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C(2015) 9682 final

<p>In the published version of this decision, some information has been omitted, pursuant to articles 30 and 31 of Council Regulation (EU) 2015/1589 of 13 July 2015 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union, concerning non-disclosure of information covered by professional secrecy. The omissions are shown thus [...]</p>		<p style="text-align: center;"><b>PUBLIC VERSION</b></p> <p>This document is made available for information purposes only.</p>
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**Subject: State aid No. SA.43886 (2015/N) – Greece  
Resolution of Cooperative Bank of Peloponnese**

Sir,

**1. PROCEDURE**

- (1) On 10 November 2015, the Bank of Greece requested Cooperative Bank of Peloponnese L.L.C. ("Bank of Peloponnese") to meet the regulatory requirement of 8% capital adequacy ratio by 11 December 2015. Bank of Peloponnese initiated private capital raising processes but was unable to raise the required capital by 11 December 2015.
- (2) On 15 December 2015, the Greek authorities notified to the Commission the forthcoming resolution of Bank of Peloponnese, using a purchase and

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assumption tool<sup>1</sup>. The Commission registered that notification and subsequent information submitted by the Greek authorities as SA.43886 (2015/N).

- (3) By letter dated 15 December 2015, Greece agreed exceptionally to waive its rights deriving from Article 342 TFEU in conjunction with Article 3 of Regulation 1/1958 and to have the present decision adopted and notified in English.

## 2. DESCRIPTION

### 2.1. Bank of Peloponnese and its difficulties

#### 2.1.1. General context of the Greek commercial and cooperative banking sector

- (4) Greece's real gross domestic product ("GDP") fell by 29% from 2008 to 2014, as shown in Table 1. As a result, Greek banks faced a rapidly increasing default rate on loans to Greek households and companies. Those developments have adversely affected the performance of the assets of Greek banks and generated large loan losses.

*Table 1 – Real GDP Growth in Greece, 2008-2014*

Greece	2008	2009	2010	2011	2012	2013	2014
Real GDP growth, %	-0,3	-4,3	-5,5	-9,1	-7,3	-3,2	0,7

Source: Eurostat<sup>2</sup>

- (5) The Greek banking sector has gone through a series of reforms since May 2010, including restructuring and significant consolidation. However, from December 2014 onwards Greece experienced severe political uncertainty. Large deposit outflows from the Greek banks followed, as well as the loss of access to the wholesale funding market which they had regained in 2013-2014.
- (6) The liquidity crisis experienced in the first half of 2015 led to the imposition of a bank holiday on 29 June 2015<sup>3</sup> and the maintenance of capital controls after banks reopened on 20 July 2015. From the beginning of the political crisis on 9 December 2014 to the enforcement of the bank holiday on 29 June 2015, the banking system suffered a deposit outflow of EUR 47,6 billion – equivalent to a decrease of 27,5% of the deposit base. During the period of the bank holiday a further EUR 2,8 billion of household and corporate deposits were withdrawn. During the same period the reliance of Greek banks on ELA significantly increased, from nearly zero to a peak of EUR 88,3 billion at the end of July 2015.

<sup>1</sup> A purchase and assumption is a resolution tool which consists of identifying in a bank under resolution the assets and liabilities of high quality and auctioning them in order to transfer them to a large viable bank which will integrate them, while the remaining part of the bank is liquidated under normal liquidation procedures.

<sup>2</sup> <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00115&plugin=1>

<sup>3</sup> Legislative Act 65/28.06.2015 imposed a bank holiday on all credit institutions operating in Greece, under any form, from 28 June 2015 until 6 July 2015. By virtue of the Legislative Act 84/18.07.2015, the bank holiday, which was extended, by decision of the Minister of Finance, until 19 July 2015, ended on 20 July 2015.

