

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Text with EEA relevance)

## [<sup>X1</sup>PART TEN

### **TRANSITIONAL PROVISIONS, REPORTS, REVIEWS AND AMENDMENTS**

#### TITLE I

#### **TRANSITIONAL PROVISIONS**

#### [<sup>X1</sup>CHAPTER 4

#### **Large exposures, own funds requirements, leverage and the Basel I Floor**

##### *Article 493*

#### **Transitional provisions for large exposures**

1 The provisions on large exposures as laid down in Articles 387 to 403 shall not apply to investment firms whose main business consists exclusively of the provision of investment services or activities in relation to the financial instruments set out in points 5, 6, 7, 9 and 10 of Section C of Annex I to Directive 2004/39/EC and to whom Council Directive 93/22/EEC of 10 May 1993 on investment services in the securities field<sup>(1)</sup> did not apply on 31 December 2006. [<sup>F1</sup>This exemption is available until 31 December 2020 or the date of entry into force of any amendments pursuant to paragraph 2 of this Article, whichever is the earlier.]

2 By 31 December 2015, the Commission shall, on the basis of public consultations and in the light of discussions with the competent authorities, report to the European Parliament and the Council on:

- a an appropriate regime for the prudential supervision of investment firms whose main business consists exclusively of the provision of investment services or activities in relation to the commodity derivatives or derivatives contracts set out in points 5, 6, 7, 9 and 10 of Section C of Annex I to Directive 2004/39/EC;
- b the desirability of amending Directive 2004/39/EC to create a further category of investment firm whose main business consists exclusively of the provision of investment services or activities in relation to the financial instruments set out in points 5, 6, 7, 9 and 10 of Section C of Annex I to Directive 2004/39/EC relating to energy supplies.

On the basis of that report, the Commission may submit proposals to amend this Regulation.

3 By way of derogation from Article 400(2) and (3), Member States may, for a transitional period until the entry into force of any legal act following the review in accordance with Article 507, but not after 31 December 2028, fully or partially exempt the following exposures from the application of Article 395(1):

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- a covered bonds falling within Article 129(1), (3) and (6);
- b asset items constituting claims on regional governments or local authorities of Member States where those claims would be assigned a 20 % risk weight under Part Three, Title II, Chapter 2 and other exposures to or guaranteed by those regional governments or local authorities, claims on which would be assigned a 20 % risk weight under Part Three, Title II, Chapter 2;
- c exposures, including participations or other kinds of holdings, incurred by an institution to its parent undertaking, to other subsidiaries of that parent undertaking or to its own subsidiaries, in so far as those undertakings are covered by the supervision on a consolidated basis to which the institution itself is subject, in accordance with this Regulation, Directive 2002/87/EC or with equivalent standards in force in a third country. Exposures that do not meet those criteria, whether or not exempted from Article 395(1) of this Regulation, shall be treated as exposures to a third party;
- d asset items constituting claims on and other exposures, including participations or other kinds of holdings, to regional or central credit institutions with which the credit institution belongs to a network in accordance with legal or statutory provisions and which are responsible, under those provisions, for cash-clearing operations within the network;
- e asset items constituting claims on and other exposures to credit institutions incurred by credit institutions, one of which operates on a non-competitive basis and provides or guarantees loans under legislative programmes or its statutes, to promote specified sectors of the economy under some form of government oversight and restrictions on the use of the loans, provided that the respective exposures arise from such loans that are passed on to the beneficiaries via credit institutions or from the guarantees of these loans;
- f asset items constituting claims on and other exposures to institutions, provided that those exposures do not constitute such institutions' own funds, do not last longer than the following business day and are not denominated in a major trading currency;
- g asset items constituting claims on central banks in the form of required minimum reserves held at those central banks which are denominated in their national currencies;
- h asset items constituting claims on central governments in the form of statutory liquidity requirements held in government securities which are denominated and funded in their national currencies provided that, at the discretion of the competent authority, the credit assessment of those central governments assigned by a nominated ECAI is investment grade;
- i 50 % of medium/low risk off-balance sheet documentary credits and of medium/low risk off-balance sheet undrawn credit facilities referred to in Annex I and subject to the competent authorities' agreement, 80 % of guarantees other than loan guarantees which have a legal or regulatory basis and are given for their members by mutual guarantee schemes possessing the status of credit institutions;
- j legally required guarantees used when a mortgage loan financed by issuing mortgage bonds is paid to the mortgage borrower before the final registration of the mortgage in the land register, provided that the guarantee is not used as reducing the risk in calculating the risk-weighted exposure amounts;
- k assets items constituting claims on and other exposures to recognised exchanges.

