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Did you know that under the Monegasque law,  
the **pledgor of cash and financial instruments**  
needs to have an **address in Monaco?**

## ▶ Pledge of cash and financial instruments

- > Contract which grants a **real security** (as opposed to a personal security) **to a creditor** as a security for a credit facility or any present or future commitments of the pledgor or a third party.
- > The **General pledge** is common practice in Monaco.
- > **Commercial transaction** governed by:

### **Commercial Code of Monaco**

Act no. 1.224 of 28.12.1999  
Sovereign Order no. 1.770 of 28.08.2008

Art. 2 paragraph 13

Art. 59 to 61-1

### **Implementing Sovereign Order no. 14.309**

of 28.12.1999

## ► Establishment of the pledge

> The pledgor must expressly elect domicile in the Principality of Monaco.

Residential address or  
registered office  
in Monaco

**No residential address or  
registered office  
in Monaco**

Address of the Bank

Art. 1 paragraph 4 of the Sovereign Order no. 14.309 of 28.12.1999

## ► Enforcement of the pledge

### **Commercial Code Art. 61-1**

in case of non-payment on the  
due date

following **summon to pay**

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### **Sovereign Order no. 14.309 Art. 2**

**formal notice**  
sent to the pledgor  
to the **address stated** in the  
pledge agreement

The pledge may be enforced  
within **eight days** or within **any  
other deadline stipulated** by  
the deed of pledge

### **Risk**

for the **pledgor  
living abroad**

who has not been  
able to satisfy a  
**margin call  
(Lombard loans)**

### **Bank practice**

in case of **Service  
address in Monaco**

formal notice  
and  
**email notification**



Thank you for your attention.

