

# Securities Litigation

*Contributing editors*

**Antony Ryan and Philippe Z Selendy**



2019

GETTING THE  
DEAL THROUGH 

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# Securities Litigation 2019

*Contributing editors*

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# Preface

## Securities Litigation 2019

Fifth edition

**Getting the Deal Through** is delighted to publish the fifth edition of *Securities Litigation*, which is available in print, as an e-book and online at [www.gettingthedealthrough.com](http://www.gettingthedealthrough.com).

**Getting the Deal Through** provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique **Getting the Deal Through** format, the same key questions are answered by leading practitioners in each of the jurisdictions featured. Our coverage this year includes new chapters on Greece, Korea and Nigeria.

**Getting the Deal Through** titles are published annually in print. Please ensure you are referring to the latest edition or to the online version at [www.gettingthedealthrough.com](http://www.gettingthedealthrough.com).

Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

**Getting the Deal Through** gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to Antony Ryan of Cravath, Swaine & Moore LLP and Philippe Selendy of Selendy & Gay PLLC for their continued assistance with this volume.

GETTING THE   
DEAL THROUGH 

London  
February 2019

# Greece

Nicholas Moussas, Maria Malikouti, Konstantina Theodosaki, Georgia Patsoudi and  
Stamatia Leontara

Moussas & Partners Attorneys At Law

## 1 Describe the nature and extent of securities litigation in your jurisdiction.

Being an EU jurisdiction, Greece maintains an EU harmonised regulatory environment with respect to financial regulation, including of course securities regulation.

The Greek regulatory framework on securities contains specific rules and is comprised by a plurality of legislative texts (MiFID II, Athens Stock Exchange Regulation, Regulation of Clearing and Settlement of Securities, Regulation of DSS, Regulation of Clearing of Derivatives, legal provisions on the issuance of a prospectus, on mandatory public offerings as well as on the protection against insider trading and market abuse). The aforementioned safety net of securities laws affords ample protection to market players and investors and delineates the nature of securities regulation in this jurisdiction.

The basis for civil disputes is statutory and such disputes derive from securities transactions, mandatory public offerings, prospectus requirements, shareholders disputes, initial or periodic disclosure liability for issuers, claims of clients against investment firms or vice-versa. Civil disputes may additionally take the form of criminal proceedings when special criminal provisions are breached (ie, insider trading) in parallel or if general fraud can be established and may be brought either by an aggrieved party or by the regulator. The latter is also the initiating party of administrative litigation, when sanctions for breach of securities laws are imposed. We mainly refer to civil claims by the term securities litigation. Since the boom of capital markets in Greece, starting around the last years of the 1990s and on, securities litigation in the above forms has kept commercial courts in Greece fairly busy. A very recent highlight is the *Folli Follie* case, which is expected to produce a wide variety of civil, criminal and administrative claims against the issuer, shareholders, advisers, auditors and other intermediaries involved in the controversy.

## 2 What are the types of securities claim available to investors?

Common law claims are not relevant in this jurisdiction.

With respect to civil litigation, claims may be brought on the basis of the following:

The Market Abuse Regulation (EU) 2014/596 (MAR) and Law 4443/2016, enacting the required measures for ensuring compliance with the MAR and further incorporating Directive 2014/57/EU on criminal sanctions for market abuse, sets the framework on insider dealing, the unlawful disclosure of inside information and market manipulation (market abuse). Should this framework be infringed, an investor suffering damage may invoke the infringement and bring a claim against the party at fault invoking the general tort provisions in parallel.

Law 4514/2018, transposing into Greek legislation the Markets in Financial Instruments Directive 2014/65/EC (MiFID II) as amended, sets out the conduct standards for financial firms and credit institutions providing investment services in order to ensure that potential clients have the necessary knowledge and competence to make an informed investment decision (the suitability and appropriateness principle). In this respect, where a firm fails to comply with its MiFID II obligations, it may have as a consequence the liability of the former under general tort provisions. Furthermore, the said law provides that any investment firm offering algorithmic trading shall ensure that there is a binding written agreement between the investment firm and the client under which the firm shall assume responsibility for the services offered. Hence

claimants may pursue claims against such firms arising from liability out of contract.

