CHAPTER 21

Greece

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INTRODUCTION

21.1

Greece has implemented anti-money laundering legislation based on European Community law obligations. Greece has also ratified International Conventions relating to money laundering.

LEGAL FRAMEWORK

21.2

The first effort towards the harmonisation of Greek law with European

Community Law, and more particularly with the First Money Laundering Directive, was the introduction of Art 394A[1] in the Criminal Code. This was superseded by Law 2331/1995 'Prevention and suppression of the legalisation of proceeds from criminal activities and other criminal provisions', which repealed Art 396A and which was amended and supplemented by Laws 2479/1997, 2515/1997, 2656/1998, 2803/2000, 2928/2001, 3028/2002, 3064/2002, 3424/2005.

21.3

Law 2331/1995 was replaced in its entirety by the 'Money Laundering Law' (Law 3691/2008). Recently the Money Laundering Law was amended by Law 3932/2011, Law 4042/2012 and Law 4099/2012.

MEANING OF MONEY LAUNDERING

21.4

The Money Laundering Law follows the model of listing the predicate offences which can form the basis of a money laundering offence.[2] Specifically, Art 3 of the Money Laundering Law specifies that the legalisation of proceeds is punishable, when such proceeds are derived from the following criminal activities (crimes and offences):

criminal organisation (Criminal Code, Art 187);

terrorist activities (Criminal Code, Art 187A);

terrorist financing (Criminal Code, Art 187A);

passive bribery (Criminal Code, Art 235);

active bribery (Criminal Code, Art 236);

bribery of a judge (Criminal Code, Art 237);

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[1] The immediately preceding Art 394 refers to the offence of 'accepting proceeds of crime', and, inter alia, sets forth the following: '1. Any one who intentionally conceals, buys, accepts in pledge or otherwise takes in his/her possession an item deriving from a criminal offence, or transfers to another person the possession of such an item (…), shall be sentenced to prison, irrespective of whether the culprit of the offence from which the item was derived is punishable or not (…) 3. The term items derived from a criminal offence shall be deemed to include the price thereof, as well as any objects acquired through such items.'

[2] The same model is followed, among others, by Germany, Spain and Canada. On the contrary, France, Belgium, Sweden, Austria and the United States do not specify, considering instead that money laundering can follow after 'any crime'.

trafficking in human beings (Criminal Code, Art 323A);

computer fraud (Criminal Code, Art 386A);

solicitation to prostitution (Criminal Code, Art 351);

acquisition, sale, disposal, transport, trade in, import, export, manufacture, cultivation, possession of narcotic substances, or organisation and preparation to engage in these acts (Law 3459/2006, arts 20, 21, 22 and 23);

import, export, possession, manufacture, assembly, procurement, transport, concealment, use of firearms or ammunition or explosive materials etc (Law 2168/1993, arts 15 and 17);

theft, embezzlement, acceptance, disposal of archaeological and cultural monuments and works of art, illegal excavation or archaeological exploration, illegal export of cultural assets (Law 3028/2008, arts 53, 54, 55, 61 and 63);

release of radioactive substances (Law 181/1974, art 8);

facilitation of the illegal entry and stay of foreign nationals, illegal possession and use of travel documents (Law 3386/2005, art 87);

fraud against the financial interests of the European Union, preparation and issue of false documents (Law 2803/2000, arts 3, 4 and 6);

bribery of foreign public officials (Law 2658/1998, art 2);

corruption of EU officials or officials of EU Member States (Law 2802/2000, arts 1, 3 and 4);

abuse and manipulation of the market (Law 3340/2005, arts 29 and 30);

tax evasion (Law 2523/1997, arts 17 - 19)

smuggling (Law 2360/2001, arts 155 - 157)

polluting or other crimes against the natural environment that caused danger to the life or welfare of humans (Law 1650/1986, art 28 para 3)

all other criminal acts which are punishable by imprisonment of a minimum term of more than six months, when the perpetration of such an act produced illegal proceeds.

21.5

The following conduct when engaged in intentionally, in relation to proceeds derived from the above criminal activities (Money Laundering Law, Art 2), constitutes a money laundering offence.

