

Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (Text with EEA relevance)

#### TITLE IV

### INITIAL CAPITAL OF INVESTMENT FIRMS

#### *Article 31*

#### **Coverage for firms not authorised to hold client money or securities**

1 Coverage for the firms referred to in point (2)(c) of Article 4(1) of Regulation (EU) No 575/2013 shall take one of the following forms:

- a initial capital of EUR 50 000;
- b professional indemnity insurance covering the whole territory of the Union or some other comparable guarantee against liability arising from professional negligence, representing at least EUR 1 000 000 applying to each claim and in aggregate EUR 1 500 000 per annum for all claims;
- c a combination of initial capital and professional indemnity insurance in a form resulting in a level of coverage equivalent to that referred to in points (a) or (b).

The Commission shall periodically review the amounts referred to in the first subparagraph.

2 If a firm referred to in point (2)(c) of Article 4(1) of Regulation (EU) No 575/2013 is also registered under Directive 2002/92/EC of the European Parliament and of the Council of 9 December 2002 on insurance mediation<sup>(1)</sup>, it shall comply with Article 4(3) of that Directive and have coverage in one of the following forms:

- a initial capital of EUR 25 000;
- b professional indemnity insurance covering the whole territory of the Union or some other comparable guarantee against liability arising from professional negligence, representing at least EUR 500 000 applying to each claim and in aggregate EUR 750 000 per annum for all claims;
- c a combination of initial capital and professional indemnity insurance in a form resulting in a level of coverage equivalent to that referred to in points (a) or (b).

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IP completion day (31 December 2020 11pm) no further amendments will be applied to this version.

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- (1) OJ L 9, 15.1.2003, p. 3.