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The International Comparative Legal Guide to:

Insurance & Reinsurance 2015

4th Edition

A practical cross-border insight into insurance and reinsurance law

Published by Global Legal Group, with contributions from:

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Published by
Global Legal Group Ltd.
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London SE1 3PL, UK
Tel: +44 20 7367 0720
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Email: info@glgroup.co.uk
URL: www.glgroup.co.uk

GLG Cover Design
F&F Studio Design

GLG Cover Image Source
Colin/Wikimedia Commons

Printed by
Ashford Colour Press Ltd
February 2015

ISBN 978-1-910083-33-8
ISSN 2048-6871

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1 Regulatory

1.1 Which government bodies/agencies regulate insurance (and reinsurance) companies?

The Bank of Greece ("**BoG**")-Department of Supervision of Private Insurance ("**DEIA**" per its Greek initials) is, since 1 December 2010, responsible for the supervision of (re)insurance companies.

The BoG has succeeded in the supervisory role the Private Insurance Supervisory Committee ("**EPEIA**" per its Greek initials) pursuant to Law 3867/2010. EPEIA had in turn taken over the respective duties from the competent department of the Ministry of Commerce in 2008.

In the context of its supervisory functions, the Bank of Greece:

- exercises the **financial supervision of Greek-based insurance firms** and their branches abroad, as well as of insurance firms based in non-EU countries and active in Greece under the right of establishment;
- **supervises** insurance and reinsurance intermediaries; and
- **works closely with foreign supervisors** to ensure the effective supervision of insurance and reinsurance firms based in other countries in the EU or the EEA and active in Greece under the right of establishment or under the freedom to provide services.

1.2 What are the requirements/procedures for setting up a new insurance (or reinsurance) company?

Pursuant to article 3, par. 1 (a), of the Legislative Decree No. 400/1970 ("**L.D. 400/70**"), the operation of an insurance company is subject to a licence granted by the BoG-DEIA. This is a single licence, which is valid in all territories of the European Union and the European Economic Area ("**EEA**") for the case the insurance company concerned intends to carry out its activities in other member state(s), either under the right of establishment ("**FOE**"), or the freedom to provide services ("**FOS**"). The licence is granted per class of insurance for all or some of the risks comprised in each relevant class, as well as for a group of classes in accordance with the classification as set out in detail under article 13 of the L.D. 400/1970.

A licence may not be granted if:

- the operation of the insurance company conflicts with L.D. 400/1970, the interests of the insureds, moral standards or public order;
- the identity of shareholders or partners (natural or legal persons), having a qualifying holding (10 per cent of the share capital or voting rights, held directly or indirectly) and the shares held have not been declared; or
- the BoG-DEIA has not been persuaded about the suitability of the shareholders/partners.

Every Greek insurance company submits to BoG-DEIA, together with the application for the operation licence the following documents (article 15 par. 1 of L.D. 400/1970):

- its articles of association;
- evidence of payment of the whole share capital.

  Insurance companies having their registered offices in Greece need to keep a minimum guarantee fund, as more particularly provided in L.D. 400/1970, depending on the types and classes of insurances exercised. Advance payment of the minimum of the share capital is considered a prerequisite for the granting of a licence;
- an activities plan;
- information about the management of the insurance company, i.e. the members of the Board of Directors ("**Directors**") and officers;
- declarations for the persons in charge of the various operations, as provided by article 55 of the L.D. 400/1970, who are responsible for the management and administration of the insurance company;
- in case it covers the risks of class 10 ('motor vehicle civil liability insurance'), except carrier liability, the insurance companies should announce the details of the person appointed as its claims' representative; and
- further financial information, balance sheets and cash flow. The financial recourses to be able to cover the solvency margin will also be requested.

The above information is retained on the Registry of the BoG-DEIA.

If an application for an operation licence is declined, the decision thereon should be fully justified and notified to the insurance company concerned within three (3) months from the date of submission.

The requirements concerning the establishment of reinsurance companies are comparable to those regarding insurance companies, as provided in art. 85 *et seq.* of L.D. 400/1970 implementing the reinsurance EU directives.

