

Corporate Governance Developments in Greece

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1. Background

The following presentation examines the Corporate Governance rules for listed companies according to Greek Law. Corporate Governance is regulated in Greece by both corporate law and capital market regulation.

Considering the fact that – at the time being – all companies listed in the Athens Exchange, apart from just one, are Greek Sociétés Anonymes, one can conceive the importance of the dimension of company law for the notion of Corporate Governance in Greece.

The strong debate on “Corporate Governance” which has re-emerged on an international level from the perspective of reinforcing capital markets and investor protection over approximately the last 10 years has had a great impact also in Greece.

In October 1999 the Committee on Corporate Governance, under the auspices of the Greek Capital Market Commission, publicised a White Paper titled “Principles on Corporate Governance in Greece: Recommendations for its Competitive Transformations”.

The methodology for the promotion of the Corporate Governance principles had been the subject of wide discussions and disputes in Greece especially during the period 1999-2002.

The first issue that had arisen was the following: How is the management of a listed company to be efficiently controlled so that the risks of arbitrary conduct are avoided? Through capital market legislation, company law or both? The second major issue

was: How should the rules of Corporate Governance be instituted, through *jus cogens* rules or through soft-law and self-regulation such as Codes of Best Practice?

At this point please note that

- a) Greek Law belongs in the category of Civil Law,
- b) Greek Corporate Law is mainly influenced by French and German standards and
- c) according to Greek Company Law both the management and the supervision are exercised by a single corporate body, the Managing Board of Directors, which has a twofold role: management and supervision (monistic system / one-tier board structure, as opposed to the so-called dual or two-tier system, with managing directors and supervisory directors).
- d) the liquidity of the Athens Exchange is limited to a small percentage of all listed companies and
- e) equity ownership in the majority of listed companies is concentrated on a small number of people, mostly members of the same family.

2. Greek Legislation on Corporate Governance

After the opening of the contemporary discussion on Corporate Governance, the first regulatory intervention in Greece took place in November 2000, when the Hellenic Capital Market Commission issued the prescriptive Decision No. 5/204/2000 which set forth the business conduct rules for the companies whose shares were listed in the Athens Exchange as well as their associated firms in order to promote corporate transparency, protect investors interests against corporate mismanagement and enhance the investors' confidence in the Athens Exchange.

Among the provisions of the particular Decision¹ I indicate mainly those

¹ According to the General Principles of the particular Decision, set out in Article 2, each listed company shall ensure that:

- a) It shall publicise in due time all information or events relating to its activities, which are not accessible to the public and which are capable of causing severe variation to the value/price of its shares, due to the consequences that they could have on the financial or property standing of such company.
- b) The above events or information shall be kept confidential until they are made public.
- c) The use of methods and practices of publicity going against the credibility and the integrity of the transferable securities' market shall be avoided.

- 1) Specifying the obligations of listed companies to disclose important corporate events to investors,
- 2) imposing to the companies obligations of disclosure or pre-announcement of transactions over shares realised by qualified shareholders of the listed company or the Members of its Board of Directors
- 3) imposing to listed companies the obligation to issue and publish an Annual Prospectus, in order to provide investors with regular and sufficient information with respect to the companies' activities.

In case of breach of the rules of the above Decision, (the Hellenic Capital Market Commission) HCMC is entitled to impose a fine of up to (approximately) 147.000 EURO.

Finally, in the spring of 2002 the Hellenic Parliament enacted Law 3016/2002 on Corporate Governance (see *Annex*). Through the said law, rules were set which had as an objective

- a) matters relating to the structure and obligations of the Board of Directors,
- b) matters concerning the company's internal control mechanisms and
- c) transparency and reporting on matters of use of capital raised by the listed companies through capital increase.

The basic rules that Law 3016/2002 brought about are the following:

- 1) The law clearly took a position in favour of the principle of maximisation of shareholder value: it has introduced a general provision according to which “*the essential obligation and duty of the Members of the Board of Directors of the listed companies is the continuous solicitation of the enhancement of the lasting economic value of the company and the protection of the general interest of the company*”. Further, the law explicitly provides that the Members of the Board of Directors and any other third person, to which the Board of Directors has appointed certain powers, are prohibited from soliciting their own interests conflicting with the interests of the

d) It shall have the set-up, structures and internal operation mechanisms which are necessary for best serving its shareholders' interests but also the investors in general.