(a) the conversion or transfer of property, knowing that such property is derived from criminal activity or from participation in criminal activity,

where this is done for the purpose of concealing or disguising the illicit origin of the property or of assisting any person involved in the carrying on of such activity to evade the legal consequences of his actions;

(b) concealing or disguising in any way the truth in relation to disposition, movement, use or the place where the property was acquired or presently is, 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 utilisation of the financial sector by placing in it or moving through it proceeds from criminal activities for the purpose of lending false legitimacy to such proceeds;

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

SANCTIONS

21.6

Under Art 45 of the Money Laundering Law, persons who have committed money laundering may be punished by a term of imprisonment of up to ten years and, or by a fine of between €20,000 and €1,000,000. Higher penalties are, however, available to the Greek Courts in certain cases. A term of imprisonment of at least 10 years and a fine of between €50,000 and €2,000,000 will be imposed where a person has committed an offence in the course of activities carried on professionally, on a habitual basis, where the person is reoffending or where the person has acted on behalf of, for the benefit of, or as a member of a criminal or terrorist organisation or group.

21.7

Under Art 46 of the Money Laundering Law upon a conviction for a money laundering offence, assets derived from criminal offences 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 the commission of such offences, are seized. If there is no legal reason for returning them to their owner, the seized assets are compulsorily confiscated by virtue of the court's sentence. Confiscation is imposed even if the assets or means belong to a third person, provided that such person was aware of the offence at the time of acquisition. Confiscation may be ordered even where no criminal proceedings have been initiated due to the death of the offender or where a prosecution was terminated or declared inadmissible

21.8

Money laundering offences are punishable under Greek law even if the underlying criminal activity took place abroad, ie outside the jurisdiction of Greek criminal courts.

21.9

In the case of legal entities, Art 51 of the Money Laundering Law specifies that if a legal entity or undertaking acquires a direct profit as a result of any one of the above mentioned criminal acts, and provided one or more of the persons exercising the administration or management of that legal entity or undertaking was aware of the fact that such profit was derived from an illegal act, then the following penalties may be imposed on the entity concerned, either cumulatively or severally:

an administrative fine between €50,000 and €2,000,000;

permanent revocation or temporary suspension of the undertaking's operating licence for a period from one month to two years, or, if the undertaking or legal entity is not required under the law to have such an operating licence, prohibition of the exercise of its business;

permanent or provisional exclusion of the undertaking or legal entity from public grants or subsidies or from participation in public contract award procedures.

REQUIREMENT TO REPORT SUSPICIOUS TRANSACTIONS

21.10

Under the Money Laundering Law the following parties (or their officers) are required to report suspicious transactions:

credit institutions;

financial institutions;

venture capital companies;

companies providing business capital;

chartered accountants, audit firms, independent accountants and private auditors;

tax consultants and tax consulting firms;

real estate agents and related firms;

casino enterprises and casinos operating on ships flying the Greek flag, as well

as public or private sector enterprises, organisations and other bodies that organise and/or conduct gambling and related agencies and agents;

auction houses;

dealers in high-value goods, only to the extent that payments are made in cash in an amount of €15,000 or more, whether the transaction is executed in a single operation or in several operations which appear to be linked;

auctioneers;

pawnbrokers;

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:

- buying and selling of real property or business entities;
- managing of client money, securities or other assets;
- opening or management of bank, savings or securities accounts;
- organisation of contributions necessary for the creation, operation or management of companies;
- 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;

natural or legal persons providing services to companies and trusts (trust and company service providers), 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, that is subject to disclosure requirements in conformity with Community legislation or subject to equivalent international standards;

postal companies, only to the extent that they carry out the activity of intermediaries in the transfer of funds.

21.11

Under Art 26 of the Money Laundering Law, an intentional failure to report suspicious or unusual transactions and the making of a false or misleading report is punishable by a term of imprisonment of two years.

SPECIFIC OBLIGATIONS OF BANKS[3]

21.12

Supervised credit and financial institutions are subject to specific anti-money laundering compliance obligations. These obligations are set out under Arts 13–22 of the Money Laundering Law.