1.3 Are foreign insurers able to write business directly or must they write reinsurance of a domestic insurer?

Subject to compliance with the solvency requirements of the country of origin and domestic supervision of the BoG-DEIA, foreign insurers are able to write business directly in Greece in

the context of the European passport regime and on a FOS or FOE basis. In cases of non-EU or non-EEA insurance undertakings, increased scrutiny by the BoG-DEIA will be exercised including capital adequacy requirements.

1.4 Are there any legal rules that restrict the parties' freedom of contract by implying extraneous terms into (all or some) contracts of insurance?

The main law regulating insurance contracts is Law 2496/1997 (**Insurance Contract Act** or "**ICA**"). The contents of insurance contracts should therefore mainly comply with the ICA. Importantly, the ICA contains provisions, which are "neutral" (may be deviated by the parties), and other provisions, which are considered to be of compulsory ("*jus-cogens*") or "semi-compulsory" nature. These latter are provisions from which derogation is only allowed if there is no detriment of the rights of the policyholder (or insured/beneficiary), and the level of protection of such rights is increased. Again, this restriction does not apply for specific types of insurance, such as insurance for the carriage of goods, credit insurance or guarantee insurance, and marine or air insurance (article 33 of the ICA).

The freedom of contract is also restricted by a number of other legal provisions, which need to be considered, including:

- the provisions regarding the choice of applicable law in insurance contracts of EU Regulation No. 593/2008 ("**Rome I**");
- Art. 33 of the Greek Civil Code ("**GCC**") on rules of public order;
- the Consumers' Protection Law 2251/1994 (the distance selling of insurance products to consumers, provision of adequate and not misleading information to the insureds, policy written in Greek in compulsory insurance, etc.); and generally
- overriding mandatory state rules ("*jus-cogens*") or rules of direct applicability.

1.5 Are companies permitted to indemnify directors and officers under local company law?

Greek legal theory refers to the international discussions on the permissibility of the indemnification of directors and officers for liability arising from the exercise of their duties.

No specific provision of Greek company law exists. However, the prevailing opinion is that Directors and Officers ("**D&O**") liability insurance is compatible with Greek company law and is used in practice very frequently, especially following the increase of incidents of liability of Directors (i.e. to the Greek State, social security organisations and employees, etc.) due to the financial crisis.

In practice, the (S.A.) company is normally the policyholder and acts on behalf of its Directors and Officers, who are the insureds, and who are able to claim directly the insurance compensation. No insurance cover may be provided for risks associated with fraudulent and immoral conduct (i.e. criminal offences, charges or monetary fines are excluded).

1.6 Are there any forms of compulsory insurance?

Over forty (40) forms of compulsory liability insurance in Greece are mentioned, including:

- motor third-party liability insurance;
- ship-owners' liability under certain distinctions (not only against pollution of the sea by hydrocarbons, but also in respect of maritime risks and claims in general);
- road, railway and air carriers' liability;
- the liability of travel agencies/organisers;
- the civil liability of insurance intermediaries and companies engaged in the financial sector;
- liability from the movement of yachts and the provision of recreational diving services;
- removal of ship wrecks; and
- pharmaceutical research.

2 (Re)insurance Claims

2.1 In general terms, is the substantive law relating to insurance more favourable to insurers or insureds?

The insurance contracts frequently involve consumers and in such cases the Greek statutory provisions related to consumers' protection may apply (e.g. in cases of abusive or unfair general terms and conditions in a policy). Except the cases where consumers are involved, as indicated above under question 1.4, the semi-compulsory provisions of the ICA may not be derogated from, but only with the view to providing higher protection to the insureds (with the exception of the risks of article 33 of the ICA).

On the other hand, protection of the position of the insurers is also provided by the ICA as, e.g., in cases of misleading and fraudulent non-disclosure of information by the insured.

The assessment of the exact character of the relevant legal provisions as favourable or less favourable for the contracting parties may not be easy, it can, however, be supported that the ICA represents a fair balance of rights and obligations between insurers and insureds.