Company, imposing on them the obligation of disclosure of such conflicting interests, should they arise.

2) At least 1/3 of the Members of the Board of Directors of the listed companies must be non-executive, among which at least 2 must be independent. According to article 4 of Law 3016/2002, independent are those persons holding company shares of a percentage less than 0,5% of the share capital or have no dependence relations with the company or with persons associated to it. Executive members are concerned with the daily administration of the Company, while non-executives devise strategies for the entirety of corporate matters, in which supervisory issues are also subsumed. The determination of a Member's capacity as either executive or non-executive is conducted by the Board of Directors, while the determination as to independence is conducted by the General Assembly.

3) Listed companies are obliged to have an Internal Mechanism Regulation, drafted upon a decision of their Board of Directors, which must encompass at least the issues referred to in article 6 of the law.

4) Listed companies are obliged to have an Internal Control Body the minimum powers of which are stated in article 8 of the law.

5) Finally in case of share capital increase of listed companies in cash, the Board of Directors shall submit a report to the General Assembly, which shall include the general directions of the investment plan of the company, an indicative time schedule for the realisation of such plan and a statement including the effectuated use of the capital drawn at the previous share capital increase, in case that less than 3 years have passed since the last share capital increase. Considerable deviations from the use of the drawn capital as described in the company's Prospectus are only permitted upon a relevant decision of the Board of Directors by a majority vote of $\frac{3}{4}$ of its Members and an approval of the decision by the General Assembly.

In case of breach of the rules set forth in the above law, the Hellenic Capital Market Commission ('HCMC') is entitled to impose a fine of (approximately) 587.000 EURO maximum.

These legislative measures in Greece do not leave much space for self-regulation through Codes of Good or Best Practices on Corporate Governance, introduced by the Athens Exchange or the companies themselves.

3. Evaluation and Perspectives

What are the conclusions in terms of the efficacy of Corporate Governance in Greece? Which problems arise from the application of the standing framework and which is its future? The latter question is posed imperatively in view of three Directives of the European Commission which shall force the Greek legislator to re-examine the current regulatory framework, and, actually, in many instances, to review existing provisions. These Directives are:

- a) Directive 2004/39 on markets in financial instruments²;
- b) the Transparency Directive³; and
- c) the Prospectus Directive⁴.

This is not the place to analyse or describe the Corporate Governance Greek rules which have to be revised in order for them to comply with the mentioned EU-Directives. I would however like to point out certain sources of problems which limit the effectiveness of the particular rules.

Despite the interaction and interdependence between the rules of traditional company law and the rules of law of the capital market on the listed companies, the existence of two different authorities competent to supervise the Greek sociétés anonymes, for issues of standard company law on the one hand, and of capital market on the other, fragmentises the supervisory system and constitutes a factor which does not promote

² Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC.

³ Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC.

⁴ Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC.

the effectiveness of Corporate Governance in Greece. It is characteristic that according to the majority opinion in Greece, in case of breach by the listed companies of company law provisions concerning, inter alia,

- the protection of minority shareholders' rights,
- conflict of interest rules between directors and the company,
- the accounting of the company's financial results and reviews and the rules of accounting management

the HCMC has no power to intervene, notwithstanding its considerable supervisory and regulatory powers; instead the matter is referred to the relevant Department of the Ministry of Development, which however is not legally empowered to impose efficient sanctions, suitable to listed companies.

The current Greek institutional legal framework on Corporate Governance reflects the standing of the Greek regulated market, i.e. the Athens Exchange, in which the strong majority of listed companies are Greek Sociétés Anonymes. From the perspective of European Law, the said legislation will face practical problems in terms of equal treatment at least when foreign companies' securities will be admitted to trading in the Athens Exchange, should it be accepted that Greek Law 3016/2002 is not applicable to foreign companies, but only to Greek Sociétés Anonymes listed to any Greek regulated market. If, on the other hand, it is considered that Law 3016/2002 applies to all companies with securities listed in the Athens Exchange⁵, the incompatibility of the said law with the company law systems of the origin countries of the companies could arise, e.g. in case of company law providing for two-tier system.