Further, an investor may bring a claim against auditors/accountants on the basis of tort provisions in the preparation of an audit report on the financial statements in the event the audit is faulty according to the applicable standards (ie, non-compliance with International Accounting Standards – IAS and Law 4308/2014 on Greek Accounting Standards – GAS) or breach of the confidentiality duty.

Law 3401/2005, incorporating Directive 2003/71/EC, provides for a special form of civil liability arising out of the publication of the prospectus and the violation of trust when the prospectus is inaccurate or incomplete. An investor who has incurred damage with respect to securities acquired within the first 12 months from the issuance of the prospectus on the faith of untrue statements contained therein (for instance, false representations in the financial statements) or owing to information omitted although required may raise a claim for compensation against the issuer, the directors, the offeror, the person asking for the admission to trading on a regulated market, the underwriters or other experts.

Law 3461/2006 on mandatory public offerings, incorporating Directive 2004/25/EC on takeover bids, provides for an obligation of a shareholder (offeror) who holds securities of a company and, either exceeds the threshold of one third of the total voting rights of the company, or holds over one-third without exceeding half of total voting rights and acquires securities representing over 3 per cent of total voting rights within twelve months, to launch a mandatory bid for the total securities of the offeree company. In the event of either the breach of the above obligation to launch a mandatory bid or the purchase of the securities at a non-equitable price, the shareholders of the offeree company shall have the right to file a claim on the basis of tort provisions against the offeror. Further, this law provides for civil liability of the offeror, the adviser (ie, credit institutions or investment firms) and the persons responsible for the issuance of the prospectus with respect to the accuracy and completeness of the latter. Provisions of Law 3556/2007 as amended by Law 4374/2016 and currently in force transpose Directive 2013/50/EU amending Directive 2004/109/EC into Greek legislation. The transparency requirements stipulated therein, provide for a regular flow of information through the periodic and ongoing disclosure obligation by the security issuers. To the same end, shareholders holding voting rights of a specific percentage that result in an entitlement to acquire existing shares with voting rights, should also inform issuers of the acquisition, so that the latter are able to inform the investors. Violation of the said obligation may result to liability on the basis of tort provisions.

Regulation (EU) No. 462/2013, amending Regulation (EC) No. 1060/2009 establishes a special form of civil liability regarding credit rating agencies. On the basis of article 35a of the Regulation an investor or issuer may claim damages from a credit rating agency for damage incurred due to infringements listed in its provisions. The conditions of liability are interpreted and applied in accordance with national law. The liability stemming from the Regulation is not exclusive; therefore claims against credit rating agencies can also be founded to the general provisions for tort liability or to the provisions regarding consumer protection. Such claims are not frequent in our jurisdiction.

Investors may also seek protection under the Consumer Law provisions (Law 2251/1994 as amended and in force) in cases involving unfair

commercial practices for the provision of investment services (mainly by financial institutions, in the majority of cases brought before Greek courts).

Tort provisions may further apply additionally to establish general tort liability where there is no contract and once intention or negligence is found in the conduct of the parties.

### **3 How do claims arising out of securities offerings differ from those based on secondary-market purchases of securities?**

Claims arising out of securities offerings usually relate to prospectus' discrepancies and are filed against the issuer and possibly the persons responsible for the prospectus' content under the above statutory provisions.

Claims arising in the secondary market are mainly either claims against intermediaries for wrong execution or advice provided, or hinge on the inadequate or misleading information concerning the disclosure of obligations of listed companies.

### **4 Are there differences in the claims available for publicly traded securities and for privately issued securities?**

Laws on publicly traded securities contain strict provisions (eg, prospectus issuance requirements, the obligations under MIFID II, the market abuse provisions, etc), which ensure effective protection to the buyers of such securities; whereas for privately issued securities, the purchaser has to rely on the seller's representations and warranties.