2.2 Can a third party bring a direct action against an insurer?

A. The insured and the policyholder are the same person in most of the cases. If this is not the case, the insurance is concluded in favour of a third party. Accordingly, it is accepted that when there is an explicit provision in **favour of a third party** in the insurance contract, then such a provision is considered to entitle the third party in question to exercise its right to a direct claim against the insurer. There are contracts in favour of a third party provided by law (e.g. under the general provision of article 9, par. 2, of the ICA on the insurance on account of a third party or in the case of a life insurance in favour of a third party. in accordance with Art. 28, par.3. of the ICA). In such cases, the third party/beneficiary of the insurance may directly claim on the basis of the policy, as is the case of a life insurance taken out in favour of the third party, where the risk occurs upon death of the insured.

B. In other types of insurance, e.g., civil liability insurance which is usually treated as a contract between the initial contracting parties, rather than one agreed in favour of a third party, no direct claim is founded. In such cases, the third party that has a claim against the policyholder/insured may proceed against the insurer only via a non-direct claim, exercising the respective rights of the insured, pursuant to article 72 of the Greek Code of Civil Procedure (the "**GCCP**") on "oblique action". This is a general provision allowing lenders to seek judicial protection by exercising the rights of their debtor against his debtors, should he fail to exercise them.

It should be noted at this point that article 26 of the ICA explicitly provides that whenever third party insurance is compulsory by law, the third party shall have a **direct claim** even for sums exceeding the insured sum, up to the limit for which insurance is compulsory. However, the relevant secondary legislation necessary to put into effect the above legal provision has not yet been issued. In the absence of such legislation, jurisprudence accepts that (in addition to the cases under A. above) direct action by the third party is also allowed in cases where such direct right of the third party is founded in specific provisions of the law (e.g. motor liability insurance and yacht insurance, as specifically provided by article 2 par. 1 of Law 489/1976 and article 14 par. 4(a) of Law 4256/2014 respectively).

2.3 Can an insured bring a direct action against a reinsurer?

As a general rule, a reinsurance contract does not constitute a contract in favour of the policyholder – insured as a third party in the direct insurance relationship (in the sense set out above under question 2.2, A.) – although it does concern him since it forms a guarantee that the cedant-insurer will be able to comply with his obligations. The possibility of the policy-holder/insured to claim on the basis of article 72 of the GCCP may not be excluded (please see above under question 2.2, B.), or in the cases where there is a relevant provision in the reinsurance policy for direct claims, as, e.g., in the case of the so-called "cut-through" clauses).

2.4 What remedies does an insurer have in cases of either misrepresentation or non-disclosure by the insured?

If, for any reason which is beyond the control of the insurer or the policyholder, information or circumstances which are objectively material for the assessment of risk, did not become known to the insurer, the insurer shall be entitled to terminate the insurance contract, or to request its variation. Accordingly, a negligent breach of the duty of the policyholder to disclose to the insurer, before the conclusion of the insurance contract or upon renewal thereof, any material information for the assessment of the risk, entitles the insurer to terminate or vary the contract.

Intentional breach of the above duty of the policyholder shall entitle the insurer to terminate the contract within a month (articles 3 par.1, 3, 5, and 6 of ICA). Furthermore, article 4 of ICA provides that throughout the contract period, the policyholder is obliged to give notice to the insurer, within 14 days after acquiring knowledge, of any information or circumstances capable of entailing a significant aggravation of risk. The insurer is then entitled to terminate the contract or to request its variation.

2.5 Is there a positive duty on an insured to disclose to insurers all matters material to a risk, irrespective of whether the insurer has specifically asked about them?

The above "duty of disclosure and representation" is a manifestation of the principle of the "utmost good faith" of Insurance Law and thus constitutes a positive duty of the insured.

The insured should disclose in principle any information or other circumstances which are considered material for the assessment of the risk by the insurer, even if the insurer has not specifically asked about them. On the other hand, in cases where the insurer has set clear written questions to the policyholder (e.g. through a questionnaire), it shall be presumed that the information and circumstances revealed constitute the sole grounds on which the insurer based its assessment and acceptance of the risk (article 3 par. 1 of the ICA). In such cases, the insurer cannot later rely on the fact that some questions remained unanswered, that the circumstances which were not the subject matter of a question have not been disclosed, or that an obviously incomplete answer was given to a general question, unless the applicant has acted fraudulently.

