

Directive 2006/49/EC of the European Parliament and of the Council of 14 June 2006 on the capital adequacy of investment firms and credit institutions (recast) (repealed)

CHAPTER I

Subject matter, scope and definitions

Section 1

Subject matter and scope

Article 2

1 Subject to Articles 18, 20, 22 to 32, 34 and 39 of this Directive, Articles 68 to 73 of Directive 2006/48/EC shall apply *mutatis mutandis* to investment firms. In applying Articles 70 to 72 of Directive 2006/48/EC to investment firms, every reference to a parent credit institution in a Member State shall be construed as a reference to a parent investment firm in a Member State and every reference to an EU parent credit institution shall be construed as a reference to an EU parent investment firm.

Where a credit institution has as a parent undertaking a parent investment firm in a Member State, only that parent investment firm shall be subject to requirements on a consolidated basis in accordance with Articles 71 to 73 of Directive 2006/48/EC.

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Where a financial holding company has as a subsidiary both a credit institution and an investment firm, requirements on the basis of the consolidated financial situation of the financial holding company shall apply to the credit institution.

2 When a group covered by paragraph 1 does not include a credit institution, Directive 2006/48/EC shall apply, subject to the following:

- a every reference to credit institutions shall be construed as a reference to investment firms;
- b in Articles 125 and 140(2) of Directive 2006/48/EC, each reference to other articles of that Directive shall be construed as a reference to Directive 2004/39/EC;
- c for the purposes of Article 39(3) of Directive 2006/48/EC, references to the European Banking Committee shall be construed as references to the Council and the Commission; and
- d by way of derogation from Article 140(1) of Directive 2006/48/EC, where a group does not include a credit institution, the first sentence of that Article shall be replaced by the following: ‘Where an investment firm, a financial holding company or a mixed-activity holding company controls one or more subsidiaries which are insurance companies, the competent authorities and the authorities entrusted with the public task of supervising insurance undertakings shall cooperate closely’.