### **5 What are the elements of the main types of securities claim?**

Prospectus liability claims on the basis of Law 3401/2005 can be brought against any person responsible for the preparation and issuance of the prospectus and the information contained therein, in case of inaccurate, misleading or omitted information or in case of breach of duty.

With respect to mandatory public offerings, the offeror is required to prepare and publish in good time a prospectus entailing all necessary information relating to the offering to enable the shareholders of the offeree company to reach a properly informed decision on the bid. Consequently, the persons responsible for the issuance of the prospectus may incur liability for non-performance of their duty. Further, under the conditions set out in question 2, the shareholders of the offeree company may bring an action against the offeror on the basis of general tort provisions.

Issuers shall inform the public as soon as possible of inside information which directly concerns them in order to ensure the fast access and complete, correct and timely assessment of the information by the public.

Furthermore issuers shall (i) draw up a list of all persons who have access to inside information and who are working for them under a contract of employment, or otherwise performing tasks through which they have access to inside information (insider list) and provide this insider list to the competent Hellenic Capital Market Commission; and (ii) announce promptly and no later than three business days after the date of the transaction, every transaction conducted relating to securities of the persons discharging managerial positions or persons closely associated to them. Investors who sustained damages owing to the omission of the issuer to announce accurate or complete information or owing to inaccurate information that have been released, in breach of the aforementioned market abuse rules, may seek compensation.

MIFID II sets out the organisational rules with which authorised intermediaries shall comply during the performance of investment services offered. The latter need to be tailored to reflect the investor's risk profile and economic capacity. Non-conformity to the above rules may have as a consequence the intermediaries' liability under general tort provisions.

### **6 What is the standard for determining whether the offering documents or other statements by defendants are actionable?**

As per prospectus liability claims, liability is established due to a defect in the prospectus rendering it inaccurate or incomplete. 'Inaccurate' is the prospectus that entails false or vague information. 'Incomplete' is the prospectus that omits information crucial to the investor's decision. The incorrect or omitted information in the prospectus must be material. The prospectus is considered complete and accurate when its content can be understood by an average investor and the latter can rely on

the information contained therein in order to make to a well-informed investment decision.

Under the framework on the prohibition of insider dealing and of unlawful disclosure of inside information, the latter should be false or misleading and directly influencing the investment decision or the price of the securities.

### **7 What is the standard for determining whether a defendant has a culpable state of mind?**

Greek civil law stipulates that apart from intent, negligence alone suffices for the establishment of liability. Negligence presupposes the violation of the duty of care. Security litigation is no exception to this rule.

A special provision deviating from the above general principle requires intent or gross negligence for the establishment of liability of credit rating agencies under Regulation 462/2013/EU.

### **8 Is proof of reliance required, and are there any presumptions of reliance available to assist plaintiffs?**

Under the prospectus liability rules, the investor is required to prove that he or she relied on the incomplete or inaccurate prospectus when proceeding with his or her investment decision. The same principle applies where the investor, when making an investment decision, relies on false or misleading information published by the issuer, namely by means of the issuer's financial statements, announcements, etc.

Although it has been argued that the 'fraud on the market' doctrine may apply in cases brought before Greek courts in the sense that the financial instruments' prices reflect the publicly disseminated information (efficient market hypothesis) and that the investor relying on the current price indirectly relies on the said information, Greek judges remain reluctant to depart from the causation principle.

### **9 Is proof of causation required? How is causation established?**

Proof of causation is a necessary element for any claim. Greek procedural rules stipulate that the claimant has the onus to prove causation unless there is fraud in the market.

Investment service providers bear strict liability; the burden of proof is on them to establish absence of fault.

In claims on the ground of prospectus liability, the investor has the burden to prove that he or she sustained losses due to the transaction on which he or she proceeded was on the basis of false or omitted information in the prospectus and furthered the extent of the damages suffered. By way of deviation from the general rule, restitution covers only actual damage suffered. The same principle applies with respect to mandatory public offerings under the provisions of Law 3461/2006.