21.13

Under Art 6 of Money Laundering Law the Bank of Greece is the Competent Authority[4] for ensuring that supervised credit and financial institutions[5] comply with the requirements of the Money Laundering Law. The Governor of the Bank of Greece has issued a series of Acts elaborating on the scope of the requirements on credit and financial institutions (notably Acts 2536/2004 and 2577/2006 on the adequacy of Bank Internal Control Procedures).

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[3] The obligations are also applicable to lawyers, notaries, accountants, real estate agents, casinos, trusts and company service providers (see European Commission Reasoned Opinion to Greece for failure to implement the Third Anti-Money Laundering Directive in national law – IP/08/860 5 June 2008).

[4] The Bank of Greece has established a relevant Department for the Supervision of Credit and Financial Institutions, which operates by authority of the Governor of the Bank of Greece.

[5] The Credit and financial institutions are: credit institutions, leasing companies, factoring companies, exchange bureaux, fund transfer intermediaries, credit companies and postal companies (only to the extent they act as fund transfer intermediaries).

21.14

Credit and financial institutions must:

(a) require proof of a customer's identity;

(b) examine with special attention any transaction that, by its nature or in the light of information concerning the customer or his capacity, may be associated with money laundering or terrorist financing;

(c) establish internal control and communication procedures in order to prevent transactions associated with money laundering;

(d) take into account the customer's overall portfolio at group level in order to verify the compatibility of the transaction with such portfolio and also ask copies of the customers' tax returns to make sure that the declared incomes justify the transaction;

(e) ensure that these requirements also apply to their branches and subsidiaries abroad;

(f) take any other appropriate measure, including not carrying out a transaction or terminating a business relationship with a customer, if the statutory identification and verification requirements have not been satisfied or if the customer engages in conduct or behaviour which is not in line with the firm's policies and procedures for addressing money laundering and terrorist financing risks.

21.15

All anti-money laundering procedures are based on the collection, possession and use of adequate information on a customer to verify his identity and evaluate his profile. In this context, credit and financial institutions must develop and apply a policy and procedures for accepting business relationships, in full compliance with the requirements of the Money Laundering Law, and conduct 'customer due diligence'. Customer due diligence implies taking adequate measures to get to know existing and new customers and conducting ongoing monitoring of their transactional behavior. Enhanced customer due diligence policy and procedures must be applied for high-risk customers.

21.16

Specifically:

Credit and financial institutions may not open and keep secret, anonymous and numbered accounts, or accounts in fictitious names, or accounts without the owner's full name according to his identification documents.

Credit and financial institutions must conduct customer due diligence and

require identification of any customer who wishes to enter into any contract and to carry out any transaction amounting to the equivalent of €15,000 or more, whether such transaction is carried out in a single transaction or in several transactions which are effected on the same day or are legally connected. However, the Institutions must be able to detect whether a transaction has been carried out in several transactions.

Credit and financial institutions must require customers to provide identification documents that are difficult to forge or obtain illegally, regardless of the bank account or services concerned. The minimum identification particulars required and the documents verifying them are indicatively as follows:

Natural Persons	
IDENTIFICATION PARTICULARS	*IDENTIFICATION DOCUMENTS*
c Full name and father's name c ID number or passport number c Issuing authority c Customer's signature specimen	c Identity card issued by a police authority c Valid passport
Current address	c Recent utility bill c Lease agreement certified by the IRS c Tax clearance certificate issued by the IRS c Valid stay permit
Occupation and current occupational address	c Employer's certificate c Tax clearance certificate issued by the IRS

	c Copy of the last payroll slip c Self-employment start‑up declaration c Occupational identity card c Certificate issued by a social security fund
Taxpayer's identification number	c Tax clearance certificate issued by the IRS

21.17

Concerning the identification of legal entities, the completeness of their incorporation or establishment documents and the documents empowering or authorising their legal representatives may be certified by the legal departments of credit and financial institutions. The minimum documents are as follows:

