

Question ID	2016_2564
Status	Final Q&A
Legal act	Directive 2014/59/EU (BRRD)
Topic	Valuation
Article	36
Paragraph	6
Subparagraph	a
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Not applicable
Article/Paragraph	n.a.
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Disclose name of institution / entity	No
Type of submitter	Competent authority
Subject matter	Clarification on Article 36(6)(a)
Question	How should the term "updated" referred to in Article 36(6)(a) of Directive 2014/59/EU (BRRD) be interpreted?
Background on the question	Article 36(6)(a) of Directive 2014/59/EU (BRRD) states that "The valuation shall be supplemented by the following information as appearing in the accounting books and records of the institution or entity referred to in point (b), (c) or (d) of Article 1(1): (a) an updated balance sheet and a report on the financial position of the institution or entity referred to in point (b), (c) or (d) of Article 1(1) (...)". What does the term „updated" mean? Updated compared to what? To the book value on the valuation date?
Final answer	<p>The term 'updated' in Article 36(6)(a) BRRD requires the valuation to be supplemented with a revised balance sheet reflecting the value of the institution at the time of the valuation, also in light of the results of the valuation itself.</p> <p>Disclaimer:</p> <p>The answers clarify provisions already contained in the applicable</p>

	<p>legislation. They do not extend in any way the rights and obligations deriving from such legislation nor do they introduce any additional requirements for the concerned operators and competent authorities. The answers are merely intended to assist natural or legal persons, including competent authorities and Union institutions and bodies in clarifying the application or implementation of the relevant legal provisions. Only the Court of Justice of the European Union is competent to authoritatively interpret Union law. The views expressed in the internal Commission Decision cannot prejudice the position that the European Commission might take before the Union and national courts.</p>
Link	<p>https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2016_2564</p>

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