- (7) The solvency situation of the banks has also been affected. Uncertainty related to the reform programme and deteriorating liquidity conditions have undermined household and business confidence and investment. The capital controls also hurt economic activity in Greece. Instead of the economic recovery forecast previously, it is now expected that the Greek economy will again be in recession in 2015 and 2016. As a consequence, the ability of the households and businesses to repay their loans will be significantly impaired, which will result in higher loan losses for the banks (increase in the stock of non-performing loans ("NPL") and lower recovery from the existing NPLs).
- (8) Cooperative banks have been affected both by economy- and banking sector-wide adverse developments described in recitals (4) – (7), and by specific issues such as a resolution of Panellinia Bank in April 2014<sup>4</sup>. All cooperative banks were shareholders in Panellinia Bank which was their central counterparty, providing daily banking services and IT support.
- (9) The Greek authorities submit that, apart from the implications of the financial and economic crisis, the difficulties of cooperative banks may be partly attributed to their internal weaknesses, especially as regards the credit policy and the management of loan portfolios. According to the Greek authorities, deteriorating quality of loan portfolios and the resulting reduced income, along with the increased cost of funding, affected the cooperative banks' profitability and their ability to generate internal capital.
- (10) The cooperative banking sector in Greece currently consists of ten banks that mainly operate in regional cities. Overall, those banks account for around 1% of the Greek banking sector (by loans), with some 130 branches and slightly less than 1 000 employees. Due to their local and legal entity status, cooperative banks have a multi-shareholder structure including more than 160 000 cooperative members.
- (11) On 10 November 2015 the Bank of Greece established that Bank of Peloponnese needs additional capital to meet the regulatory requirement of 8% Core Tier 1 capital. The capital shortfall amounted to EUR [...] \* million.

#### 2.1.2. *The beneficiary*

- (12) Bank of Peloponnese was established as a credit and development cooperative in 1994 and in 1998 was licensed by the Bank of Greece to operate as a credit institution. With EUR 97 million in assets, 14 branches (mainly in the Peloponnese peninsula) and 66 employees, it has a market share of around 1,5% for loans and deposits in Peloponnese, and less than 0.1% market share in Greece.
- (13) Bank of Peloponnese offers retail and commercial banking services, as well as other products such as e-banking and bancassurance. Bank of Peloponnese mainly focuses on the financing of SMEs, a sector which accounts for 94% of its loan portfolio and that was severely hit by the crisis.
- (14) The share capital of Bank of Peloponnese is solely Core Tier 1 and consists of cooperative shares owned by around 6 000 cooperative members.

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<sup>4</sup> Commission Decision of 16 April 2015 SA.41503 (2015/N) "Resolution of Panellinia Bank through a transfer order to Piraeus Bank", OJ C 325, 02.09.2015, p. 11.

\* Confidential information

- (15) Owing to the adverse developments described in section 2.1.1, Bank of Peloponnese faced dramatic increase in NPL ratio in the months preceding resolution. The NPL ratio increased to [...]%, as of 30 June 2015. As a result the NPL coverage (i.e. provisions divided by NPL) decreased to [...]%. Moreover, Bank of Peloponnese faced large deposits outflows in the months preceding its resolution. In 2015 Bank of Peloponnese lost EUR [...] million (around [...]%) of its deposits.

*2.1.3. Resolution of Bank of Peloponnese*

- (16) As explained in recital (1), Bank of Peloponnese was unable to raise the required regulatory capital by 11 December 2015.
- (17) Therefore, the Bank of Greece determined that Bank of Peloponnese is failing or is likely to fail, meeting the condition for resolution provided in Article 32(1)(a) of Directive 2014/59/EU on bank recovery and resolution<sup>5</sup>, as transposed by Law 4335/2015.
- (18) The Bank of Greece also evaluated that there are no other alternative measures either from private sources or as part of supervisory actions to address the capital shortfall. With regard to the application of Article 59 of Directive 2014/59, Bank of Peloponnese has not issued any relevant capital instruments. Therefore, the exercise of the powers provided in Article 59 of Directive 2014/59 cannot prevent insolvency of Bank of Peloponnese and, consequently, the condition for resolution foreseen in Article 32(1)(b) is met.
- (19) Finally, the Bank of Greece considered that a resolution action is necessary in the public interest, to protect depositors as well as client funds and assets. Despite the fact that Bank of Peloponnese is not a systemic credit institution, the Bank of Greece concluded that, in view of the current fragile political and financial environment in Greece, the winding up of that bank under normal insolvency proceedings, with the subsequent loss of the uncovered deposits, would pose a significant threat to financial stability. It would exacerbate even further the disarray among market participants and depositors. According to the latest available data provided by the Greek authorities, customer deposits in Bank of Peloponnese amount to around EUR 99 million, of which EUR 77 million are covered. As a result, the winding up under normal insolvency proceedings would result in the loss of the part of uncovered customer deposits, estimated at EUR 22 million. Any loss of customer deposits would pose the risk of deposit outflows from the remaining credit institutions. On the other hand, implementation of resolution measures would ensure the protection of the public interest, primarily, the protection of depositors' confidence and financial stability in Greece. Therefore, the condition for resolution provided in Article 32(1)(c) of Directive 2014/59 is met.
- (20) The Bank of Greece proceeded with an auction of selected assets and liabilities of Bank of Peloponnese. Only limited assets and liabilities will be transferred, as shown in Table 2 ("the transferred assets and liabilities").

