

Single Rulebook Q&A

Question ID	2015_1771
Status	Final Q&A
Legal act	Directive 2014/59/EU (BRRD)
Topic	Early intervention
Article	29
Paragraph	1
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Not applicable
Article/Paragraph	n.a.
Date of submission	30/01/2015
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Disclose name of institution / entity	No
Type of submitter	Competent authority
Subject matter	Appointment of Temporary Administrator
Question	Does Article 29 of Directive 2014/59/EU (BRRD) mean that a competent authority can appoint a temporary administrator to replace the senior management as well as the management body?
Background on the question	According to Article 29 of the BRRD a competent authority can appoint a temporary administrator to replace the management body. The article mentions only the management body and not the senior management. However in Recital 40 both the management body and the senior management are mentioned. Could COM please clarify whether the directive gives the competent authority the option of replacing the management body and the senior management or only the management body?
Final answer	Directive 2014/56/EU (BRRD) gives the competent authority the option of replacing the management body only. Recital 40 of the BRRD should be read as the temporary administrator being empowered to temporarily work with the senior management, not to replace it. This does not exclude the temporary administrator initiating a replacement of members of the senior management where provided for and consistent with its powers upon appointment.

	<p><i>This question goes beyond matters of consistent and effective application of the regulatory framework. A Directorate General of the Commission (Directorate General Financial Stability, Financial Services and Capital Markets Union) has prepared the answer, albeit that only the Court of Justice of the European Union can provide definitive interpretations of EU legislation. This is an unofficial opinion of that Directorate General, which the European Banking Authority publishes on its behalf. The answers are not binding on the European Commission as an institution. You should be aware that the European Commission could adopt a position different from the one expressed in such Q&As, for instance in infringement proceedings or after a detailed examination of a specific case or on the basis of any new legal or factual elements that may have been brought to its attention.</i></p>
<p>Link</p>	<p>https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2015_1771</p>

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