

Decision of the European Central Bank of 14 November 2008 on the implementation of Regulation ECB/2008/11 of 23 October 2008 on temporary changes to the rules relating to eligibility of collateral (ECB/2008/15) (2008/874/EC)

*Article 3*

**Transferability of loans**

Only fully transferable syndicated loans shall be eligible. For the purposes of the fourth indent of Appendix 7 of Annex I to the General Documentation, syndicated loans shall not be considered to be fully transferable and capable of being mobilised without restriction as collateral for Eurosystem credit operations unless the loan agreement unconditionally permits:

- (i) the lender to charge, assign or otherwise create a security interest in or over its rights to secure obligations of that lender to an NCB; and
- (ii) the relevant NCB to enforce its security interest over such loan by way of collecting payments under the loan directly or indirectly from the underlying debtor and by way of assigning or transferring the loan to a bank or financial institution or to a trust fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets.

**Changes to legislation:**

There are currently no known outstanding effects for the Decision of the European Central Bank of 14 November 2008 on the implementation of Regulation ECB/2008/11 of 23 October 2008 on temporary changes to the rules relating to eligibility of collateral (ECB/2008/15) (2008/874/EC), Article 3.