Legal Entities	
1.	**Sociétés anonymes and limited liability companies:** The Sociétés Anonymes & Limited Liability Companies Issue of the Government Gazette where a summary of the charter of the société anonyme or limited liability company was published, including: c the name, registered office, object, number of directors (for Sociétés anonymes) and names of administrators (for limited liability companies); c the names and identity particulars of the company's representatives and their powers; c the company registration number by the competent Companies Registry; c Government Gazette Issues in which any amendments to the charter in connection with the above particulars were published; and

	c	the identity particulars of the legal representatives and all persons authorised to operate the company's account.
2.	**Partnerships:** c certified copy of the original partnership agreement that has been filed to the Court of First Instance, including any amendments thereto; and c the identity particulars of the legal representatives and all persons authorised to operate the partnership's account	
3.	**Other legal entities:**	
	c	their establishing documents, certified by a public authority; and
	c	the identity particulars of the legal representatives and all persons authorised to operate the legal entity's account.

21.18

Credit and financial institutions must require customers acting on behalf of another natural person, to provide identification of the other natural person for whom they act, in addition to providing information identifying themselves. The information relating to the person on whose behalf they act can be provided either by following the procedure referred to above or by presenting a power of attorney certified by a public authority. If this is not possible, the transaction must not be carried out.

21.19

Credit and financial institutions must have in place risk-based policies and procedures for customers and/or transactions. Such policies must include classifying customers into at least three risk grades ((i) low risk; (ii) normal risk; and (iii) high risk) reflecting the possible causes of risk. The classification must be accompanied by the corresponding customer due diligence measures, ongoing monitoring and audits, which are diversified by customer and/or transaction category, so that the institution may decide whether or not to terminate the business relationship.

21.20

Credit and financial institutions must have adequate IT systems and effective procedures for the ongoing monitoring of accounts and transactions,

in order to detect, monitor and assess high-risk transactions and customers. Further indicative measures for implementing a risk management system include:

Assessment of the risks facing the institution concerned (transactions structure, review of basic clientele, regions of activity, procedures, distribution networks and organisation).

Recording and identification of customer-, product- and transaction-specific risks, using the expertise and techniques applied in the banking sector.

Development, through electronic data processing, of adequate parameters based on the results of the institution's risk analysis.

Review and further development of preventive measures, taking into account the result of risk analysis.

21.21

The fundamental high-risk categories for which credit and financial institutions must conduct enhanced customer due diligence, include:

(a) **Non-resident's accounts:** customers having their usual residence abroad are subject to the same information requirements and identity verification procedures as those who live permanently in Greece. In addition, when there is any doubt concerning the identity of a person (in relation to a passport, identity card or address particulars), the institutions must seek verification by the embassy or consulate of the issuing country in Greece, or by a professional subject to reporting requirements under EU legislation, or by reliable financial institutions in the customer's country of origin, or through the internet etc.

(b) **Accounts of politically exposed persons from third countries:** enhanced customers due diligence procedures apply to politically exposed persons residing in third countries, especially countries that are widely known as high-corruption countries having anti-money laundering laws and regulations that do not meet internationally acceptable standards. Politically exposed persons are natural persons that are or have been entrusted with a prominent public function,[6] as well as their immediate family members[7] or the persons known to

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[6] Notably: heads of state, heads of government, ministers, assistant ministers, members of parliaments, members of supreme courts or other high-level judicial bodies whose decisions are not subject to further appeal, members of courts of auditors or of the boards of central banks, ambassadors, chargés d'affaires, high-ranking officers in the armed forces, members of the administrative, management or supervisory bodies of state-owned enterprises.

[7] Spouses, any partner considered by national law as equivalent to the spouse, children and their spouses or partners, and parents.

be their close associates.[8]

(c) Accounts of companies with bearer shares:[9] credit and financial institutions opening accounts for companies with bearer shares must, before opening the account, verify the identity and financial condition of the owners and the beneficial owners[10] of the company on the basis of reliable and independent sources and/or by visiting the company's offices. The institutions must compare regularly the expected with the actual transactions through the account and scrutinise any significant divergences. If there is a change in the actual beneficial owners, the Institution considers whether or not to maintain the account.

