self-regulation

The shareholders will have ample possibility to regulate their relations, while under the existing framework, this possibility is rather limited. For example:

- It will become practically feasible and simple to issue several classes of shares with different rights per class.
- It will be possible for directors' and shareholders' meetings to be held by teleconference. Limitations regarding the venue are lifted.
- Minutes may be approved by circulation.
- The obligation of issuing share certificates in a material form can be abolished by the Articles of Association (under safeguards).

- Interim distributions of profits or reserves will become possible.
- The right of the company to hold its own stock up to one-tenth of its share capital will be introduced for the first time.
- The level of liability of the members of the board of directors will increase, to the measure of the diligence of a prudent entrepreneur instead of that of a prudent family person.
- The liability of board members will be graded according to their authorities and duties. Non-executive members of the board will not carry liability.
- The limitations on contracts between a company and its board members have been reformed and may apply to other officers of the company as well.
- The squeeze-out of minority shareholders will be introduced (as foreseen in the relevant Articles of Association), as well as the right of the minority to ask that the 95% shareholder acquire their shares (and vice versa).
- Liquidation will become faster and more effective.
- Mergers, de-mergers and spin-offs will be facilitated.
- It will be possible to transfer the AE's administrative licences and permits, thus facilitating mergers and other transformations in regulated industry sectors.

Shareholders' rights will also be enhanced, creating investment incentives for minority participations.

Several of the above matters have haunted the incorporation, transformation and operation of AEs, and reform has been long awaited. Hopefully the new Law will allow investors more room to move and make choices that better serve their interests and business.

Capital markets

Recommended firms
Tier 1
Karatzas & Partners Law Office TJ Koutalidis M&P Bernitsas Law Offices
Tier 2
Dracopoulos & Vassalakis Dryllerakis & Associates Kyriakides Georgopoulos & Daniolos Issaias PI Partners Zepos & Yannopoulos
Tier 3
Elias Paraskevas IKRP Rokas & Partners Lambadarios Law Offices Law Office E Stratigis & Partners Norton Rose Sarantitis Law Firm Tsibanoulis & Partners Vgenopoulos & Partners
Tier 4
Avramopoulos & Partners Law Firm Bahas Gramatidis & Associates Kallimopoulos Loukopoulos Chiotellis Law Firm Kelemenis & Co Moratis Passas

Banking

Recommended firms
Tier 1
Karatzas & Partners Kyriakides Georgopoulos & Daniolos Issaias Law Office TJ Koutalidis M&P Bernitsas Law Offices
Tier 2
Elias Paraskevas Norton Rose PI Partners Lambadarios Law Offices Vgenopoulos & Partners Zepos & Yannopoulos
Tier 3
Calavros & Partners Dracopoulos & Vassalakis Dryllerakis & Associates Gr J Timagenis IKRP Rokas & Partners Kallimopoulos Loukopoulos Chiotellis Law Firm Kelemenis & Co Law Office E Stratigis & Partners Moratis Passas Moussas & Tsibris Roussos & Hatzidimitriou Law Offices Sarantitis Law Firm Theo V Sioufas Law Offices

Mergers and acquisitions

Recommended firms
Tier 1
Karatzas & Partners Kyriakides Georgopoulos & Daniolos Issaias Law Office TJ Koutalidis M&P Bernitsas Law Offices Vgenopoulos & Partners Zepos & Yannopoulos
Tier 2
Dryllerakis & Associates Lambadarios Law Offices Moratis Passas Sarantitis Law Firm Theo V Sioufas Law Offices
Tier 3
Calavros & Partners Cocalis & Psarras Dracopoulos & Vassalakis Elias Paraskevas IKRP Rokas & Partners Kallimopoulos Loukopoulos Chiotellis Law Firm Kelemenis & Co Law Office E Stratigis & Partners PI Partners
Tier 4
Apostolos Georgiades & Associates Avramopoulos & Partners Law Firm Bahas Gramatidis & Associates Moratis Passas Moussas & Tsibris Souriadakis Frangakis & Associates

Project finance

Recommended firms
Tier 1
Karatzas & Partners Kyriakides Georgopoulos & Daniolos Issaias Law Office TJ Koutalidis M&P Bernitsas Law Offices
Tier 2
Dryllerakis & Associates Norton Rose PI Partners Sarantitis Law Firm Vgenopoulos & Partners Zepos & Yannopoulos
Tier 3
Calavros & Partners IKRP Rokas & Partners Kelemenis & Co PI Partners

Foreign direct investment has increased in Greece, and local companies are investing heavily in other parts of southeast Europe and the Balkan peninsula, and law firms are benefiting from this trend.