In all other claims, the general rule applies, meaning that the investor has the onus to prove the illegal behaviour, the damage suffered and the causal link between the behaviour and the damage incurred (ie, fulfilment of the conditions of article 914 of the Greek Civil Code on tort liability).

### **10 What elements present special issues in the securities litigation context?**

No elements other than the ones stipulated in the answers above in practice present special issues in a securities litigation context.

### **11 What is the relevant limitation period? When does it begin to run? Can it be extended or shortened?**

The limitation period for claims arising out of invalid or omitted information from the prospectus is three years from the issuance of the prospectus.

For mandatory public offerings the limitation period of claims is three years from the end of the period of acceptance.

A claim for damages under tort provisions becomes time-barred five years after the date on which the party that suffered the damage became aware of the loss and of the person liable. In any case, a claim becomes time-barred 10 years after the occurrence of the event that caused the loss.

Partial payments of the claimed amount or the provision of security interrupt the limitation period since they constitute interruptive events. The same applies in the case of initiation of enforcement proceedings or filing of a claim with a court or arbitral tribunal.



### 12 What defences present special issues in the securities litigation context?

A defendant can escape liability if he or she proves that:

- he or she acted diligently;
- the information contained in or omitted by the prospectus was not material or that it did not influence the investment decision. Therefore, materiality of the information under scrutiny is a particular issue;
- the damage suffered by the investor is due to circumstances other than the decline in the value of the securities arising from the material misstatements or omissions;
- the extent of the damage suffered is not substantiated. This task may turn into a challenging exercise in the case of listed securities mainly where there is significant price fluctuation; or
- the claimant was aware of the unlawful conduct (inter alia, false or omitted information in the prospectus, unlawful disclosure of inside information) when he or she acquired the security.

### 13 What remedies are available? What is the measure of damages?

Investors may seek restitution of the damage incurred (ie, positive damage and loss of profits) via monetary compensation. However, liability of the persons responsible for the issuance of the prospectus covers only investors' positive damage.

There is no provision for rescission or cancellation of the transaction since the latter is anonymous and further such provision could jeopardise the function of the regulated market and violate the rights of bona fide investors.

### 14 What is required to plead the claim adequately and proceed past the initial pleading?

Security claims, similarly to ordinary civil claims, in order to be properly filed need to fulfil the requirements on the content and form stipulated by the Greek Civil Procedure Rules (article 215 ff), inter alia, the factual background of the case, the legal bases on which the claim is founded and the request for damages. The claimant shall produce and submit the evidentiary material within specified deadlines. The standard of pleading requirements or proof does not differ in fraud cases. The court shall then seize the case and – provided that the procedural requirements are met – it shall examine the merits of the case.

### 15 What are the procedural mechanisms available to defendants to defeat, dispose of or narrow claims at an early stage of proceedings? What requirements must be satisfied to obtain each form of pretrial resolution?

During first instance proceedings, no preliminary examination of the filed claims is provided within the existing procedural mechanisms under Greek law. Pretrial resolution may only be reached in the event of settlement, where a claimant shall waive the claim (in full or in part) resulting in the dismissal of the former or the narrowing of the claimed amount, respectively.

However, in the proceedings before the Council of the State and the Supreme Court, dismissal on a preliminary basis is provided for when the claim is inadmissible or manifestly unfounded. Of course, should a case go up to the Supreme Court or the Council of State this is no early stage, rather the final stages of proceedings.

### 16 Are the principles of secondary, vicarious or 'controlling person' liability recognised in your jurisdiction?

Yes, such liability may be recognised on the basis of the agency theory. A direct targeting of a controlling interest is envisaged in the mandatory public offerings.

### 17 What are the special issues in your jurisdiction with respect to securities claims against directors?

Law 3016/2002 regulates issues of corporate governance. The primary and general obligation of the board of directors of a listed company is to constantly pursue the continuous financial value of the latter and vindicate the company's general interest.