(d) Accounts of offshore companies and special purpose vehicles: where the customer is a company that has no commercial or productive activity in the place of its establishment (such as an offshore company, a special purpose vehicle etc), the credit and financial institutions must conduct enhanced customer due diligence. If the customer who requests the opening of an account is a company the beneficial owner of which is another company in Greece or abroad, the institutions, before opening the account, verify the identity of the natural persons who are the beneficial owners of and/or control the other company. If the data collected are not enough to certify and verify the identity of the natural persons that control the company, no accounts are opened nor are any transactions carried out.

(e) Accounts of non-profit organisations: with respect to accounts of non-profit organisations, credit and financial institutions must verify the legitimacy of their objects, requiring the submission of a certified copy of their establishing deed (charter etc), their certificate of incorporation, the certificate of registration and the number of their registration with the competent public authority.

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[8] 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 politically exposed person. Also any person who has sole beneficial ownership of a legal entity or legal arrangement which is known to have been set for the benefit de facto of a politically exposed person.

[9] Simplified customer due diligence may be applied even when the company requesting the opening of an account has bearer shares, provided that one of the following conditions are met: (i) the customer is a listed company whose shares are traded into a regulated market; or (ii) the company operates as a collective investment undertaking established in a country with an adequate regulatory and supervisory framework for such undertakings; or (iii) the customer is a credit institution situated in the EU or a third country which imposes requirements equivalent to those imposed in the EU and supervised for compliance with these requirements; or (iv) the shares or the company itself are controlled by the government or a government organisation.

[10] Beneficial owner means the natural person(s) who ultimately control(s) a legal entity through direct or indirect ownership or control over a sufficient percentage of the shares or voting rights in that legal entity (25% plus is sufficient to meet this criterion), as well as those who otherwise exercise control over the management of a legal entity.

(f) **Portfolio Management Accounts of important clients:** credit and financial institutions in the case of portfolio management accounts of significant clients (as identified by the institution's own criteria) must verify the identity of all their beneficial owners, verify whether the owner of the account is a politically exposed person, establish the source of funds and the expected use of the account, and examine whether the operation of the account is consistent with its purpose and report any suspicious activity.

(g) **Non-face to face transactions:** credit and financial institutions that provide their customers the possibility of carrying out non-face to face transactions, notably at the point of opening accounts (phone banking, e-banking etc.) must adopt adequate procedures to ensure their compliance with the requirements of the law, in relation to the identification procedures, where required. The same requirements apply to companies or organisations that request the opening of an account by mail or through the internet.

(h) **Cross-border correspondent banking relationships with respondent institutions from third countries:** credit and financial institutions must gather sufficient information about the respondent to fully understand the nature of the respondent's business and to determine from publicly available information the reputation of the institution and the quality of supervision, including information about its ownership, address and regions of activity. They must also assess the respondent institution anti-money laundering controls and document the respective responsibilities of each institution in relation to customer due diligence measures. With respect to payable-through accounts, it must be satisfied that the respondent credit institution has verified the identity of its customers, it has performed ongoing monitoring of the customers having direct access to accounts of the correspondent and that it is able to provide relevant customer due diligence data upon request. Credit and financial institutions are allowed to open correspondent accounts and act as correspondents for Institutions operating in non-EU countries under the condition that the bank that requests the opening of a corresponding account is physically present with a fully staffed office in the country of incorporation, from which it provides real banking services, ie the applying bank is not a shell bank.[11]

(i) **Countries which do not adequately implement the FATF recommendations:** credit and financial institutions must examine with special attention transactions, and conduct ongoing monitoring of business relationships and transactions with, natural persons or legal entities from

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[11] According to the 40 Recommendations of FATF (22.10.2004) 'Shell bank means a bank incorporated in a jurisdiction in which it has no physical presence and which is unaffiliated with a regulated financial group'.

non-cooperative countries. Institutions must assess the anti-money laundering risk of the customer's country of origin. The FATF, European Union and European Economic Area countries are considered of equivalent status to Greece.

