

## **N.E.P.A. : THE GREEK MARITIME COMPANY FOR PLEASURE YACHTS**

The Maritime Company for Pleasure Yachts (in Greek: Ναυτιλιακή Εταιρεία Πλοίων Αναψυχής) (hereinafter referred to as "N.E.P.A."), is a **commercial company whose exclusive object is the acquisition, exploitation or management of pleasure yachts under Greek flag** which are qualified as commercial, in accordance with the provisions of law 4256/2014.

- The incorporation document (articles of association) of the N.E.P.A. is established in writing by at least two shareholders and is submitted at the Registry of Maritime Companies of Pleasure Yachts.
- The N.E.P.A. is established for a specific time period, which is defined in its articles of association, and which cannot exceed 30 years.
- The minimum share capital of a N.E.P.A. is 10 000 euros, which is subscribed by the subscribers and paid in full, at the time of incorporation. The minimum nominal value of each share is 1 euro.
- A NEPA can be involved with other NEPA companies (or be part of other NEPA companies) for the purpose of operating a yacht commercially.
- The shareholders (at least two) of NEPA can be Greek or EU nationals. Non-EU nationals, as long as they own less than 50% of the total shareholding, can be shareholders or be appointed as the directors of the company.
- The management and representation of a NEPA is assigned at a Board of Directors, which includes at least three members (shareholders or not).
- Articles of Incorporation must be lawful and have the signature authenticity of the founders.
- After Articles of Incorporation is composed and signed it is submitted to the Hellenic Ministry of Shipping and Island Policy to acquire a registration number. The registration number is unique and is included in every document regarding the company.
- The Board of Directors has to decide on every issue relating to the management of the company and has to be stated on the Articles of Incorporation.
- The representatives have to be insured to the Maritime Agents and Employees' Fund (TANPY), registered with the Maritime Chamber and initiate activities with the Hellenic Maritime Tax Authority.
- NEPA corporate name must include the wording "Maritime Company for Pleasure Yachts" (or its initials), as well as a distinctive title.
- The registered seat of the company is the municipality or commune of the Greek Territory.
- After all the needed documents are filed to the Ministry of Shipping and Island Policy a license is acquired in order to use the yacht commercially. This license is valid for 5 years and can be renewed. In that case documentary evidence, that proves that the yacht was engaged in chartering for at least 200 days within the 5-year period or 300 days where the yacht is below 20 meters, has to be filed to the Ministry.
- All the information regarding the NEPA, the members of the Board and the representatives are filed at the Registry. NEPA must certify a book and bulletin of materials supply and may purchase materials and/or other objects to be incorporated in the vessel VAT free.
- The management of a yacht through NEPA in Greece accrues significant tax and financial advantages. No income tax is payable on the profits of the company and the transfer of shares bears no tax liabilities. Only NEPA whose business scope is to manage non-privately owned yachts are subject to paying capital accumulation tax.
- The yacht is VAT exempt and has discounted marina/mooring fee.

- All Greek- flagged yachts up to 20 meters can be bareboat chartered, the fuel is purchased net of VAT and other local taxes and VAT on charter fees is only 6.5% (payable by the charterers).
- The N.E.P.A. is managed and represented by a board of directors, composed of at least 3 members, either natural persons or legal entities, who need not be shareholders. The members of the board of directors are elected by the general meeting of shareholders, with the exception of the first members, stated in the Articles of Association.
- The representatives of the NEPA are required to pay social insurance and pension contributions, subject to obtaining an exemption in case of similar insurance in another member- state of the EU.