<sup>[F24]</sup> By way of derogation from Article 395(1), competent authorities may allow institutions to incur any of the exposures provided for in paragraph 5 of this Article meeting the conditions set out in paragraph 6 of this Article, up to the following limits:

- a 100 % of the institution's Tier 1 capital until 31 December 2018;
- b 75 % of the institution's Tier 1 capital until 31 December 2019;

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- c 50 % of the institution's Tier 1 capital until 31 December 2020.

The limits referred to in points (a), (b) and (c) of the first subparagraph shall apply to exposure values after taking into account the effect of the credit risk mitigation in accordance with Articles 399 to 403.

5 The transitional arrangements set out in paragraph 4 shall apply to the following exposures:

- a asset items constituting claims on central governments, central banks, or public sector entities of Member States;
- b asset items constituting claims expressly guaranteed by central governments, central banks, or public sector entities of Member States;
- c other exposures to, or guaranteed by, central governments, central banks, or public sector entities of Member States;
- d asset items constituting claims on regional governments or local authorities of Member States treated as exposures to a central government in accordance with Article 115(2);
- e other exposures to, or guaranteed by, regional governments or local authorities of Member States treated as exposures to a central government in accordance with Article 115(2).

For the purposes of points (a), (b) and (c) of the first subparagraph, the transitional arrangements set out in paragraph 4 of this Article shall apply only to asset items and other exposures to, or guaranteed by, public sector entities which are treated as exposures to a central government, a regional government or a local authority in accordance with Article 116(4). Where asset items and other exposures to, or guaranteed by, public sector entities are treated as exposures to a regional government or a local authority in accordance with Article 116(4), the transitional arrangements set out in paragraph 4 of this Article shall apply only where exposures to that regional government or local authority are treated as exposures to a central government in accordance with Article 115(2).

6 The transitional arrangements set out in paragraph 4 of this Article shall apply only where an exposure referred to in paragraph 5 of this Article meets all of the following conditions:

- a the exposure would be assigned a risk weight of 0 % in accordance with the version of Article 495(2) in force on 31 December 2017;
- b the exposure was incurred on or after 12 December 2017.

7 An exposure as referred to in paragraph 5 of this Article incurred before 12 December 2017 to which a risk weight of 0 % was assigned on 31 December 2017 in accordance with Article 495(2) shall be exempted from the application of Article 395(1).]

#### Textual Amendments

- F1** Substituted by [Regulation \(EU\) 2016/1014 of the European Parliament and of the Council of 8 June 2016 amending Regulation \(EU\) No 575/2013 as regards exemptions for commodity dealers \(Text with EEA relevance\)](#).
- F2** Inserted by [Regulation \(EU\) 2017/2395 of the European Parliament and of the Council of 12 December 2017 amending Regulation \(EU\) No 575/2013 as regards transitional arrangements for mitigating the impact of the introduction of IFRS 9 on own funds and for the large exposures treatment of certain public sector exposures denominated in the domestic currency of any Member State \(Text with EEA relevance\)](#).

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### *[<sup>F3</sup> Article 494*

#### **Transitional provisions concerning the requirement for own funds and eligible liabilities**

1 By way of derogation from Article 92a, as from 27 June 2019 until 31 December 2021, institutions identified as resolution entities that are G-SIIs or part of a G-SII shall at all times satisfy the following requirements for own funds and eligible liabilities:

- a a risk-based ratio of 16 %, representing the own funds and eligible liabilities of the institution expressed as a percentage of the total risk exposure amount calculated in accordance with Article 92(3) and (4);
- b a non-risk-based ratio of 6 %, representing the own funds and eligible liabilities of the institution expressed as a percentage of the total exposure measure referred to in Article 429(4).