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<sup>5</sup> Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and EU No 648/2012, of the European Parliament and of the Council, OJ L 173, 12.6.2014, p. 190.

**Table 2 – Perimeter of transferred assets and liabilities from Bank of Peloponnese**

<b>Assets</b>	<b>To transfer</b>
Cash and cash balances at the Central Bank	Note 1
<b>Liabilities</b>	<b>To transfer</b>
Customer deposits	100%
Deposits at the Central Bank	100%
Due to Banks	100%
Other liabilities	Note 2

*Note 1: Only includes receivables from the Hellenic Deposit and Investment Guarantee Fund ("HDIGF").*

*Note 2: Only includes payables to the HDIGF.*

- (21) The Bank of Greece submitted that the Greek Resolution Fund<sup>6</sup> would cover the so-called "funding gap", which is the difference between the value of the assets and the value of the liabilities transferred from the resolved bank to an acquiring bank. The Bank of Greece estimates the funding gap at EUR 99,6 million including a EUR 4,8 million buffer due to the uncertainty regarding the exact amount of assets and liabilities at the date of the resolution.
- (22) The acquiring bank will have to finance from its own resources the payment of the purchase price.
- (23) On 11 December 2015, the Bank of Greece invited the four largest banks in Greece to submit offers for the transferred assets and liabilities of Bank of Peloponnese.
- (24) On 13 December 2015, the Bank of Greece decided that, on the date of resolution, National Bank of Greece S.A. ("the Buyer") would be acquiring the transferred assets and liabilities of Bank of Peloponnese.
- (25) The Buyer offered a EUR 5 million purchase consideration for the acquisition of the transferred assets and liabilities of Bank of Peloponnese. More specifically, the resolution costs of Bank of Peloponnese, to be covered by the Greek Resolution Fund, will be reduced by the consideration amount, to be paid by the Buyer. The total estimated resolution costs of Bank of Peloponnese are EUR 99,6 million. At the moment of resolution, the Greek Resolution Fund has to pay to the Buyer two-thirds of those total estimated resolution costs (EUR 66,4 million) reduced by the consideration of the Buyer (EUR 5 million), i.e. EUR 61,4 million. When the final resolution costs are assessed by independent auditors, the Greek Resolution Fund will pay the Buyer the difference between those final costs and the already paid two-thirds of the estimated resolution costs.
- (26) According to the integration plan submitted by the Buyer, it anticipates that the acquisition of the transferred assets and liabilities will further reinforce its liquidity profile, reducing the loan-to-deposit ratio and result in synergies. The integration Bank of Peloponnese is expected to take place immediately.

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<sup>6</sup> The Greek Resolution Fund is the fund set up under the resolution branch of the HDIGF. That resolution branch was created in the HDIGF when the resolution framework was adopted in Greece in 2011.

- (27) The Buyer provides universal banking services mainly in Greece and in South-Eastern Europe. It offers a full range of banking and financial products and services to households and businesses. The Buyer employs in total 34 524 people<sup>7</sup> of whom 12 357 in Greece<sup>8</sup>. As of 30 June 2015, the Buyer held a market share in Greece of 22% for loans, with gross loans of EUR 46,3 billion, and 29,1% for deposits, which amounted to EUR 35,5 billion.
- (28) By decision of 4 December 2015, the Commission approved additional capital aid to the Buyer, based on an amended restructuring plan of the Buyer<sup>9</sup>. In that decision, the Commission assessed the measures provided in the amended restructuring plan as enabling the Buyer to restore its long-term viability, while limiting the distortions of competition created by the large amount of State aid granted. The compliance of the acquisition of the transferred assets and liabilities of Bank of Peloponnese with the approved restructuring plan is assessed in section 4.2.
- (29) The transfer of assets and liabilities of Peloponnese to the Buyer will take place after the adoption of the present Decision and the resolution decision of the Bank of Greece.