2.6 Is there an automatic right of subrogation upon payment of an indemnity by the insurer or does an insurer need a separate clause entitling subrogation?

According to article14 par.1 of the ICA: "*if the policyholder has a claim for the compensation of loss or damage against a third party, the insurer shall be subrogated to that claim up to the amount of the insurance indemnity (money) paid.*"

The insurer, who has paid out the premium, therefore, takes the place of the insured against the third party, which has caused the damage. The substitution takes place automatically (*ipso jure*), upon payment of the insurance indemnity.

3 Litigation - Overview

3.1 Which courts are appropriate for commercial insurance disputes? Does this depend on the value of the dispute? Is there any right to a hearing before a jury?

The competent forum to hear commercial disputes is the first instance court (or the Magistrates Court – see below). Although strictly speaking, the first instance court is not competent to hear only commercial disputes, according to the internal regulations of the courts of Greece a special division dedicated solely to hearing commercial cases has been established. This is referred to as the 6th Division (ΣΤ') and it vests with the lawyers filing the civil claims to inform the courts that the said case must be introduced before this Division. Depending on the value of the dispute, the competent courts are the following: i) Magistrates Court (hears claims of a monetary value up to €20,000); ii) Single-Member Court (hears claims of a monetary value ranging between €20,001 and €250,000); and iii) Multi-Member Court (hears claims the monetary value of which exceeds the amount of €250,000).

No, there is no right or legal provision to a hearing before a jury in civil cases.

3.2 How long does a commercial case commonly take to bring to court once it has been initiated?

It depends on the competent court and the backlog of cases that each court has. In Athens the average time varies between approximately one and a half and two years. In other local jurisdictions it may be a shorter or a longer period.

4 Litigation - Procedure

4.1 What powers do the courts have to order the disclosure/discovery and inspection of documents in respect of (a) parties to the action and (b) non-parties to the action?

There is no obligation for disclosing documents under the Greek Code of Civil Procedure ("**GCCP**"), i.e. the rule of "discovery" does not apply and each side is generally free to adduce the documents

that prove its own allegations. Obviously, the parties have a general duty of truth under the GCCP (article 116), but that does not mean that they are expected to adduce every document in their possession.

According to the GCCP, the litigant parties are obliged to file briefs before the Court. Briefs are always accompanied by documents related to the lawsuit (whether a party is the respondent or the defendant) in order to support the claim or counter argue it respectively.

Kindly note, however, that each litigant party is obliged to disclose the documents he/she used or adduced before the Court, according to article 450 par. 1 of GCCP entitled "*Documents' disclosure*". Furthermore, according to the second paragraph of said provision, each litigant party or any third party has the obligation to disclose any documents he/she may possess and which may be used as evidential material, according to the Court's opinion, unless there is a "serious cause" which would justify their denial and/or incapacity not to disclose such documents. Any person which has a "lawful interest" for a document to be disclosed may, in cases where a dispute has not yet been brought for adjudication before the Courts, request so by following the procedure of filing a petition for interim measures against the party that withholds the crucial document without there being a significant reason.

The courts seldom require the disclosure/discovery of documents in ongoing proceedings unless one of the parties files such a motion and such motion is accepted.

4.2 Can a party withhold from disclosure documents (a) relating to advice given by lawyers or (b) prepared in contemplation of litigation or (c) produced in the course of settlement negotiations/attempts?

Yes, all such documents are considered to be privileged and the parties are not required to file them with the courts. On the other hand, if these documents legally fall in the hands of the other litigant party (i.e., because it was copied in the privileged correspondence), that other party is free to adduce them to the court in the proceedings.

4.3 Do the courts have powers to require witnesses to give evidence either before or at the final hearing?

In civil trials the court does not summon witnesses. Each party is allowed to examine at least one witness orally on the day of the hearing and/or obtain affidavits prior to the hearing. However, the witnesses examined are the ones proposed by the parties.

The court may, on its own initiative or following the parties' request, appoint an independent expert if it considers that special knowledge of art or science is required (article 368 of GCCP).