Shipping forms a large part of the work but energy projects are becoming equally important. Wind farms, especially, seem to be cropping up everywhere, as the weather in Greece makes the country favourable for such projects.

The legal framework for public-private partnerships (PPPs) and other forms of project finance has changed slightly over the years, and the number of projects is set to rise as a result. Motorway projects dominate this field and the Pathe Motorway was one of the biggest infrastructure developments of the past year.

Travel and tourism is another lucrative sector, and most law firms are involved in these matters, particularly in the development of luxury hotels and apartments.

Greek financial and corporate law is dominated by four firms, but the market is such that even small firms have enough work to make the practice lucrative. They are starting to make headway toward the higher tiers, but no one expects the crystallized market to be shattered any time soon.

Avramopoulos & Partners

Avramopoulos is well known for its M&A practice. One of its highlights in the last year was advising Affichage Holding in its acquisition of Alma Atermon, Domisi Wall and Clear Media for €50 million. It also acted for Konica-Minolta in its purchase of Vlachopoulos and was also involved in the sale of Attiki Kerdoos Hermes Securities to Eurobank Securities on behalf of the seller.

Elsewhere, the firm acted for Mitsis Hotels in the purchase of a beach resort in Greece. Two other deals that are worth mentioning are its representation of Win when it bought over Imako Publications and its assistance to Aegis Group in connection with its acquisition of the Censydiam Group.

Leading lawyers

Vassilis Avramopoulos

Dracopoulos & Vassalakis

“It has good hold in the market, and always has a sufficient amount of big deals to boast of,” said a market observer. This couldn’t be truer, as Dracopoulos & Vassalakis had another successful year.

One of the firm’s biggest highlights was acting for National Bank of Greece on the acquisition of P&K Investment Services for

€48.7 million. It also represented the shareholders of Kintec on the sale of its shares to Siemens in August 2006. The firm impressed the market in its assistance to NBG International and National Bank of Greece on the public offer by Crédit Agricole for the acquisition of 100% of Emporiki Bank.

Finally, it advised National Securities on the accelerated bookbuilding transactions involving shares in Halcor, Heracles Cement Company, OTE and Postal Savings Bank.

Leading lawyers

Petros Dracopoulos
George Vassalakis

Elias Paraskevas Attorneys

Elias Paraskevas Attorneys makes its first appearance in our rankings after clients and peers recommended it widely. It advised Royal Bank of Scotland in the refinancing of debt incurred during an acquisition of supermarkets in Greece.

The firm worked for Credit Suisse Asset Management in matters related to the marketing of foreign fund units in the Greek market. One of the firm's fortes is M&A, and its senior partner Dimitris Paraskevas was recommended by both clients and peers and is said to be one of the country's leading M&A lawyers. He and his firm advised a private-equity house in its first investment in Greece, acquiring a telecoms company.

Elias Paraskevas concentrates mainly on international companies and according to the firm only 3% of its clients are domestic. Recently, it was working for York Capital Management in the acquisition of Olympic Airlines and it was also in the midst of lending its services to an Indian technology company on its acquisition of a Greek firm.

Capital markets is also on of its core practices, and it had a fairly active year. It advised Deutsche Bank and Goldman Sachs in matters related to securities and collaterals. It also advised Euroclear on issues like securities deposits with custodian banks and asset segregation.

Leading lawyers

Dimitris Paraskevas

IKRP Rokas & Partners

IKRP Rokas has a strong energy and shipping practice. It acted for Ktistor ATE, a wind farm operator, on its energy ventures. It also assisted Englefield Renewable Energy Fund by advising its subsidiary, Jasper Wind, in relation to the construction of several wind parks in Greece with financing from BNP Paribas.

In M&A it represented Alpha Bank in the sale of its share participation in Alpha Inco and the formation of an assurance agreement with Axa. At the time of writing, it was advising Investec on its acquisition of the shareholdings of BCI, a special-purpose vehicle for several wind parks in Greece. The firm is also well known for its expertise in insurance work. A lawyer said: "It has one of the best insurance-related practices in Greece."

Leading lawyers

Alkistis Christofilou
Ioannis Rokas

Karatzas & Partners

"It is definitely a top tier firm, and rightly ranked by your publication," said one lawyer when asked about Karatzas & Partners. The firm maintains its first-tier position in this edition in four categories.

One of the firm's groundbreaking deals was the sale by Apax Partners and TPG of TIM Hellas to Weather Investments for €500 million along with a €2.9 billion net debt. The transaction has, according to market observers, set a precedent for future private-equity deals as it was one of the most successful private-equity deals in the market and also one of the largest deals in the Greek telecoms market to date.