## **2.2. Resolution of Bank of Peloponnese**

- (30) The Bank of Greece made an initial estimation of the resolution costs of Bank of Peloponnese at EUR 99,6 million, including a funding buffer of EUR 4,8 million, due to uncertainty regarding the exact amount of assets and liabilities at the date of the resolution, as described in paragraph (21).
- (31) The final funding gap will be assessed by independent auditors within six months of the date of the resolution. Consequently, the Bank of Greece will validate the final funding gap several months after the resolution.

## **3. POSITION OF THE GREEK AUTHORITIES**

- (32) The Greek authorities submit that, having failed to raise the required regulatory capital, as explained in recital (1), Bank of Peloponnese is failing or likely to fail, meeting the condition for resolution laid down in Article 32(1)(a) of Directive 2014/59. In addition, the Greek authorities submit that there are no other alternative measures either from private sources or as part of supervisory actions to address the capital shortfall, and, consequently, the condition for resolution provided in Article 32(1)(b) is met. Finally, the Greek authorities submit that a resolution action is necessary in the public interest in order to protect depositors as well as client funds and assets, meeting the condition for resolution contained in Article 32(1)(c) of Directive 2014/59.
- (33) The Greek authorities are seeking the approval of the Commission, which is necessary to implement the resolution of Bank of Peloponnese, through the acquisition by the Buyer of the transferred assets and liabilities of Bank of Peloponnese.

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<sup>7</sup> The Buyer's press release regarding 30.06.2015 results at: [https://www.nbg.gr/english/the-group/press-office/press-releases/Documents/20151031%20Press\\_Release\\_2Q15\\_EN%20VF.pdf](https://www.nbg.gr/english/the-group/press-office/press-releases/Documents/20151031%20Press_Release_2Q15_EN%20VF.pdf).

<sup>8</sup> 2015 [restructuring](#) plan of the Buyer.

<sup>9</sup> Commission Decision of 4 December 2015 SA.43365 (2015/N) " Amendment of the restructuring plan approved in 2014 and granting of new aid to National Bank of Greece " – not yet published.

## 4. ASSESSMENT UNDER STATE AID RULES

### 4.1. Existence of State aid

- (34) The Commission has to assess whether the measures constitute State aid within the meaning of Article 107(1) TFEU.

#### 4.1.1. Aid to Bank of Peloponnese

- (35) The Commission notes that Bank of Peloponnese will be put in liquidation and its banking license will be withdrawn. Therefore, it will no longer carry out economic activities on the banking market.
- (36) The State support, that is to say the financing of the funding gap, would constitute aid to the transferred assets and liabilities within the meaning of Article 107(1) of the Treaty only if they together constituted an undertaking. The concept of an undertaking encompasses every entity engaged in an economic activity, regardless of legal status and the way in which it is financed. Any activity consisting in offering goods or services on a given market is regarded as an economic activity. Therefore, in order to conclude whether there is aid to an undertaking, it should be assessed whether the transfer of the assets and liabilities entails the transfer of an economic activity.
- (37) As explained in section 2.1.3, following the resolution of Bank of Peloponnese, only customer and bank deposits were transferred to the Buyer. Bank of Peloponnese employed 66 employees and had 14 branches in total. It should be noted that there was no automatic transfer of branches or employment contracts or loans between Bank of Peloponnese and the Buyer. Therefore, the fact that loans are not transferred to the Buyer but remain with Bank of Peloponnese into liquidation, the fact that no branch is transferred and the lack of automatic transfer of labour contracts contribute<sup>10</sup> to the conclusion that there is no transfer of economic activity. The transferred liabilities (that is to say deposits) cannot be considered to be the beneficiary of State support, as they do not constitute an "undertaking".
- (38) In summary, the existing legal entity of Bank of Peloponnese has been put into liquidation and no longer carries out any banking activities. At the same time, the transferred assets and liabilities do not constitute an economic activity.
- (39) It is therefore concluded that the resolution support measure does not allow the continuation of the Bank of Peloponnese's economic activities. Therefore, the resolution support constitutes neither aid to the liquidated entity nor aid to the transferred assets and liabilities. That conclusion is similar to the one reached in the framework of a prior State-supported sale of deposits of resolved cooperative banks in Greece<sup>11</sup>.