21.22

Credit and financial institutions must keep records (either the original hard copy records or records kept in other forms, for example in electronic form) of the contracts and transactions (including the establishing documents of legal entities and the documents empowering their legal representatives, photocopies of identification documents, account files etc) for a period of at least five years after the business relationship with their customer has ended or the last transaction has been executed, unless they are required by law to keep such records for a longer time period. In any case, Institutions must ensure that they can provide the following information: the identity of the owners and beneficial owners of the account, the identity of the persons authorised to operate the account, data on the transactions through the account, associated accounts, the source of funds, the currency and amount of each transaction, the manner of deposit or withdrawal of funds (cash, cheques, wire transfer, etc), the identity of the person who carried out the transaction, the destination of funds, the nature of the instructions and authorisation given and the type and number of the account involved in the transaction. Data and documentation relating to ongoing investigations must be kept until the National Authority confirms that the investigation has been completed and the case has been closed.

ANTI-MONEY LAUNDERING, COUNTER-TERRORIST FINANCING AND SOURCE OF FUNDS INVESTIGATION AUTHORITY

21.23

Article 7 of the Money Laundering Law provides for an Independent Administrative Authority entitled "Anti-Money Laundering, Counter-Terrorist Financing and Source of Funds Investigation Authority" (hereinafter referred to as the "Authority").

The Authority is comprised of three independent Units, with separate responsibilities, staff and infrastructure, all of them reporting to the President, a senior acting Public Prosecutor appointed by decision of the Supreme Judicial Council. The Units and their responsibilities are as follows:

1 The Financial Intelligence Unit (FIU)

i. The FIU is comprised of seven (7) Board Members, one from each of the following authorities: Financial Crime Investigation Office, General Directorate of Economic Policy of the Ministry of Finance, Ministry of Justice, Transparency & Human Rights, Bank of Greece, Hellenic Capital Market Committee, Hellenic Police Headquarters, and Hellenic Coast Guard Headquarters.

ii. The FIU's staff collects, investigates and evaluates suspicious transaction reports filed with the FIU by natural persons required by law to disclose the origin of their assets and property, as well as information transmitted to the Authority by other public or private agencies or brought to the Authority's attention through the mass media, the internet or any other source, concerning business or professional transactions or activities potentially linked to money laundering or terrorist financing.

iii. After the completion of the investigation, the FIU decides whether to archive the case or to refer it, together with a reasoned findings report, to the competent Public Prosecutor, provided that the data collected are deemed sufficient for such referral. An archived case may be revived at any time in order for the investigation to be resumed or for the case to be correlated with any other investigation of the Authority.

2 The Financial Sanctions Unit (FSU)

i. The FSU comprises of two (2) Board Members, namely one from the Hellenic Police Headquarters and one from the Ministry of Foreign Affairs.

ii. The Unit's staff collects and evaluates any information forwarded to it by the police and prosecutorial authorities, or coming to the Authority's attention in any other way, concerning the commission of offences related to terrorist activities. The FSU is responsible for taking all necessary actions in respect of the freezing of assets imposed by the United Nations Security Council Resolutions, and EU Regulations and Decisions. The Unit is also responsible for designating natural or legal persons as related to terrorism or terrorist financing and freezing their assets.

3 The Source of Funds Investigation Unit (SFIU)

i. The SFIU comprises of two (2) Board Members, one from the General Secretariat of Information Systems of the Ministry of Finance and one from the Bank of Greece.

ii. The SFIU receives the source of funds declarations of natural persons required by law to disclose the origin of their assets and property. Moreover, it investigates and evaluates information transmitted to it or otherwise sent to the Authority concerning failure to disclose or making false or inaccurate declarations by obligated persons, by conducting sampling or targeted audits of obligated persons' statements at its discretion. In addition to verifying the submission and the accuracy of returns, such audit shall also include, in any event, verifying whether any acquisition of new assets or expenditure to increase the value of existing ones can be justified by the accumulated income of obligated persons net of their living and similar expenses. The SFIU can summon the persons under audit to provide clarifications or to submit additional evidence within a specific time limit.

iii. After the completion of an investigation, the Unit decides whether to archive the case or to refer it, together with a reasoned findings report, to the competent Public Prosecutor, provided that the data collected are deemed sufficient for such referral. If any pecuniary penalty should be assessed against the obligated person, the findings report is also transmitted to the General Commissioner of State at the Court of Auditors. If it is necessary to investigate matters falling within the scope of a tax or other authority, the findings report is also transmitted to such authority. An archived case may be revived at any time in order for the investigation to be resumed or for the case to be correlated with any other investigation of the Authority.