Another M&A transaction that boosted the firm's credentials was its participation in the sale of the administrator of the telecoms system of the Athens Ring Road to Hellas OnLine. Elsewhere, it advised Groupama in its acquisition of Emporiki Bank for €90 million.

Because of the strength of its deals last year Karatzas & Partners was voted as the Greek law firm of the year at *IFLR's* European Awards in 2007.

In terms of banking, it advised Hypo- und Vereinsbank in a €5.5 million refinancing of Rokas through a bond loan. Its banking and finance practice was also commended by lawyers from rival firms. Lawyer Alexander Metallinos was identified by a competitor as "one of the strongest lawyers in the country".

In capital markets, Alexander Metallinos handled the issuance of subordinated notes to increase Aspis Bank's regulatory capital for Merrill Lynch, the sole book runner and Aspis Bank, the issuer. On the equity side, it advised Aegean Airlines in its initial public offering (IPO) on the Athens Stock Exchange for €148 million.

Karatzas & Partners is in the process of advising Deutsche Bank, Merrill Lynch, and Citibank as joint global co-ordinators and bookrunners in the share capital increase of the Marfin Investment Group. If it is achieved fully, the increase will amount to €5.19 bil-

lion, and is huge not only in a Greek context but even on a worldwide scale.

It also recently advised the Lamda Olympia Village in the refinancing of €280 million by an issuance of a security-backed bond loan. The client is the owner of Mall Athens, one of the biggest shopping centres in Europe.

Highway development is a core area of project finance in Greece, and Karatzas & Partners is without a doubt one of the pioneers in this section. It advised a number of banks as arrangers in the financing of the Korinthos-Tripoli-Kalamata highway. In another similar deal, it acted for three banks as arrangers in the financing of the E65 Highway through central Greece. Lastly, it acted for Hypo- und Vereinsbank in the financing of a 300MW wind park in Kefallonia.

Leading lawyers

Catherine Karatzas
Alexander Metallinos

Kelemenis & Co

Kelemenis & Co is a young practice consisting of 12 lawyers which has shown promise since its inception. It moves into the rankings after recommendations from clients and peers. It acted for Stelov and its Greek subsidiary Youtravel.com in the acquisition of 40% of Stelov's share capital by Barclays Ventures. Another deal that showed its expertise was when it acted for Lion Hellas in its €60 million private placement in Greece.

The firm has a strong insolvency practice, having recently acted in the liquidation of the Standard AEEEX, a Greek investment fund.

The practice impressed the market when it advised Concern Sitronics in its acquisition of 51% of the shares of Intracom Telecom Solutions for €120 million. It was also consulted by Heinz Belgium in its sale of 100% of the shares of Copais to D Nomikos. Furthermore, the firm participated in the acquisition of the Escada retail business, which is owned and operated by licensees in Greece.

The firm was also involved in a few tourism-related transactions. It acted for Fortr in the acquisition of Yaliskari Palace Hotel in the Greek island of Corfu, and of a Seaside Hotel in Crete. Lastly, it advised the Macedonian Ministry of Economy on the country's legislation on PPP and private finance initiative (PFI) projects.

Leading lawyers

Andreas Bagias
Yannis Kelemenis
Ioanna Lazaridou

Kyriakides Georgopoulos & Daniolos Issaias

In 2006 and 2007 Kyriakides Georgopoulos & Daniolos Issaias was again one of the most active firms in the market, and it added a number of associates to boost its practice. Traditionally, banking and M&A are two of its specialities, but it is beginning to become more visible on capital markets and project finance according to rivals.

In banking, the firm advised Bayerische Hypo- und Vereinsbank in a €200 million syndicated loan to Piraeus Bank in September 2006. It was also involved in a syndicated loan to Petzetakis Group where it assisted Credit Suisse, and is acting as counsel to ABN Amro in regulatory matters relating to bank accounts in Greece. Barclay is another of the firm's regular clients – the team has recently assisted it in an investment banking dispute and a few regulatory issues.

Among Kyriakides Georgopoulos & Daniolos Issaias's other work, it assisted Pierre Fabre in the issuance of a non-Ucits employee fund distributing units in Greece, and advised a guarantor in the Euro medium-term note programmes of Coca-Cola Hellenic Bottling Company.

It was very active in takeover bids; in one of them, it advised Group Allatini in a mandatory takeover bid to acquire 100% of Katselis Group. In another, it is in the process of advising the Halcyon & York Fund in a cash-out merger for Regency.

