



EUROPEAN CENTRAL BANK

OPINION OF THE EUROPEAN CENTRAL BANK

of 19 November 1999

**at the request of the Bank of Greece on a draft legislative proposal amending
Article 8, paragraph 5, and Articles 9 and 13 of the Statute of the Bank of Greece**

[CON/99/18]

1. On 9 November 1999 the European Central Bank (ECB) received a request from the Bank of Greece for an ECB Opinion on a draft legislative proposal amending Article 8, paragraph 5, and Articles 9 and 13 of the Statute of the Bank of Greece.
2. The ECB's competence to deliver an opinion is based on Article 2 of the Council Decision (98/415/EC) of 29 June 1998 on the consultation of the ECB by national authorities regarding draft legislative provisions, as the draft legislative proposal contains provisions concerning a national central bank. In accordance with Article 17.5, first sentence, of the Rules of Procedure of the European Central Bank, this ECB Opinion has been adopted by the Governing Council of the ECB.
3. Article 8, paragraph 5, of the draft legislative proposal stipulates that the State may increase its participation in the share capital of the Bank of Greece from 10% to 35%. There are no objections to such a provision from the ECB's point of view.
4. Article 9 of the draft legislative proposal empowers the General Council of the Bank of Greece to decide upon the stock split and determine the nominal value of the new shares. As the Bank of Greece is a public company limited by shares, it is subject to the provisions of law 2190/1920, as amended, with regard to the division of competence concerning matters of company law. According to the provisions of the above-mentioned law on public companies limited by shares, the shareholders' meeting is competent to decide upon the stock split. The draft legislative proposal empowers the General Council of the Bank of Greece to decide upon such split. Given the need for immediate action in the event of rapid financial changes, it is understood that the delegation of the power to decide upon the split to the more flexible

General Council is a matter of convenience and practicality. Furthermore, there are no objections to this provision from the ECB's perspective.

5. Article 13 of the draft legislative proposal empowers the General Council of the Bank of Greece to decide upon the minimum number of shares that entitles shareholders to participate in the meeting at which the split is decided. The ECB has no objection to this provision.
4. The ECB confirms that it has no objection to this ECB Opinion being made public by the competent national authorities at their discretion.

Done at Frankfurt am Main on 19 November 1999.

The President of the ECB

[signed]

Willem F. Duisenberg