Thus, we now touch upon the EU law dimension of the topic in discussion. The integration of capital markets in the EU requires equivalent corporate governance frameworks for both listed companies and investors: listed companies want a more coherent, dynamic and responsive European legislative framework⁶, in order to be able to be listed in several regulated markets. Investors must have confidence that the

⁵ Z. Giotaki, in: Mouzoulas, Law 3016/2002 on Corporate Governance, 2003, Art. 1, p. 26-27.

⁶ Communication from the Commission to the Council and the European Parliament, Modernising Company Law and Enhancing Corporate Governance in the European Union – A Plan to Move Forward, COM (2003) 284, p. 7.

company they invest in has equivalent corporate governance frameworks, in order to be far more active in all EU capital markets without disproportionately large transaction costs.

Crucial differences in Member States' company law, strongly influencing Corporate Governance effectiveness and transparency of regulated markets do not promote the integrity of the European Single Market. Such differentiations, which give way to forum shopping considerations or emerge as competitiveness elements between European regulated markets, should be avoided.

All that I have mentioned should give an explanation as to the reasons why the European Commission has set the policy objectives to a) strengthening shareholders' rights and third parties' protection and b) fostering efficiency and competitiveness of business⁷ and the reasons why it has included important proposals on Corporate Governance matters⁸ among the actions which appear necessary for the harmonisation of Company Law.

When the Greek legislator shall review – as he will be obliged to – the rules of Corporate Governance and shall incorporate secondary community law into Greek law, he will have to take into consideration the globalisation of capital markets and the rapid development of information technologies.

Under the increasing pressure to adapt to the ever-changing investment activity standards, the Greek legislator must proceed with the mitigation of certain mandatory rules, allowing for wider margins of self-regulation, but ensuring at the same time the performance of the “comply or explain” obligation for Corporate Governance structures and practices which the market shall adopt. In other words, the change in the institutional framework will have to enhance the key input for codes of Corporate

⁷ Communication, no 6 above, p. 8-9.

⁸ “In view of the growing integration of European capital markets, a common approach should be adopted at EU level with respect to a few essential rules and adequate co-ordination of corporate governance codes should be ensured”, Communication, no 6 above, p. 12.

Governance from the markets and their participants⁹. Codes have proven beneficial in several ways:

- they stimulate public discussion of Corporate Governance issues;
- they encourage companies to adopt widely-accepted corporate governance standards;
- they explain to investors the rules of law as well as the self-regulated practices concerning Corporate Governance;
- they can be used as standards to evaluate the supervisory and management bodies; and
- they can help prepare the ground for changes in securities regulation and company law, where such changes are deemed necessary.

Thus it is advisable that through the implementation of soft, reflexive law and proceduralisation mechanisms the Greek legislator should encourage regulated markets and listed companies to adapt themselves to the requirements of the investors. In parallel, the Greek legislator should be on the lookout for new developments, focusing on the dynamic of international capital markets. It would be proper for the legislator to allow for a wider margin of choices to listed companies so that they find on their own – depending on their size, the market segment in which they are listed and other characteristics – a proper balance between investor protection and efficient operation of the company, taking into consideration the company's operational cost. Investors will be in the position to make their own evaluation.

One could conclude that in terms of Greek law, only a few aspects of Corporate Governance rules are in need of enhancement. It is rather more important for Greek law to ensure that the existing rules are properly implemented and enforced.

⁹ Report of the High Level Group of Company Law Experts on a Modern Regulatory Framework for Company Law in Europe, Brussels, 4 November 2002, p. 77.

ANNEX**LAW 3016/2002 ON CORPORATE GOVERNANCE****CHAPTER A'****SPECIAL ISSUES OF MANAGEMENT AND OPERATION OF SOCIETES ANONYMES WHICH HAVE THEIR SHARES OR OTHER TRANSFERABLE SECURITIES LISTED IN A REGULATED STOCK MARKET IN GREECE****Article 1****FIELD OF APPLICATION**

The provisions of the present chapter are applied in sociétés anonymes which are in the course of listing or have their shares or other transferable securities listed in a regulated stock market. The provisions of Law 2190/1920, as in force, are applicable upon the condition that they do not conflict with the provisions of the present law.