Other clients it has advised on M&A deals in the last couple of years were Boston Scientific Corporation and EDF. Konstantinos Vouterakos received some good feedback from his competitors. "He's a capable lawyer and knows his way out of tricky situations," said one lawyer.

At the time of writing, the firm was involved in the €47.5 million financing of the construction of an electrical and thermal power production plant on behalf of the Commercial Bank of Greece. Another deal that has kept it busy over the last year, and which is still running, is the Heron Project, advising EFG Telesis Finance and Piraeus Bank in the financing for the construction and operation of a 400MW Heron power plant. Lastly, the firm is guiding Alpha Bank in a €14 million financial scheme for the construction of parking spaces in Salonica.

Leading lawyers

Leonidas Georgopoulos
Konstantinos Vouterakos

Lambadarios Law Office

Lambadarios Law Office experienced an active year and has featured on a range of

transactions. It advised EFG Eurobank Ergasias in connection with its €1 billion mortgage securitization. In similar deal, it worked for UBS on the securitization of healthcare receivables in Greece and a potential commercial mortgage-based securitization.

One of the firm's specialties is issuing bond loans. It acted for Chandris Hotels in the issuance of a €40 million bond loan for financing the construction of a hotel in Thessalonica. It also advised Nokos Associates, a private-equity, group in its investment in a Greek internet café franchise.

Capital markets is another of the practice's strengths. It represented Proton Investment Bank in its IPO on the Athens Stock Exchange for €303 million, which was one of the country's few recent listings, advised Aspis Pronoia Insurance Group on its increase of share capital through a public offering for €30 million.

In addition, the six-partner firm advised Prohealth, a subsidiary of Aspis Group, on the establishment of the company in Greece. In project finance, it acted for Proton Investment Bank in its investment and financing of a large-scale windmill project on a Greek island. And in another significant deal, it advised P Pashalides and Sons on a construction of a plant in Bulgaria.

Lambadarios is renowned for its insolvency and restructuring practice, and has represented Dow Chemical on a number of cases lately in the Greek courts. No wonder then that it was retained by Baker & McKenzie of London on the pan-European restructuring of Sony BMG Music Entertainment following the global joint venture of its music business.

A partner from a rival firm praised the firm for its "impressive work". "It is a very good firm, it works on a good variety of transactions, and its lawyers are very versatile," he said.

Lastly, in M&A, it advised Nireus Aquaculture Group on its merger of Ionian Sea Farm for €38 million and Feedus for a value of €30 million. It also assisted Greek Magnesite on its acquisition of a mining site in Turkey along with the establishment of a joint venture with a French consortium. It acted for Klech and Co, a venture capital group, on its bid for Olympic Airways, which is one of the biggest privatization projects in the country at the moment.

Leading lawyers

Maria Fronista
Dimitris Lambadarios
Epaminondas Lambadarios

Law Office TJ Koutalidis

TJ Koutalidis has had another strong year, with a string of significant transactions. Among them, the firm advised a consortium of successful bidders in the Aegean Motorway Project. The deal had a value of €1.15 billion and was closed on June 2007. Another project involving the firm's counsel was the Thessaloniki Submerged Tunnel deal, where it is advising Poseidon Group, a bidding conglomerate. It acted for Endesa Europa in its acquisition of an energy joint venture established with Mytilineos Group for €1.2 billion.

Nikos Koritsas, who is one of the key figures in the firm's M&A department, was praised by a client for his "stellar work". He and rising star Nikos Salakas advised Weather Instruments in its acquisition of two Greek mobile operators – Tim Hellas and Q-Telecom. Deutsche Bank, JPMorgan, Lehman Brothers and Morgan Stanley later came to TJ Koutalidis for counsel relating to the €1.5 billion refinancing of the leveraged buyouts of Tim Hellas and Q-Telecom.

The firm represented shareholders in the acquisition of P&K Securities, a brokerage services company, by the National Bank of Greece for €50 million. The firm's other key deal in this category was the acquisition of Elmec by Laskaridis Group for €85 million.

In July 2007, it acted for Alpha Bank in the issuance of €130 million upper Tier II notes, believed to be a first for a Greek bank. It also advised a group of foreign banks led by Deutsche Bank and Morgan Stanley in EFG Eurobank Ergasias's update of €15 billion programme of Euro medium-term notes.

The firm also received praise from a rival partner: "It has been very visible on the market recently. We have come across them on a number of transactions in the last months."