2 By way of derogation from Article 72b(3), as from 27 June 2019 until 31 December 2021, the extent to which eligible liabilities instruments referred to in Article 72b(3) may be included in eligible liabilities items shall be 2,5 % of the total risk exposure amount calculated in accordance with Article 92(3) and (4).

3 By way of derogation from Article 72b(3), until the resolution authority assesses for the first time the compliance with the condition set out in point (c) of that paragraph, liabilities shall qualify as eligible liabilities instruments up to an aggregate amount that does not exceed, until 31 December 2021, 2,5 % and, after that date, 3,5 % of the total risk exposure amount calculated in accordance with Article 92(3) and (4), provided that they meet the conditions set out in points (a) and (b) of Article 72b(3).]

#### **Textual Amendments**

- F3** Substituted by [Regulation \(EU\) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation \(EU\) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation \(EU\) No 648/2012 \(Text with EEA relevance\).](#)

### *[<sup>F4</sup> Article 494a*

#### **Grandfathering of issuances through special purpose entities**

1 By way of derogation from Article 52, capital instruments not issued directly by an institution shall qualify as Additional Tier 1 instruments until 31 December 2021 only where all the following conditions are met:

- a the conditions set out in Article 52(1), except for the condition requiring that the instruments are directly issued by the institution;
- b the instruments are issued through an entity within the consolidation pursuant to Chapter 2 of Title II of Part One;
- c the proceeds are immediately available to the institution without limitation and in a form that satisfies the conditions set out in this paragraph.

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2 By way of derogation from Article 63, capital instruments not issued directly by an institution shall qualify as Tier 2 instruments until 31 December 2021 only where all the following conditions are met:

- a the conditions set out in Article 63(1), except for the condition requiring that the instruments are directly issued by the institution;
- b the instruments are issued through an entity within the consolidation pursuant to Chapter 2 of Title II of Part One;
- c the proceeds are immediately available to the institution without limitation and in a form that satisfies the conditions set out in this paragraph.

#### Textual Amendments

- F4** Inserted by [Regulation \(EU\) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation \(EU\) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation \(EU\) No 648/2012 \(Text with EEA relevance\).](#)

#### Article 494b

##### Grandfathering of own funds instruments and eligible liabilities instruments

1 By way of derogation from Articles 51 and 52, instruments issued prior to 27 June 2019 shall qualify as Additional Tier 1 instruments at the latest until 28 June 2025, where they meet the conditions set out in Articles 51 and 52, except for the conditions referred to in points (p), (q) and (r) of Article 52(1).

2 By way of derogation from Articles 62 and 63, instruments issued prior to 27 June 2019 shall qualify as Tier 2 instruments at the latest until 28 June 2025, where they meet the conditions set out in Articles 62 and 63, except for the conditions referred to in points (n), (o) and (p) of Article 63.

3 By way of derogation from point (a) of Article 72a(1), liabilities issued prior to 27 June 2019 shall qualify as eligible liabilities items where they meet the conditions set out in Article 72b, except for the conditions referred to in point (b)(ii) and points (f) to (m) of Article 72b(2).]

#### Textual Amendments

- F4** Inserted by [Regulation \(EU\) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation \(EU\) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation \(EU\) No 648/2012 \(Text with EEA relevance\).](#)

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## Article 495

### Treatment of equity exposures under the IRB Approach

1 Until 31 December 2017, the competent authorities may, by way of derogation from Chapter 3 of Part Three, exempt from the IRB treatment certain categories of equity exposures held by institutions and EU subsidiaries of institutions in that Member State as at 31 December 2007. The competent authority shall publish the categories of equity exposures which benefit from such treatment in accordance with Article 143 of Directive 2013/36/EU.

The exempted position shall be measured as the number of shares as at 31 December 2007 and any additional share arising directly as a result of owning those holdings, provided that they do not increase the proportional share of ownership in a portfolio company.

If an acquisition increases the proportional share of ownership in a specific holding the part of the holding which constitutes the excess shall not be subject to the exemption. Nor shall the exemption apply to holdings that were originally subject to the exemption, but have been sold and then bought back.

Equity exposures subject to this provision shall be subject to the capital requirements calculated in accordance with the Standardised Approach under Part Three, Title II, Chapter 2 and the requirements set out in Title IV of Part Three, as applicable.