21.24

Per the Money Laundering Law the competent Greek authorities for the implementation of anti-money laundering legislation, including the Bank of Greece, the Hellenic Capital Market Commission, the Hellenic Gaming Commission and the Tax Audit Department of the Ministry of Finance, have an obligation to promptly and fully cooperate with:

(i) the European Supervisory Authority (European Banking Authority) established by Regulation (EU) No 1093/2010 of the European Parliament and

of the Council of 24 November 2010;

(ii) the European Supervisory Authority (European Insurance and Occupational Pensions Authority) established by Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010; and

(iii) the European Supervisory Authority (European Securities and Markets Authority) established by Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010.

FREEZING OF BANK ACCOUNTS AND PROHIBITION OF SALE OF REAL PROPERTY

21.25

Article 48 of the Money Laundering Law provides that in the course of an ordinary investigation[12] of a possible instance of money laundering, the investigating magistrate may, with the public prosecutor's consent, prohibit the operation of the defendant's accounts in a credit or financial institution and the opening of the defendant's safe deposit boxes of any kind, even when these are jointly held with any other person, if there is reasonable suspicion that these accounts or safe deposit boxes contain money or items which are the product of money laundering. The same position applies in respect of an investigation into criminal activity, and there is reasonable suspicion that the accounts or safe deposit boxes in question contain money or items which are subject to confiscation. In the case of a preliminary investigation,[13] the judicial council may order the freezing of the accounts or the prohibition of opening of safe deposit boxes. The investigating magistrate's order or judicial council's decree serves as a confiscation report, is issued without previous notice to the defendant or any third party, will not have to mention a specific account or safe deposit box, and is served on the defendant and the officer of the credit or financial institution or the relevant branch manager of the place of the investigating magistrate's or public prosecutor's seat. In the case of a joint account or a jointly held safe deposit box, the order or decree is also served on the third party involved.

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[12] The investigation procedure which is initiated following the institution of criminal proceedings by the public prosecutor.

[13] The preliminary procedure which takes place in order for the public prosecutor to decide whether he/she is going to institute criminal proceedings or not.

21.26

The effect of a prohibition commences as of the time of service of the investigating magistrate's order or judicial council's decree on the credit or financial institution. As of that time, the opening of the safe deposit box is prohibited and any disbursement of money from the account is null and void vis-à-vis the State. Any officer or employee of a credit or financial institution, who intentionally violates such a prohibition, may be sentenced to up to two years of imprisonment as well as imposed with a financial fine.

21.27

Under the same prerequisites, an investigating magistrate or judicial council may order the prohibition of the sale of a specific real property belonging to the defendant. The investigating magistrate's order or judicial council's decree serves as a confiscation report, is issued without previous notice to the defendant and is served on the defendant and the competent land registrar, who is required to enter a note in this connection in the relevant register and file the document served on him. Any transaction, mortgaging, seizing or other act entered in the relevant land register after such note, shall not be taken into account for the purposes of the seizing and confiscation of the real property in question.

21.28

Where the FIU conducts an investigation, in emergencies, the President of the Authority may order the freezing of accounts, securities, financial products or safe deposit boxes, or the prohibition of sale or transfer of any asset, subject to the same terms and conditions mentioned above. The data concerning such freezing and the case file immediately transmitted to the competent Public Prosecutor; this does not prevent the continuation of the investigation by the Authority.

21.29

The defendant and any third party that has legitimate interest in the case has the right to demand the revocation of the investigating judge's order or of the judicial council's indictment, by an application addressed to the competent judicial council and filed with the investigating judge or the public prosecutor within 20 days from service of the order or indictment. The submission of such application does not suspend the enforcement of the order or indictment. The order or indictment may also be revoked *ex officio* if new evidence surfaces.