



Single Rulebook Q&A

Question ID	2013_56
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Own funds
Article	489
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Not applicable
Article/Paragraph	N/A
Date of submission	10/07/2013
Published as Final Q&A	15/11/2013
Disclose name of institution / entity	No
Type of submitter	Credit institution
Subject matter	Grandfathering on own funds instruments
Question	What will be the treatment of the "phased-out" amounts which exceed the applicable percentages according to Article 486 (5)) of grandfathered Additional Tier 1 instruments which are non-eligible due to an incentive to redeem (accord. to Art 489) or a coupon pusher (accord. to Art 53 (a)), during the grandfathering period (accord. to Art. 486 (5)). Will the phased-out amounts flow into grandfathered Tier 2 amounts (subject to applicable limits) or will they lose their regulatory recognition completely (i.e. are these amounts entirely eliminated from regulatory own funds)?
Background on the	

question	-
EBA answer	See QA 2013 15 and QA 2013 31 .
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_56

European Banking Authority, 25/06/2021
www.eba.europa.eu