Competent authorities shall notify the Commission and EBA of the implementation of this paragraph.

2 In the calculation of risk-weighted exposure amounts for the purposes of Article 114(4), until 31 December 2017 the same risk weight shall be assigned in relation to exposures to the central governments or central banks of Member States denominated and funded in the domestic currency of any Member State as would be applied to such exposures denominated and funded in their domestic currency.

3 EBA shall develop draft regulatory technical standards to specify the conditions according to which competent authorities shall afford the exemption referred to in paragraph 1.

EBA shall submit those draft regulatory technical standards to the Commission by 30 June 2014.

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1093/2010.

## Article 496

### Own funds requirements for covered bonds

1 <sup>[F5]</sup>Competent authorities may waive in full or in part the 10 % limit for senior units issued by French Fonds Communs de Créances or by securitisation entities which are equivalent to French Fonds Communs de Créances laid down in points (d) and (f) of Article 129(1), provided that both of the following conditions are fulfilled:]

- a the securitised residential property or commercial immovable property exposures were originated by a member of the same consolidated group of which the issuer of the

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covered bonds is a member, or by an entity affiliated to the same central body to which the issuer of the covered bonds is affiliated, where that common group membership or affiliation shall be determined at the time the senior units are made collateral for covered bonds;

- b a member of the same consolidated group of which the issuer of the covered bonds is a member, or an entity affiliated to the same central body to which the issuer of the covered bonds is affiliated, retains the whole first loss tranche supporting those senior units.

2 Until 31 December 2014, for the purposes of point (c) of Article 129(1), the senior unsecured exposures of institutions which qualified for a 20 % risk weight under national law before 28 June 2013 shall be considered to qualify for credit quality step 1.

3 Until 31 December 2014, for the purposes of Article 129(5), the senior unsecured exposures of institutions which qualified for a 20 % risk weight under national law before 28 June 2013 shall be considered to qualify for a 20 % risk weight.

#### Textual Amendments

- F5** Substituted by [Commission Delegated Regulation \(EU\) 2017/2188 of 11 August 2017 amending Regulation \(EU\) No 575/2013 of the European Parliament and of the Council as regards the waiver on own funds requirements for certain covered bonds \(Text with EEA relevance\)](#).

### *F<sup>3</sup>* Article 497

#### Own funds requirements for exposures to CCPs

1 Where a third-country CCP applies for recognition in accordance with Article 25 of Regulation (EU) No 648/2012, institutions may consider that CCP as a QCCP from the date on which it submitted its application for recognition to ESMA and until one of the following dates:

- a where the Commission has already adopted an implementing act referred to in Article 25(6) of Regulation (EU) No 648/2012 in relation to the third country in which the CCP is established and that implementing act has entered into force, two years after the date of submission of the application;
- b where the Commission has not yet adopted an implementing act referred to in Article 25(6) of Regulation (EU) No 648/2012 in relation to the third country in which the CCP is established or where that implementing act has not yet entered into force, the earlier of the following dates:
  - (i) two years after the date of entry into force of the implementing act;
  - (ii) for CCPs that submitted the application after 27 June 2019, two years after the date of submission of the application;
  - (iii) for those CCPs that submitted the application before 27 June 2019, 28 June 2021.

2 Until the expiration of the deadline referred to in paragraph 1 of this Article, where a CCP referred to in that paragraph does not have a default fund and does not have in place a binding arrangement with its clearing members that allows it to use all or part of the initial margin received from its clearing members as if they were pre-funded contributions, the institution shall substitute the formula for calculating the own funds requirement in Article 308(2) with the following one:

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$$K_{CM_i} = \max \left\{ K_{CCP} \times \frac{IM_i}{DF_{CCP} + IM_i}; 8\% \times 2\% \times IM_i \right\}$$

where:

- $K_{CM_i}$  = the own funds requirement;
- $K_{CCP}$  = the hypothetical capital of the QCCP communicated to the institution by the QCCP in accordance with Article 50c of Regulation (EU) No 648/2012;
- $DF_{CCP}$  = the pre-funded financial resources of the CCP communicated to the institution by the CCP in accordance with Article 50c of Regulation (EU) No 648/2012;
- $i$  = the index denoting the clearing member;
- $IM_i$  = the initial margin posted with the CCP by clearing member  $i$ ; and
- $IM$  = the total amount of initial margin communicated to the institution by the CCP in accordance with Article 89(5a) of Regulation (EU) No 648/2012.