A. BOARD OF DIRECTORS**Article 2****OBLIGATIONS- DUTIES**

1. The principle obligation and duty of the members of the Board of Directors (BoD) of each company which is listed in a regulated stock market is the continuous pursuit of the enhancement of the lasting economic value of the company and the protection of the general interest of the company.
2. The members of the Board of Directors and any third party to which the BoD has assigned powers, are prohibited from seeking own interests which conflict with the company's interests.
3. The members of the Board of Directors and any third party to which powers have been assigned, shall disclose in due course to the other members of the Board of Directors any own interests, which are likely to arise from transactions of the company falling within their competence, as well as any other conflict of their own interests with the interests of the company or any associated firms of it in terms of article 42 e par. 5 of Law 2190/1920, which shall arise during the exercise of their duties.

4. Each year, the Board of Directors shall draft a report which shall include in detail all transactions that the company has entered into with its associated firms of article 42e par. 5 of Law 2190/1920. The particular report shall be notified to the supervising authorities.

Article 3

MEMBERS OF THE BOARD OF DIRECTORS

1. The Board of Directors shall be exclusively comprised of executive and non-executive members. Executive members are considered those who are involved in every day issues of the company's management, whereas non-executive are those members who are in charge of the promotion of all issues concerning the company. The number of non-executive members of the Board of Directors must not be smaller than the 1/3 of the total number of the members of the Board of Directors. In the case of a fraction, the next whole number shall be applicable. At least two of the non-executive members, must be independent according to article 4 of the present law. In case where representatives of the minor shareholders are explicitly appointed in the Board of Directors and participate therein as members, the participation of independent members shall not be obligatory. The capacity of the members of the Board of Directors as executive or non-executive members is designated by the Board of Directors. The independent members are appointed by the General Assembly. Where the Board of Directors elects a temporary member to replace an independent member which has resigned passed away or for any other reason been removed, until the next General Assembly, the member who has been elected shall also be independent.

2. Matters relating to any kind of remuneration payable to the executive managers of the company, its internal auditors and the company's general remuneration policy are decided by the Board of Directors.

Article 4

INDEPENDENT NON-EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS

1. Independent non-executive members of the Board of Directors shall not possess, during the execution of their duties as members of the Board of Directors, shares at a percentage higher than 0,5% of the paid up share capital of the company and they shall not have any dependence relationship with the company or with any of its

associated persons. A dependence relationship exists where a member of the Board of Directors:

- a. maintains a business or other professional relationship with the company or any of its associated firms within the meaning of article 42 e par. 5 of Law 2190/1920*, which relationship as of its nature influences the business activity of the company, where in particular the member is an important supplier or client of the company;
- b. is the president of the Board of Directors or executive officer of the company, or where the member has the above capacity or is an executive member of the Board of Directors in a firm associated with the company according to article 42e par. 5 of Law 2190/2190 or maintains a relationship of dependent employment or paid mandate with the company or any of its associated firms;
- c. is related up to a second degree with or is the spouse of an executive member of the Board of Directors of the company or of an executive officer or of a shareholder possessing the majority of the shares of the paid up share capital of the company or of any of its associated firms within the meaning of article 42e par. 5 of law 2190/1920;
- d. has been appointed according to article 18 par. 3 of law 2190/1920¹⁰.

2. Independent members of the Board of Directors may submit, separately or jointly, reports and separate expositions from those of the Board of Directors at the regular or extraordinary General Assembly of the company, where it is considered necessary.

3. In order to monitor the observance of the provisions of this law, within twenty days from the constitution of the Board of Directors, the company shall submit to the Capital Market Commission the minutes of the General Assembly which elected the independent members of the Board. Accordingly, within the same time period the minutes of the Board of Directors shall also be submitted, in which each member of the board shall be defined, depending on its capacity, as executive, non-executive or as a temporary independent member elected in replacement of another who has resigned, passed away or for any other reason has been removed from its position.

