

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 (Text with EEA relevance)

TITLE II

PREPARATION

CHAPTER III

Intra group financial support

Article 25

Right of opposition of competent authorities

1 Before providing support in accordance with a group financial support agreement, the management body of a group entity that intends to provide financial support shall notify:

- a its competent authority;
- b where different from authorities in points (a) and (c), where applicable, the consolidating supervisor;
- c where different from points (a) and (b), the competent authority of the group entity receiving the financial support; and
- d EBA.

The notification shall include the reasoned decision of the management body in accordance with Article 24 and details of the proposed financial support including a copy of the group financial support agreement.

2 Within five business days from the date of receipt of a complete notification, the competent authority of the group entity providing financial support may agree with the provision of financial support, or may prohibit or restrict it if it assesses that the conditions for group financial support laid down in Article 23 have not been met. A decision of the competent authority to prohibit or restrict the financial support shall be reasoned.

3 The decision of the competent authority to agree, prohibit or restrict the financial support shall be immediately notified to:

- a the consolidating supervisor;
- b the competent authority of the group entity receiving the support; and
- c EBA.

The consolidating supervisor shall immediately inform other members of the supervisory college and the members of the resolution college.

Status: EU Directives are being published on this site to aid cross referencing from UK legislation. After IP completion day (31 December 2020 11pm) no further amendments will be applied to this version.

4 Where the consolidating supervisor or the competent authority responsible for the group entity receiving support has objections regarding the decision to prohibit or restrict the financial support, they may within two days refer the matter to EBA and request its assistance in accordance with Article 31 of Regulation (EU) No 1093/2010.

5 If the competent authority does not prohibit or restrict the financial support within the period indicated in paragraph 2, or has agreed before the end of that period to that support, financial support may be provided in accordance with the terms submitted to the competent authority.

6 The decision of the management body of the institution to provide financial support shall be transmitted to:

- a the competent authority;
- b where different from authorities in points (a) and (c), and where applicable, the consolidating supervisor;
- c where different from points (a) and (b), the competent authority of the group entity receiving the financial support; and
- d EBA.

The consolidating supervisor shall immediately inform the other members of the supervisory college and the members of the resolution college.

7 If the competent authority restricts or prohibits group financing support pursuant to paragraph 2 of this Article and where the group recovery plan in accordance with Article 7(5) makes reference to intra-group financial support, the competent authority of the group entity in relation to whom the support is restricted or prohibited may request the consolidating supervisor to initiate a reassessment of the group recovery plan pursuant to Article 8 or, where a recovery plan is drawn up on an individual basis, request the group entity to submit a revised recovery plan.