3 In exceptional circumstances, where it is necessary and proportionate in order to avoid disruption to international financial markets, the Commission may adopt, by way of implementing acts, and subject to the examination procedure referred to in Article 464(2), a decision to extend once, by 12 months, the transitional provisions set out in paragraph 1 of this Article.]

#### Textual Amendments

- F3** Substituted by [Regulation \(EU\) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation \(EU\) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation \(EU\) No 648/2012 \(Text with EEA relevance\).](#)

### Article 498

#### Exemption for Commodities dealers

1 The provisions on own funds requirements as set out in this Regulation shall not apply to investment firms the main business of which consists exclusively of the provision of investment services or activities in relation to the financial instruments set out in points 5, 6, 7, 9 and 10 of Section C of Annex I to Directive 2004/39/EC and to which Directive 93/22/EEC did not apply on 31 December 2006.

[<sup>F1</sup>This exemption shall apply until 31 December 2020 or the date of entry into force of any amendments pursuant to paragraphs 2 and 3, whichever is the earlier.]

2 By 31 December 2015, the Commission shall, on the basis of public consultations and in the light of discussions with the competent authorities, report to the European Parliament and the Council on:

- a an appropriate regime for the prudential supervision of investment firms whose main business consists exclusively of the provision of investment services or activities in



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- relation to the commodity derivatives or derivatives contracts set out in points 5, 6, 7, 9 and 10 of Section C of Annex I to Directive 2004/39/EC;
- b the desirability of amending Directive 2004/39/EC to create a further category of investment firm whose main business consists exclusively of the provision of investment services or activities in relation to the financial instruments set out in points 5, 6, 7, 9 and 10 of Section C of Annex I to Directive 2004/39/EC relating to energy supplies, including electricity, coal, gas and oil.
- 3 On the basis of the report referred to in paragraph 2, the Commission may submit proposals to amend this Regulation.

#### Textual Amendments

- F1** Substituted by [Regulation \(EU\) 2016/1014 of the European Parliament and of the Council of 8 June 2016 amending Regulation \(EU\) No 575/2013 as regards exemptions for commodity dealers \(Text with EEA relevance\)](#).

### Article 499

#### Leverage

- 1 By way of derogation from Articles 429 and 430, during the period between 1 January 2014 and 31 December 2021, institutions shall calculate and report the leverage ratio by using both of the following as the capital measure:
- Tier 1 capital;
  - Tier 1 capital, subject to the derogations laid down in Chapters 1 and 2 of this Title.
- 2 By way of derogation from Article 451(1), institutions may choose whether to disclose the information on the leverage ratio based on either just one or both of the definitions of the capital measure specified in points (a) and (b) of paragraph 1 of this Article. Where institutions change their decision on which leverage ratio to disclose, the first disclosure that occurs after such change shall contain a reconciliation of the information on all leverage ratios disclosed up to the moment of the change.
- 3 By way of derogation from Article 429(2), during the period from 1 January 2014 to 31 December 2017, competent authorities may permit institutions to calculate the end-of-quarter leverage ratio where they consider that institutions may not have data of sufficiently good quality to calculate a leverage ratio that is an arithmetic mean of the monthly leverage ratios over a quarter.

### <sup>F3</sup>Article 500

#### Adjustment for massive disposals

- 1 By way of derogation from point (a) of Article 181(1), an institution may adjust its LGD estimates by partly or fully offsetting the effect of massive disposals of defaulted exposures on realised LGDs up to the difference between the average estimated LGDs for comparable exposures in default that have not been finally liquidated and the average realised LGDs including on the basis of the losses realised due to massive disposals, as soon as all the following conditions are met:

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- a the institution has notified the competent authority of a plan providing the scale, composition and the dates of the disposals of defaulted exposures;
- b the dates of the disposals of defaulted exposures are after 23 November 2016 but not later than 28 June 2022;
- c the cumulative amount of defaulted exposures disposed of since the date of the first disposal in accordance with the plan referred to in point (a) has surpassed 20 % of the cumulative amount of all observed defaults as of the date of the first disposal referred to in points (a) and (b).

