Changes to legislation: *There are outstanding changes not yet made to Commission Implementing Regulation (EU) 2016/911. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details)EUR 2016 No. 911 may be subject to amendment by EU Exit Instruments made by both the Prudential Regulation Authority and the Financial Conduct Authority under powers set out in The Financial Regulators' Powers (Technical Standards etc.) (Amendment etc.) (EU Exit) Regulations 2018 (S.I. 2018/1115), regs. 2, 3, Sch. Pt. 4. These amendments are not currently available on legislation.gov.uk. Details of relevant amending instruments can be found on their website/s. (See end of Document for details) View outstanding changes*

Commission Implementing Regulation (EU) 2016/911 of 9 June 2016 laying down implementing technical standards with regard to the form and the content of the description of group financial support agreements in accordance with Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms (Text with EEA relevance)

COMMISSION IMPLEMENTING REGULATION (EU) 2016/911

of 9 June 2016

laying down implementing technical standards with regard to the form and the content of the description of group financial support agreements in accordance with Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to 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, 2007/36/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[(1)], and in particular Article 26(2) thereof,

Whereas:

(1) Chapter III — Title II of Directive 2014/59/EU sets rules for group financial support agreements to provide financial support among a Union parent institution, or an entity referred to in point (b), (c) or (d) of Article 1(1) of Directive 2014/59/EU and its subsidiaries in other Member States or third countries that are institutions or financial institutions covered by the consolidated supervision of the parent undertaking, provided that the entity receiving the support meets the conditions for early intervention. This allows transfers of funding in a situation where a group entity is in severe distress. To make informed investment decisions, creditors and investors need transparency regarding risks and potential obligations resulting from these agreements and the chances of a recovery of the group resulting from the support agreement. Therefore the agreement should be in a form easily accessible to the public, comparable to financial statements.

(2) The general terms of the group financial support agreement to be disclosed should include relevant information, such as the maximum amount of support, the principles for calculation of the consideration for the provision of the support, a general description

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of the maturity profile and the maximum term of loans provided as support. However, the disclosure should respect the need for confidentiality of more specific information.

(3) This Regulation is based on the draft implementing technical standards submitted by the European Banking Authority to the Commission.

(4) The European Banking Authority has conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council[(2)],

HAS ADOPTED THIS REGULATION:

Article 1

Form of disclosure

Each institution that is a party to a group financial support agreement entered into pursuant Article 19 of Directive 2014/59/EU shall make disclosures in accordance with Article 2 of this Regulation on its website in a form that ensures accessibility to the public.

To the extent the institution discloses financial statements of the group the disclosure shall be made in the same form as established for the non-quantitative information included in the financial statements.

Article 2

Terms to be disclosed

1 Institutions shall disclose at least the following information:

a the names of the group entities being a party to the group financial support agreement;

b the form the support may take;

c in case of a loan, the purposes for which the capital advanced under the loan may be used;

d in case of a guarantee, which transactions and which third parties are potentially covered;

e to which extent obligations to provide group financial support and entitlement to receive group financial support of each of the parties to the group financial support agreement are reciprocal; if the agreement is not fully reciprocal, the information shall differentiate between the different parties following the different terms of agreement;

f the limitations of the group financial support for each form of support covered by the financial support agreement;

g the principles for calculation of the consideration for the provision of the group financial support and how they relate to market conditions at the time of the support;

h a general description of the seniority, the maturity profile and the maximum term of any loans provided as support;

i a general description of any further repayment obligations;