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<sup>10</sup> See recital 146 of the Commission Decision of 12.11.2008 in State Aid Case SA. 510/2008 – Italia "Vendita dei beni della compagnia aerea ALITALIA", OJ C 46, 25.2.2009, p. 6. See recital 155 of the Commission Decision of 9 July 2014 in State aid SA.34823 (2012/C), "HFSF Recapitalisation commitment to Alpha Bank and additional recapitalisation" (OJ L 80, 25.3.2015, p. 1).

<sup>11</sup> See recital 162 of the Commission Decision of 9 July 2014 in State aid SA.34823 (2012/C), "HFSF Recapitalisation commitment to Alpha Bank and additional recapitalisation" (OJ L 80, 25.3.2015, p. 1).

#### 4.1.2. *Aid to the Buyer*

- (40) As to whether the sale of the transferred assets and liabilities of Bank of Peloponnese entails State aid to the Buyer, in line with points 79, 80 and 81 of the 2013 Banking Communication<sup>12</sup> and point 20 of the Restructuring Communication<sup>13</sup>, the Commission needs to assess whether certain requirements are met. It needs to examine in particular whether (i) the sale process was open, unconditional and non-discriminatory; (ii) the sale took place on market terms; and (iii) the credit institution or the government maximised the sale price for the assets and liabilities involved.
- (41) Subject to the Commission's approval, the Buyer will acquire the transferred assets and liabilities of Bank of Peloponnese because it submitted the preferred offer in the framework of a non-discriminatory tender procedure open to other banks. The Bank of Greece decided to contact only the four largest banks operating in Greece. The Bank of Greece selected the most advantageous offer submitted by the Buyer.
- (42) The Commission observes that the Bank of Greece only contacted four banks. However, the limited set of buyers contacted cannot exclude that the tender was open. The four banks contacted represent in fact the totality of the Greek banking sector excluding the cooperative banks. Moreover, foreign credit and financial institutions currently show limited interest in engaging in banking activities in Greece. That current lack of interest is clearly highlighted by the sale by foreign credit and financial institutions of their local subsidiaries in the past years. Moreover, as only limited assets and liabilities (mainly customer and bank deposits) will be transferred, only banks that are already present in the Peloponnese peninsula have the capacity to integrate those assets and liabilities. Finally, the Bank of Greece determined in advance the portfolio of the assets and liabilities to be transferred and the timetable the offers should meet in order to be valid. The Commission considers that the sale process was open, non-discriminatory and unconditional.
- (43) The relatively low price paid by the Buyer (EUR 5 million) for the assets and liabilities of Bank of Peloponnese in comparison with the funding gap covered by the Resolution Fund (up to EUR 99,6 million) does not preclude that the sale price reflects the market value of the business<sup>14</sup>. The Commission has no reason to consider that the offer made and the price paid did not reflect the market price of the business. It is recalled that, under Greek law, the fair value of the transferred assets is initially estimated by the Bank of Greece and then verified and adjusted by external experts during the following six months. As a result, the Commission considers that the sale took place on market terms. On the basis of the above, in line with points 79, 80 and 81 of the 2013 Banking Communication and point 20 of the Restructuring Communication, the Commission concludes that State aid to the Buyer can be excluded.

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<sup>12</sup> Communication from the Commission on the application, from 1 August 2013, of State aid rules to support measures in favour of banks in the context of the financial crisis ("Banking Communication"), OJ C 216, 30.7.2013, p. 1

<sup>13</sup> Commission Communication on the return to viability and the assessment of the restructuring measures in the financial sector in the current crisis under the State aid rules, OJ C 195, 19.8.2009, p. 9.

<sup>14</sup> See also recital (82) of Commission Decision of 28.11.2012 in State aid SA. 34053 (2012/N) – Spain Recapitalisation and Restructuring of Banco de Valencia S.A. (OJ C 75, 14.3.2013, p. 3).

#### 4.1.3. *Conclusion on the existence aid received*

- (44) The Commission concludes that the resolution measure covering the funding gap relating to the transfer of assets and liabilities of Bank of Peloponnese to the Buyer for an amount of up to EUR 99,6 million does not constitute State aid within the meaning of Article 107(1) TFEU.