Article 5

FEES OF THE NON-EXECUTIVE MEMBERS

¹⁰ Article 18 par. 3 of Law 2190/1920 states that the Articles of Association of a Société Anonyme could provide that a particular shareholder or shareholders is/are entitled to appoint the members of the Board of Directors, however not more than the 1/3 of the total number of the members of the BoD. The Articles of Association must also define the conditions for the exercise of such a right in particular concerning the required percentage of participation in the share capital and the blocking of shares

Fees and any other remuneration of non-executive members of the Board of Directors are defined according to Law 2190/1920 and are analogous to the time spent during the meetings of the Board of Directors and the performance of the duties appointed to them according to the present law. The total amount of fees and of any remunerations of the non-executive members of the Board of Directors shall be mentioned in a separate category in the Annex of the annual financial statements.

B. INTERNAL REGULATION AND INTERNAL AUDIT

Article 6

INTERNAL MECHANISM REGULATION

1. In order for a company to list its shares or other transferable securities in a regulated stock market, it must have incorporated an Internal Mechanism Regulation at the submission of its listing application. The Internal Mechanism Regulation is construed upon a decision of the Board of Directors of the company.
2. The minimum content of the Internal Mechanism Regulation must include:
 - a. The structure of the company's departments, their objectives, as well as the relationship between these departments per se and also with the management of the company. The company's Internal Mechanism Regulation must at least provide for departments of Internal Audit, Shareholders Services and Corporate Announcements.
 - b. The definition of the powers of the executives and non-executives members of the Board of Directors.
 - c. The procedures of recruitment of the company's executive managers and the way of the future evaluation of their performance.
 - d. The procedures of monitoring the transactions of the members of the Board of Directors, the executive managers and the persons who, due to their relationship with the company, hold internal information on the transferable securities -of the company or its associated firms according to article 42e par. 5 of Law 2190/1920- which are being negotiated in a regulated stock market, or who have acquired such information from other activities connected to the company.
 - e. The procedures of pre-announcement and public notification of important transactions and other financial activities of the Members of the Board of Directors or third parties to which powers of the Board of Directors have been assigned, which are connected to the company, as well as transactions of the company entered into with its main clients or suppliers.

- f. The rules governing the transactions between the associated firms, the monitoring of those transactions and the appropriate notification of these transactions to the various bodies and shareholders of the company.

Article 7

SET-UP OF THE INTERNAL AUDIT

1. The set-up and operation of the internal audit constitute prerequisites for the listing of the company's shares or other transferable securities in a regulated stock market. The internal audit is effectuated by a special department of the company.
2. During the exercise of their duties, internal auditors are independent, do not belong in terms of ranking in any other unit of the company and are supervised by one to three non-executive members of the Board of Directors.
3. Internal auditors are appointed by the Board of Directors of the company and are employed full-time and exclusively. Members of the Board of Directors, executive managers exercising powers other than that of internal audit, and relatives of the above (blood related or alliance by marriage) may not become internal auditors. The company must inform the Hellenic Capital Market Commission on any amendment as to the persons exercising or the structure of the internal audit within ten business days from the said amendment.
4. When exercising their duties, the internal auditors are entitled to become aware of any book, document, bank account file or portfolio of the company and to have access to any department of the company. The members of the Board of Directors must collaborate and provide information to the internal auditors and must generally facilitate in every way their task. The management of the company shall provide to the internal auditors all necessary means to facilitate their task.

Article 8

POWERS AND DUTIES OF THE INTERNAL AUDIT DEPARTMENT

The Internal Audit Department has the following powers and duties:

- a. Monitoring of the application and the continuous observance of the Internal Mechanism Regulation and of the articles of association of the company, as well as of the general legislation concerning the company, and especially the stock market and the sociétés anonymes legislation.

- b. Reporting to the Board of Directors cases of conflict between personal interests of the members of the Board of Directors or its executive managers and the company's interests, of which the Department takes knowledge during the exercise of its duties.
- c. Internal auditors shall inform at least once in three months the Board of Directors of the audit conducted by them and must be present at the General Assemblies of the shareholders.
- d. Internal auditors provide, upon an approval from the Board of Directors, the Supervising Authorities with any information that has been required in writing by the latter, they collaborate with these authorities and facilitate in every possible way the task of surveillance, monitoring and supervision that the Authorities exercise.

