

Question ID	2017_3112
Status	Final Q&A
Legal act	Directive 2014/59/EU (BRRD)
Topic	Resolution tools and powers
Article	42
Paragraph	1, 8
Subparagraph	-
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	Transfer of assets to an asset management vehicle
Question	Can a bridge institution transfer assets to an asset management vehicle of its own accord, without the interference of the resolution authorities? Or can assets be transferred from the bridge institution to an asset management vehicle only if the resolution authorities exercise their power to transfer assets, in accordance with Article 42(1) of Directive 2014/59/EU (BRRD)?
Background on the question	Article 42(8) of the BRRD reads that an asset management vehicle may acquire assets, rights or liabilities from a bridge institution.
Final answer	Pursuant to Article 42(1) and (8) BRRD, the resolution authority may transfer assets, rights or liabilities to one or more asset management vehicles either from a resolution entity or, following the application of the bridge institution tool, from a bridge institution. In this respect, the purpose of paragraph 8 of Article 42 BRRD is not to create a sub-type of asset management tool, whereby the bridge institution may transfer assets, rights or liabilities to the asset management vehicle on its own initiative, nor to create an area of exemption from the rules that BRRD sets for the legitimacy of the application of such tool. In any case, any transfer from a bridge institution to an asset management vehicle must comply with the provisions laid down in Article 42

	<p>BRRD.</p> <p>Disclaimer:</p> <p>The answers clarify provisions already contained in the applicable 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 prejudge 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/2017_3112</p>

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