Directors may be held liable under the statutory provisions on market abuse (Law 4443/2016) in case of insider dealing arising where a director possesses inside information and uses that information by

acquiring or disposing of financial instruments to which that information relates, unlawful disclosure of inside information where a director possesses inside information and discloses that information to any other person, and market manipulation.

Breach of the periodic and ongoing information requirements for security issuers pursuant to Law 3556/2007, may grant investors a claim against directors on the basis of tort provisions.

Further, the directors' involvement in the preparation and issuance of the prospectus, either under Law 3401/2005 provisions on prospectus liability or under Law 3461/2006 on mandatory public offerings, may result in them being held liable.

Additionally, investors may bring a claim against directors under tort provisions on the basis of securities fraud.

### 18 What are the special issues in your jurisdiction with respect to securities claims against underwriters?

Law 3401/2005, transposing Directive 2003/71/EC into Greek legislation, provides for the express liability of underwriters for the preparation and issuance of the prospectus and the information contained therein.

In the case of damage incurred by the underwriter to the investor with respect to the provision of investment services, the underwriter may be held liable under the Consumers' Law provisions.

Investors may also seek protection under the Consumer Law provisions (Law 2251/1994 as amended and in force) in cases involving unfair commercial practices (mainly by financial institutions, in the majority of cases brought before Greek courts).

### 19 What are the special issues in your jurisdiction with respect to securities claims against auditors?

Investors may bring an action against statutory auditors and audit firms, in any of the following cases:

- for damages incurred by the use of the audit report (failure to comply with IAS/GAS). The compensation awarded by the court cannot exceed the tenfold of their audit fee;
- for the incorrect, misleading or omitted information contained in corporate documentation which were under the obligation to review (eg the prospectus); or
- for the violation of the strict rules on confidentiality and professional secrecy.

### 20 In what circumstances does your jurisdiction allow collective proceedings?

Class actions and collective proceedings are not generally provided in Greek law. Actions brought by multiple claimants are, however, possible.

An exception to the rule is introduced by article 10 of the Consumers' Law, which provides that consumer associations (constituted as unions) aiming at protecting the rights and interests of consumers are entitled to represent consumers in court and file representative collective actions. In particular, a consumer union of at least 500 members, which has been duly registered in the Registry of Consumer Unions for at least one year, may file an action of any kind for the protection of the general interests of consumers, provided that the illegal behaviour in question infringes the rights of at least 30 consumers without distinguishing between members and non-members of such consumer unions.

### 21 In collective proceedings, are claims opt-in or opt-out?

Class actions are not provided in Greece.

### 22 Can damages be determined on a class-wide basis, or must damages be assessed individually?

Class actions are not provided in Greece. However, in cases of claims brought by multiple claimants damages are assessed individually.

### 23 What is the involvement of the court in collective proceedings?

Greek law does not provide for class actions and consequently there are no class certifications.

### 24 What role do regulators, professional bodies, and other third parties play in collective proceedings?

Greek law does not provide for collective proceedings.

## 25 What options are available for plaintiffs to obtain funding for their claims?

Contingency fees and other conditional arrangements are allowed between clients and lawyers (Lawyers' Code article 60 of Law 4194/2013) and the maximum fee percentage agreed may not exceed 20 per cent of the subject matter of the case (or 30 per cent if more than one lawyer is involved).

The notion of third-party funding is not very familiar or popular in Greece but certain insurance companies offer legal expenses protection thus covering the costs of litigation. At the moment there are no rules or restrictions on funders and therefore a funding agreement or damages based agreement would be considered as an independent agreement. However, since there is no regulatory provision, such an agreement may not be satisfied in priority from damages proceeds.

## 26 Who is liable to pay costs in securities litigation? How are they calculated? Are there other procedural issues relevant to costs?

It lies with the court's discretion to award and allocate expenses in whole or in part and it is usually the unsuccessful party who is ordered to pay the costs. Costs are set by means of a statutory calculation method which depends on the claimed amount (for instance, in cases where the claimed amount is up to €200,000 the legal fee is 2 per cent). Further, each party bears its own legal fees.