4.4 Is evidence from witnesses allowed even if they are not present?

Yes, through the process of taking affidavits. More specifically, each party may obtain up to three (3) affidavits from witnesses. These affidavits can be sworn anytime from the filing of the lawsuit up to the closing of the file. In addition to these three (3) affidavits, each party is also entitled to obtain additional affidavits in order to counter-argue the affidavits of the opponent. In that case, the number of additional affidavits is limited to the number of initial affidavits of the other party. Affidavits in Greece are obtained before the Magistrate judge or before a Notary Public. If obtained abroad, then they must be signed before a Greek Consul.

4.5 Are there any restrictions on calling expert witnesses? Is it common to have a court-appointed expert in addition or in place of party-appointed experts?

Restrictions on calling expert witnesses are provided solely for specific reasons mentioned under article 373 of GCCP, mainly in respect with the experts being promptly licensed to provide their expertise before public authorities, as well as for them not having been convicted before. Furthermore, GCCP provides to the experts, as well as to the litigant parties, for the possibility to further request for the exclusion of the formers for reasons having to do with them impartially executing their duties (i.e. exclusion may be requested if there exists any suspicion or indication for the expert not being in the position to promptly execute his/her duties), not being close relatives to the litigant parties, not having dealt before - under any other capacity - with the case under discussion and not having any potential profit or loss from the outcome of the trial, or if any other "*serious cause*" exists thereof (combined application of articles 376 and 52 of GCCP).

Even if the parties have appointed an expert to express his opinion on the matter under discussion, the court may also issue a non-final decision appointing an expert in order to provide his opinion on a specific matter raised before the court during the procedure (article 368 of GCCP, please see also the answer under question 4.3).

The court is not entitled to appoint experts in place of party-appointed experts.

4.6 What sort of interim remedies are available from the courts?

Interim remedies are ordered by Greek courts only in cases where there is an "*imminent danger*" or an "*urgent situation*", which would render impossible the enforcement of the final judgment, if the claimant's claim is finally upheld in court. In such cases, the applicant/claimant files a petition for an interim relief or/and an injunction order to be ordered by the competent courts, due to the exact urgent nature of the matter under adjudication. The court, following the filing of such petitions, may order the interim measures that it believes to be the most effective for each case under examination, such as order for: the provisional arrest of any assets of the defendant; a security to be deposited; a document to be disclosed; or any other measure which would, under the specific circumstances, maintain the status of a person's right under menace, or regulate promptly a situation which has been disturbed (articles 682 *et seq.* GCCP).

4.7 Is there any right of appeal from the decisions of the courts of first instance? If so, on what general grounds? How many stages of appeal are there?

Yes. By law every defeated party has the right to appeal the judgment of the courts of first instance within a specified period.

There are no specific grounds upon which an appeal may be filed against a First Instance Court decision, i.e. the grounds of appeal may include either legal errors of the First Instance Judgment, or substantial objections of the appellant regarding the merits of the case.

Similarly to the appeal process, each party is also entitled by law to file a recourse (Petition for Cassation) before the Supreme Court. It should be noted, however, that the Greek Supreme Court acts as a "*Cours de Cassation*", in the sense that it only examines issues of law and not the substance/merits of the case. Therefore, if the recourse is accepted, the case is referred back to the Appeal Court

which will re-examine the case in its substance. In the event that the recourse is rejected, the decision becomes irreversible.

4.8 Is interest generally recoverable in respect of claims? If so, what is the current rate?

Yes, interest is normally recoverable from the filing of the lawsuit (service) up to the time of the total debt repayment. The average interest rate varies depending on the time periods in consideration that apply to each case. The current default interest rate is 7.3 per cent per annum.

4.9 What are the standard rules regarding costs? Are there any potential costs advantages in making an offer to settle prior to trial?

The standard costs for a litigant party when entering into a dispute before the Greek Courts are the following:

- Attorney fees to be freely agreed between the parties.
- Court fees (i.e. filing fees, fees for the issuance of a judgment, expert fees, court bailiff fees etc., about 4 per cent of the value of the claim).
- Costs to enforce a judgment (i.e. fees for the registration of the judgment, fees for the attachment order, fees for auction and other enforcement fees, about 2 per cent of the value of the claim).