TJ Koutalidis's banking and capital markets work is very innovative as can be seen by its recent transactions. JPMorgan Chase Bank used the firm's services on a civil law liability which had taken place due to the underwriting of Greek state bonds. It also helped Goldman Sachs on accelerated bookbuilding offerings of shares listed on the Athens Stock Exchange, and assisted Société Générale in the operation of its branch office in Greece. Other key deals include acting for Emporiki Bank in a tender offer made by Crédit Agricole to take control in a state-controlled bank. It advised Intralot in €200 million convertible bonds listed on Luxembourg, which is a rarity for Greek listings.

Leading lawyers

Nikos Koritsas
Tryfon Koutalidis
Nikos Salakas

M&P Bernitsas Law Offices

Peers had no hesitation in recommending M&P Bernitsas Law Offices as one of the country's leading firms. "It is very strong, has always maintained its reputation and high standards," said one lawyer. The firm has grown from strength to strength and performed consistently in another busy year.

The firm has always been well known for its privatizations, but in the last few years it has shown the same amount of expertise in private deals. It acted for Axa in its acquisition of Alpha Insurance, a member of the Alpha Bank Group, and advised Proton Bank in its merger with Omega Bank, followed by the listing of shares on the Athens Stock Exchange. The firm also represented Cosmote, a Greek mobile operator, in its acquisition of Germanos for €1.5 billion.

Despite the lack of activity in this field, project finance has always been on the priority list for the firm and this year was no different. It has been involved in all the six motorway projects and is very strong in this sector. It also advised Alpha Bank in the entire financing of a private hospital in Lamia. Peers pointed out Yannis Kourniotis as a leading specialist in this field. Along with partners Panayotis Bernitsas and Athanasia Tsene, Kourniotis is advising the preferred bidders of the public tender for the operation and maintenance of the Maliakos-Kleidi section of the well known Pathe motorway.

In banking, M&P Bernitsas advised Alpha Bank, Emporiki Bank of Greece, the National Bank of Greece and Piraeus Bank as arrangers, in a €100 million syndicated credit facility agreement with Motor Oil. This was for the financing of an acquisition of shares in Motor Oil Hellas.

Another transaction that won the firm critical acclaim was when it advised Citigroup Global Markets and JPMorgan as arrangers and JPMorgan Europe as a bondholder agent for a €1.5 billion bond loan issued by a Greek telecoms company.

The firm handled the issue of €700 million senior notes due in 2010 by Piraeus Group, and further displayed its capital markets skill when it advised the National Bank of Greece in its €3 billion rights issue, followed by the listing of its new shares on the Athens Stock Exchange.

Lastly, the firm advised Neochimiki in issuance of €100 million convertible bonds due 2014 and also acted for its subsidiary Neochimiki Luxembourg in the releasing of €100 million exchangeable notes due 2014. This was preceded by its listing on the Luxembourg Stock Exchange.

Leading lawyers

Vicky Athanassoglou
Panayotis Bernitsas
Yannis Kourniotis
Nikos Papachristopoulos
Athanasia Tsene

PI Partners

PI Partners had an impressive year and made further inroads into the market. It moves into tier two in the banking and capital markets after positive feedback from peers. A lawyer who has worked with the firm on a few transactions praised its capital markets practice: "It is very good in bonds and securitization, and has a good client list as well," said the lawyer. He also singled out George Bersis, who is the head of the capital markets department, as a standout lawyer.

The firm is in the process of advising Vivartia on the refinancing of its debt with the help of a €200 million bond facility. It also acted for the National Bank of Greece on its €5 billion guaranteed medium-term note facility, after which it advised the same client in its first €1.5 billion drawdown from the previous facility.

Other highlight deals include advising Emporiki Bank and EFG Eurobank in the €52 million Aspis Bank share capital increase. Emporiki Bank acted as the adviser and EFG Eurobank was the underwriter in this transaction.

Lastly, the firm advised the bidders along with a special-purpose vehicle in the leveraged buyout of Notos Com Holdings. The leveraged buyout was handled through a minority squeeze-out and two tender offers; the total value is estimated to be €240 million.

PI Partners hired Vassilios Kalantzis from Dryllerakis & Associates to broaden its project finance practice in May 2007. It represented a Spanish-Greek consortium in connection with the concession for the Ionian Motorway and the Pathe Connecting Branch road project. The firm is also effective on the energy side and is in the process of advising an energy company on the financing of the construction of a 435MW combined-cycle gas power plant.

Finally, the firm displayed its versatility by acting for Piraeus Port Authority in the concession of container terminals. At the time of writing it was advising Enel in its acquisition of a wind farm in Greece.

Leading lawyers

George Bersis
Euripides Ioannou
Evangelia Kounenou
Stathis Potamitis