The adjustment referred to in the first subparagraph may only be carried out until 28 June 2022 and its effects may last for as long as the corresponding exposures are included in the institution's own LGD estimates.

2 Institutions shall notify the competent authority without delay when the condition set out in point (c) of paragraph 1 has been met.]

#### **Textual Amendments**

- F3** Substituted by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012 (Text with EEA relevance).

### *Article 501*

#### **Capital requirements deduction for credit risk on exposures to SMEs**

1 Capital requirements for credit risk on exposures to SMEs shall be multiplied by the factor 0,7619.

2 For the purpose of this Article:

- a the exposure shall be included either in the retail or in the corporates or secured by mortgages on immovable property classes. Exposures in default shall be excluded;
- b an SME is defined in accordance with Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises<sup>(2)</sup>. Among the criteria listed in Article 2 of the Annex to that Recommendation only the annual turnover shall be taken into account;
- c the total amount owed to the institution and parent undertakings and its subsidiaries, including any exposure in default, by the obligor client or group of connected clients, but excluding claims or contingent claims secured on residential property collateral, shall not, to the knowledge of the institution, exceed EUR 1,5 million. The institution shall take reasonable steps to acquire such knowledge.

3 Institutions shall report to competent authorities every three months on the total amount of exposures to SMEs calculated in accordance with paragraph 2.

4 The Commission shall, by 28 June 2016, report on the impact of the own funds requirements laid down in this Regulation on lending to SMEs and natural persons and shall submit that report to the European Parliament and to the Council, together with a legislative proposal, if appropriate.

5 For the purpose of paragraph 4, EBA shall report on the following to the Commission:

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- a an analysis of the evolution of the lending trends and conditions for SMEs over the period referred to in paragraph 4;
- b an analysis of effective riskiness of Union SMEs over a full economic cycle;
- c the consistency of own funds requirements laid down in this Regulation for credit risk on exposures to SMEs with the outcomes of the analysis under points (a) and (b).

#### *[<sup>F4</sup> Article 501a*

#### **Adjustment to own funds requirements for credit risk for exposures to entities that operate or finance physical structures or facilities, systems and networks that provide or support essential public services**

4 The Commission shall, by 28 June 2022 report on the impact of the own funds requirements laid down in this Regulation on lending to infrastructure project entities and shall submit that report to the European Parliament and to the Council, together with a legislative proposal, if appropriate.

- 5 For the purposes of paragraph 4, EBA shall report on the following to the Commission:
- a an analysis of the evolution of the trends and conditions in markets for infrastructure lending and project finance over the period referred to in paragraph 4;
  - b an analysis of the effective riskiness of entities referred to in point (b) of paragraph 1 over a full economic cycle;
  - c the consistency of own funds requirements laid down in this Regulation with the outcomes of the analysis under points (a) and (b) of this paragraph.

#### **Textual Amendments**

- F4** Inserted by [Regulation \(EU\) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation \(EU\) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation \(EU\) No 648/2012 \(Text with EEA relevance\).](#)

#### *Article 501b*

#### **Derogation from reporting requirements**

By way of derogation from Article 430, during the period between the date of application of the relevant provisions of this Regulation and the date of the first remittance of reports specified in the implementing technical standards referred to in that Article, a competent authority may waive the requirement to report information in the format specified in the templates contained in the implementing act referred to in Article 430(7) where those templates have not been updated to reflect the provisions of this Regulation.]]

#### **Textual Amendments**

- F4** Inserted by [Regulation \(EU\) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation \(EU\) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to](#)

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central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012 (Text with EEA relevance).

#### **Editorial Information**

- X1** Substituted by [Corrigendum to Regulation \(EU\) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation \(EU\) No 648/2012 \(OJ L 176, 27.6.2013, p. 1\)](#).

**Status:** Point in time view as at 27/06/2019.

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- (1) [<sup>X1</sup>OJ L 141, 11.6.1993, p. 27.]
- (2) [<sup>X1</sup>OJ L 124, 20.5.2003, p. 36.]

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