Recovery of fees: According to article 176 GCCP, the winning party can obtain full reimbursement of legal fees from the losing party as part of the final judgment. In practice however, the courts usually do not award an amount exceeding a cap of 2 per cent of the amount of the claim as costs and in many instances they opt to set-off the costs between the parties. This discretion is commonly exercised where the dispute between the parties is not one of an obvious violation of another's rights.

Considering the aforementioned, efforts to settle prior to trial are preferable in the sense that the defeated party will avoid the costs of litigation, attorneys' fees and most likely interest.

4.10 Can the courts compel the parties to mediate disputes? If so, do they exercise such powers?

The courts may not compel the parties to mediate their disputes. Such mediation may be provided by the courts solely upon the parties' initiative, either before the filing of the main lawsuit, or until the issuance of a final decision.

4.11 If a party refuses to a request to mediate, what consequences may follow?

No such consequences exist due to the mediation being provided under a voluntary basis by the Greek law.

5 Arbitration

5.1 What approach do the courts take in relation to arbitration and how far is the principle of party autonomy adopted by the courts? Are the courts able to intervene in the conduct of an arbitration? If so, on what grounds and does this happen in many cases?

Traditionally, Greek law provided for a uniform treatment both of domestic and international arbitration. However, following the enactment of Law 2735/1999 on international arbitration, it is this particular law which governs an international arbitration and when gaps are witnessed, then they are fulfilled through the application of relevant provisions of the GCCP on arbitration. The Greek law maker's primary concern is to safeguard the principle of equality between the parties. Moreover, as to confidentiality, there are no specific provisions in Greek law. Therefore, confidentiality basically rests on the parties' will. Lastly, no language restrictions exist in the Greek legal framework.

Parties are free to decide on the procedural rules of the arbitration subject to mandatory rules of the Law (article 19 of Law 2735/1999). Unless otherwise agreed by the parties, the arbitral tribunal consists of three arbitrators. The arbitral tribunal decides whether there will be a hearing of the case or whether the whole procedure will be conducted in writing (article 24 of Law 2735/1999), unless the parties have stipulated the kind of procedure they wish the tribunal to follow. When the parties have not specifically excluded, in their agreement, the possibility of a hearing taking place, the arbitral tribunal is obliged to conduct such a hearing if either party so desires.

The parties may also determine the rules for evidence to apply in the arbitration. They may do so either indirectly, when deciding upon the procedural rules, or directly, by determining specific evidence to be deemed admissible. If the parties have not made an agreement providing for the applicable rules on evidence, or their agreement is void, it will be up to the arbitral tribunal to determine which rules are the most appropriate. Therefore, depending on what the parties have agreed or what the tribunal has decided, evidence through witnesses may be provided either orally or in writing or both, and cross-examination of witnesses may or may not be allowed. The procedure for disclosing documents will be determined either by an agreement between the parties or by the tribunal. If the parties have not agreed otherwise, the arbitral tribunal may appoint one or more experts to submit with the tribunal a technical report on certain disputed matters, and inviting each party to provide them with all the relevant information and access to documents, goods or other objects (article 26, the Law). Unless the parties have agreed otherwise, the experts, after submitting their written or oral reports and upon the request of either party or the tribunal, are obliged to participate in a hearing, in which the parties may ask questions and call other witnesses or technical advisors. It should be noted that the arbitral tribunal or either one of the parties, following the tribunal's consent, may ask for the competent State court's assistance for evidence purposes. The court may grant this request and assist the tribunal through the gathering of evidence according to the provisions of the GCCP.

5.2 Is it necessary for a form of words to be put into a contract of (re)insurance to ensure that an arbitration clause will be enforceable? If so, what form of words is required?

There is no obligatory form of wording for an arbitration clause to be deemed valid in a contract of (re)insurance. What matters is that the said dispute resolution clause is made in writing (oral agreements are not recognised as valid) and it is always advisable to agree beforehand on the applicable substantive law, the rules that will govern the arbitration proceedings, the place of arbitration (forum), language and the number of arbitrators. A typical clause would read as follows:

> *"Dispute Resolution – Arbitration Clause:*
>
> *This Agreement and any dispute or claim arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of ...* [Country]. ...
>
> *Any dispute arising out of or in connection with this*

Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the ... [Rules, which are deemed to be incorporated by reference into this clause] .... *The number of arbitrators shall be ...* [Number of arbitrators] .... *The seat or legal place of arbitration shall be ...* [Name of city] .... *The language used in the arbitral proceedings shall be ...* [Language]. ...*"*

5.3 Notwithstanding the inclusion of an express arbitration clause, is there any possibility that the courts will refuse to enforce such a clause?