#### **4.2. Compliance of the acquisitions of the transferred assets and liabilities of Bank of Peloponnese with the Commission decision approving the restructuring plan of the Buyer**

- (45) As stated in recital (28), by decision of 4 December 2015 the Commission approved the restructuring plan of the Buyer. Greece has given a commitment that the Buyer will comply with some behavioural limitations, including an acquisition ban. That ban on acquisitions covers both undertaking which have the legal form of a company and any package of assets which forms a business. As described in recitals (37) – (39), the transferred assets and liabilities of Peloponnese Bank do not constitute either an undertaking or a business. Therefore the acquisition ban does not apply.
- (46) However, the Commission will assess whether the acquisition of the transferred assets and liabilities of Bank of Peloponnese by the Buyer endangers the finding that the restructuring aid to the Buyer complies with the requirements of the Restructuring Communication.

##### *4.2.1. Effect of the acquisition of the transferred assets and liabilities of Bank of Peloponnese on the long-term viability of the Buyer*

- (47) The acquisition of the transferred assets and liabilities of Bank of Peloponnese will have a positive impact on the viability of the Buyer. It will notably improve the Buyer's liquidity position, by decreasing its domestic loan-to-deposits ratio, and will decrease the Buyer's funding costs, by reducing reliance on the more expensive Emergency Liquidity Assistance. The transaction is also capital neutral, except the small purchase price, and the transferred assets cannot lead to further loss.
- (48) The Commission therefore considers that the acquisition of Bank of Peloponnese's transferred assets and liabilities does not endanger the restoration of the long-term viability of the Buyer.

##### *4.2.2. Effect of the acquisition of the transferred assets and liabilities of Bank of Peloponnese on the aid amount needed by the Buyer*

- (49) In line with point 23 of the Restructuring Communication, restructuring aid should not be used for the acquisition of other companies but merely to cover restructuring costs which are necessary to restore the viability of the Buyer. In this case, the acquisition is not essential for the Buyer's viability within the meaning of point 23 of the Restructuring Communication.
- (50) As explained in recital (37), the transferred assets and liabilities cannot lead to further loss, and the impact on capital is limited to the purchase price of EUR 5 million. Moreover, that purchase price represents only a small fraction of the private capital raised by the Buyer in 2015.
- (51) In conclusion, the Buyer will not use aid to finance the acquisition of the transferred assets and liabilities of Bank of Peloponnese and that acquisition

does not contravene the principle that aid should be limited to the minimum necessary.

*4.2.3. Distortive effect of the acquisitions on competition*

- (52) No non-aided bidder manifested interest for the transferred assets and liabilities of Bank of Peloponnese. There was therefore no crowding-out of any non-aided bidder by the Buyer.
- (53) Moreover, Bank of Peloponnese had a limited market share (0,1% of the banking sector's total deposits) and its economic activities will stop at the date of the resolution.
- (54) Therefore, the acquisition has no impact on competition.

*4.2.4. Conclusion on the compliance of the acquisition of Bank of Peloponnese's transferred assets and liabilities with the Commission decision approving the restructuring plan of the Buyer*

- (55) The Commission concludes that, in the light of the specificities of the acquisition of the transferred assets and liabilities of Bank of Peloponnese, that acquisition does not impact the finding that the restructuring aid to the Buyer is in line with the Restructuring Communication.

**5. COMPLIANCE OF THE RESOLUTION OF BANK OF PELOPONNESE WITH THE PROVISIONS OF DIRECTIVE 2014/59**

- (56) Given that the Commission concluded that the resolution support in favour of Bank of Peloponnese does not constitute State aid in the meaning of Article 107(1) TFEU (see recital (39)), the present decision does not assess its compatibility with Article 107(3) of the Treaty. Hence, since this decision does not assess the compatibility of that measure, the Commission does not have to assess in this decision whether that measure breaches any intrinsically linked provision of Directive 2014/59.

## 6. CONCLUSION

- (57) The Commission concludes that the resolution measure covering the funding gap relating to the transfer of assets and liabilities of Bank of Peloponnese to National Bank of Greece for an amount of up to EUR 99,6 million does not constitute State aid within the meaning of Article 107(1) TFEU.
- (58) The Commission notes that Greece accepts that the adoption of the Decision be in the English language.

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