## 27 Are there special issues in your jurisdiction with respect to interests in investment funds? What claims are available to investors in a fund against the fund and its directors, and against an investment manager or adviser?

There are two types of collective investment undertakings (funds) provided for under Greek law:

- the Undertakings for Collective Investment in Transferable Securities (UCITS) which may take the form of a mutual fund or a variable capital investment company. UCITS are governed by Law 4099/2012, as amended by Law 4416/2016, implementing Directive 2009/65/EC (UCITS IV) as amended by Directive 2014/91/EU (UCITS V); and
- the alternative investment funds governed by Law 4209/2013 implementing Directive 2011/61/EU on Alternative Investment Fund Managers.

Articles 81 and 82 of Law 4099/2012 provide for a special form of civil liability arising out of the obligation of the investment company and, for each of the common funds it manages, the management company, which sells UCITS directly or through another natural or legal person who acts on its behalf and under its full and unconditional responsibility, to provide investors with key investor information on such UCITS investors free of charge and in good time before their proposed subscription of units in such UCITS. The basic information is provided to investors via the key investor information document, which enables the investors to understand the nature and the risks related to the issuer and the financial instruments that are under offer. The persons that draw up, approve or provide key investor information are liable for this information, including any translation thereof, provided that it is misleading, inaccurate or inconsistent.

## 28 Are there special issues in your country in the structured finance context?

Structured finance vehicles commonly used in Greece are asset-backed securities structures, securitisation structures, collateralised obligations (namely collateralised debt obligations or collateralised loan obligations) and their derivatives. Assets backing those vehicles are inter alia: shares, bonds, foreign currencies and all kinds of futures, options, currency and interest rate swaps and similar instruments including commodity futures and commodity options, invoices, all types of receivables, obligations evidencing debt (including credit card debt, performing or non-performing leveraged loans, unsecured loans and structured deposits – added as an investment product by MiFID II), lease contracts, acceptance credits, mortgages, carbon offsets and contracts for insurance and for reinsurance.

Structured finance vehicles are usually addressed to sophisticated investors. Securities issued by these vehicles can in principal be publicly traded. The claims and remedies available to structured finance

## Update and trends

### Recent legislative developments

The most recent legislative development was the transposition into Greek legal order of the Markets in Financial Instruments Directive II 2014/65/EU (MiFID II) by virtue of Law 4514/2018. MiFID II, introduced after the Commission's review of the Markets in Financial Instruments Directive (the MiFID Directive), is supplemented by the Markets in Financial Instruments regulation (EU) 600/2014 (MiFIR), together constituting the Single Rulebook on EU financial markets. The new regime increases the level of investor protection by setting new rules and requirements for investment firms, while also expanding the scope to cover structured deposits.

### Case highlights

An interesting and widespread securities fraud case has been recently unravelling in Greece regarding the listed company Folli Follie AEBTE in which a number of international funds had invested both in equity and in debt. The Capital Market Commission sued the board members and financial directors of the Folli Follie group after QCM raised concerns over its finances and cast doubt over the number of points of sale the company operates. Folli Follie's shares suffered heavy losses on the Athens Stock Exchange since, which prompted the regulator to ask Folli Follie to have its 2017 consolidated financial statements scrutinised by an independent auditing firm. Following the Group's failure to submit the requested information, a preliminary investigation was carried out by order of the head of the Prosecutor's Office of Athens. Recently, the Hellenic Investors' Association announced that the first lawsuits for damages incurred by investors with shares in Folli Follie are being filed and are accompanied by injunctions to abrogate liens on the company's assets, signed by the company's management as collateral and to secure borrowing needs.

trustees, investors and financial guarantee insurers are the same as stipulated in questions 5 and 13.

## 29 What are the requirements for foreign residents or for holders of securities purchased in other jurisdictions to bring a successful claim in your jurisdiction?