C. TRANSITIONAL AND OTHER PROVISIONS

Article 9

SHARE CAPITAL INCREASE IN CASH – DEVIATIONS FROM THE SCHEDULED USE OF DRAWN CAPITAL

1. In case of a company's capital share increase in cash, the Board of Directors of the company submits a report at the General Assembly, which refers to the general directions of the investment plan of the company, an indicative time schedule for the realisation of such plan and a report on the effectuated use of the capital drawn at the previous share capital increase, in case that less than 3 years have passed since the last share capital increase. The respective decision of the General Assembly must include the above data as well as the full content of the report.
2. If the decision for the increase of the share capital is taken by the Board of Directors according to the provisions of article 13 par. 1 of Law 2190/1920, the minutes of the Board of Directors meeting must include all data mentioned in the previous paragraph.
3. Considerable deviations from the use of the drawn capital as provided for in the Prospectus and the decisions of the General Assembly or the Board of Directors, according to paragraphs 1 and 2 of the present article, may only be decided by the Board of Directors of the company by a majority vote of $\frac{3}{4}$ of its Members and an approval of the decision by the General Assembly which shall have been convened

for the particular purpose. This measure is not applicable to deviations committed prior to its enforcement.

The particular decision is notified to the Athens Stock Exchange, the Capital Market Commission and the Ministry of Development, without prejudice to the rest notification obligations arising from the present law.

Article 10

BREACH OF THE PROVISIONS OF THE PRESENT LAW - CONSEQUENCES

After having detected that any person exercising Board of Directors' powers does not observe his/her obligations arising out of articles 3 to 8 and 11 of the present law, the Capital Market Commission shall impose on that person those sanctions provided for in article 1 par. 4b of Law 2836/2000, as in force. The validity of the decisions of the Board of Directors shall not be impacted even if it is not composed in accordance with article 3 par. 2 and article 4 par. 1 of the present law.

*** Law 2190/1920**

Art. 42e par. 5

.... associated firms are:

- a. Those firms which have a parent – subsidiary firm relationship. A parent – subsidiary firm relationship exists where a parent firm:
 - aa) either owns the majority of the share capital or voting rights of another (subsidiary) firm, even if such majority is formed after the counting in of titles and rights held by third parties for the account of the parent company; or
 - bb) controls the majority of the voting rights of another (subsidiary) firm upon an agreement with the shareholders or a company of such a firm; or
 - cc) participates in the share capital of another firm and is entitled, either directly or through third parties, to appoint or dismiss the majority of the members of the Board of Directors of that other firm (subsidiary); or
 - dd) exercises a dominant influence in another firm (subsidiary). Dominant influence exists where the parent firm disposes, directly or indirectly i.e. through third parties acting for the account of that firm, at least 20% of the share capital of the firm or the voting rights of the subsidiary and, at the same time,

exercises major influence in the management or the operation of the latter.

In terms of application of the above subcategories, at the percentages of participation or at voting rights, as well as at the rights of appointment or revocation which the parent firm has, there must be added the percentages of participation and the rights of any other firm which is a subsidiary or subsidiary of a subsidiary of the parent company.

In terms of application of the subcategories aa, bb, cc and dd, from the percentages of participation or the voting rights which are there mentioned there must be deducted percentages which arise from (1) shares or interests which are disposed for the account of another person apart from the parent or the subsidiary firm, or (2) shares or interests disposed as a security, on the condition that these rights are exercised according to the directions that have been given out, or which are disposed as a loan guarantee granted within the framework of regular business activity in the field of loans, on the condition that these voting rights are exercised in the benefit of the person providing the guarantee.

In terms of application of the above subcategories aa and bb, from the total share capital or voting rights of the shareholders or partners of the subsidiary firm there must be deducted the percentages of the share capital voting rights arising from the shares or the interest which are disposed either by the firm itself or by its subsidiaries, or by a person acting in its own name but for the account of these firms.

- b. Associated firms of the previous category a, and each of the subsidiaries or the subsidiaries of the subsidiaries of these associated firms
- c. Subsidiaries of the previous categories a and b, irrespective of whether there is direct relation of participation between them.
- d. Associated firms of above categories a, b and c and any other firm which is associated with such firms through relations provided for in par. 1 of article 96¹¹.

¹¹ The firms referred to in article 96 par. 1 of Law 2190/1920 consist of firms which are obliged by law to draw up consolidated financial statements.