According to article 16 of Law 2735/1999 re *International Commercial Arbitration*, the arbitral tribunal judges over its competency, as well as the existence or validity of the arbitration clause. During this procedure, the arbitration clause is considered to be independent from the underlying contract (separability principle).

This is because in most disputes the validity of the agreement is in question. However, in order to conduct arbitration proceedings, the arbitration clause should remain unaffected by the claim of invalidity. In this context, the doctrine of separability has been introduced and accepted in the practice of international commercial arbitration. The separability of the arbitration clause from the underlying agreement has been widely accepted as a principle which allows for arbitration proceedings related to an agreement whose validity is put into question.

In this respect please also refer to our answer to question 5.6 below.

5.4 What interim forms of relief can be obtained in support of arbitration from the courts? Please give examples.

Interim measures that can be ordered by the arbitral tribunal are described in article 17 of Law 2735/1999. Unless the parties have agreed otherwise, the arbitral tribunal may, upon the request of either party, order the interim measures that it deems necessary in connection with the subject matter of the arbitration. The tribunal may, for example, order a provisional seizure of assets, granting of a guarantee, etc. Interim measures cannot be ordered against anyone else other than the parties to the arbitration agreement. If a party fails to comply with the order made by the tribunal without good reason, the tribunal itself is not given any power to enforce. However, paragraph 2 of article 17 of the Law allows the parties to apply to a court to enforce the interim measures ordered by the arbitral tribunal. The court's decision regarding the enforceability of the arbitral award on interim measures (mentioned above) may be repealed or modified upon the request of either party (article 17(3) of Law 2735/1999; and articles 696 and 698 of GCCP).

5.5 Is the arbitral tribunal legally bound to give detailed reasons for its award? If not, can the parties agree (in the arbitration clause or subsequently) that a reasoned award is required?

The arbitral award is made in writing and is signed by the arbitrator(s). The award states the reasons upon it is based unless the parties have agreed that no reasoning is required or it is an award based on a settlement (article 32 (2) of Law 2735/1999).

5.6 Is there any right of appeal to the courts from the decision of an arbitral tribunal? If so, in what circumstances does the right arise?

Article 35 of Law 2735/1999, as well as article 895 of GCCP clearly stipulate that an arbitral award is not subject to appeal. The parties to arbitration proceedings are entitled only to file recourse against the award for flaws emanating either from the arbitration agreement itself or for procedural flaws of the arbitral proceedings/award.

More specifically, article 34 of Law 2735/1999, provides that recourse to a court against an arbitral award may be made only through a petition seeking to set aside the award. The reasons for setting aside an award are specific and are exhaustively mentioned in article 34 of the Law (Note: Law 2735/1999 reflects the reasons for setting aside an arbitral award as contained in article 34 of the UNCITRAL Model Law). In particular, the grounds provided in article 34 (2) are divided in two categories:

(a) Grounds which are to be proven by a party are as follows:

- lack of capacity of the parties to conclude an arbitration agreement;
- lack of a valid arbitration agreement;
- lack of notice of appointment of an arbitrator or of the arbitral proceedings or inability of a party to present its case;
- the award deals with matters not covered by the submission to arbitration; and
- the composition of the arbitral tribunal or the conduct of arbitral proceedings are contrary to the effective agreement of the parties or, failing such agreement, to the Model Law.

(b) Grounds that a court may consider *ex officio* are as follows:

- non-arbitrability of the subject-matter of the dispute; or
- violation of public order.

Article 897 of GCCP also provides for similar reasons for setting aside an award.

Acknowledgment

The assistance of **Ioanna Chotzoglou** and **Paraskevi Kalogerakou** (Insurance – Re-insurance), as well as **Harry Karampelis** and **Katerina Skouteli** (Litigation – Arbitration), in the preparation of this chapter, is gratefully acknowledged with thanks of the writer.

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