The general jurisdiction principle is that Greek courts are competent for claims arising against defendants domiciled in Greece. In the case of tort claims, competency of Greek courts can be established if the harmful event occurred in Greece. Otherwise, Greek courts' exclusive jurisdiction may be established under the express agreement of the parties.

## 30 What are the requirements for investors to bring a successful claim in your jurisdiction against foreign defendants or issuers of securities traded on a foreign exchange?

On the basis of tort provisions, an investor may bring a claim before Greek Courts when the harmful event occurred in Greece, as provided under Brussels I-bis Regulation, covering both the place where the damage occurred and the place of the event giving rise to it; whereas on a contractual basis, competence of the Greek courts is established by express contractual clause.

## 31 How do courts in your jurisdiction deal with multiple securities claims in different jurisdictions?

Brussels I-bis Regulation (EU) 1215/2012 stipulates that, where actions come within the exclusive jurisdiction of several courts, any court other than the court first seised shall decline jurisdiction in favour of that court. If the parties agreed to confer exclusive jurisdiction to a Greek court, any court of another member state shall stay the proceedings until such time as the Greek court declares that it has no jurisdiction under the agreement. If the Greek court designated in the agreement has established jurisdiction, then any court of another member-state shall decline its jurisdiction.

If proceedings are pending before a court of a third state at the time when a Greek court is seised of a claim involving the same cause of action between the same parties, the Greek court may continue the proceedings at any time:

- if the proceedings in the court of the third state are stayed or discontinued;



- if it appears to the Greek court that the proceedings in the court of the third state are unlikely to be concluded within a reasonable time; or
- if the continuation of the proceedings is required for the proper administration of justice.

The Greek court shall dismiss the claim if the proceedings in the court of the third state are concluded and have resulted in a judgment capable of recognition and, where applicable, of enforcement in Greece.

### **32 What are the requirements in your jurisdiction to enforce foreign-court judgments relating to securities transactions?**

EU member state judgments are automatically recognised in Greece and are directly enforceable pursuant to Brussels I-bis Regulation 1215/2012/EU. The foreign judgment, together with the annexed form provided for in the Regulation, is required to be served to the defendant in Greece.

The foreign judgment can exceptionally be challenged for the following reasons (article 45 of Brussels I-bis Regulation):

- if such recognition is manifestly contrary to public policy;
- if the defendant was not properly served with the document which instituted the proceedings, thus depriving him or her of the right to structure his or her defence, unless the defendant failed to commence proceedings to challenge the judgment when it was possible for him or her to do so;

- if the judgment is irreconcilable with an earlier judgment given by a Greek court or a foreign court between the same parties, provided that the earlier judgment fulfils the conditions necessary for its recognition in Greece; or
- if the judgment conflicts with sections 3, 4, 5 or 6 of Chapter II of the Regulation in cases where the policyholder, the injured party or the consumer was the defendant.

For judgments issued by non-EU members, multilateral conventions, such as the Brussels Convention of 1968 on jurisdiction and the enforcement of judgments in civil and commercial matters, and bilateral treaties between Greece and non-EU countries apply.

### **33 What alternatives to litigation are available in your jurisdiction to redress losses on securities transactions? What are the advantages and disadvantages of arbitration as compared with litigation in your jurisdiction in securities disputes?**

Parties may choose mediation or arbitration as an alternative dispute resolution method, even for actions pending before the court.

Arbitration offers a speedy and efficient resolution of the dispute, since parties benefit from the advanced knowledge of an experienced panel of experts. However, arbitral costs may pose an impediment to the use of this method, as litigation costs are relatively lower.

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Cloud Computing  
Commercial Contracts  
Competition Compliance  
Complex Commercial Litigation  
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Corporate Immigration  
Corporate Reorganisations  
Cybersecurity  
Data Protection & Privacy  
Debt Capital Markets  
Defence & Security Procurement  
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Distribution & Agency  
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e-Commerce  
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High-Yield Debt  
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Legal Privilege & Professional Secrecy  
Licensing  
Life Sciences  
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