

NEWSFRONT

GREEK SHIPPING INTELLIGENCE

31 May 2024

Vol. 25/ No. 22



LEGAL OPINION

Status of Foreign Maritime Companies

As a general principle, a legal entity is regulated by the law of its jurisdiction. However, this does not necessarily suggest the state of its registered address; the company is regulated by the law of the place where its management takes place.

However, above does not apply to maritime companies which:

- Are or were shipowners or managers of vessels flying the Greek flag
- Are lawfully established in Greece under law 27/75 (known as law 89)
- Are owners of foreign flag vessels managed by companies established in Greece under law 27/75.

In all other cases, foreign companies administered in Greece are considered as de facto Greek partnerships, regardless of their registered seat. This in turn, suggests that their shareholders are personally liable for debts of such de facto Greek partnership.

Supreme Court Judgment no 1183/2019, President: G Lekkas, Rapporteur Judge: A. Kokkovou, Attorneys at law: D. Dimitriou, A. Bayati, Maritime Law Review vol. 47, p. 81.

NOTE: Given that under Greek law, the partners of a Greek partnership are also its Directors, where the shareholder of such de facto company are unknown, its directors are deemed to be also partners, and thus personally liable for the company's debts!

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