

Regulation (EU) 2019/2033 of the European Parliament and of the Council
of 27 November 2019 on the prudential requirements of investment firms
and amending Regulations (EU) No 1093/2010, (EU) No 575/2013,
(EU) No 600/2014 and (EU) No 806/2014 (Text with EEA relevance)

PART FIVE

LIQUIDITY

Article 43

Liquidity requirement

1 Investment firms shall hold an amount of liquid assets equivalent to at least one third of the fixed overhead requirement calculated in accordance with Article 13(1).

By way of derogation from the first subparagraph of this paragraph, competent authorities may exempt investment firms that meet the conditions for qualifying as small and non#interconnected investment firms set out in Article 12(1) from the application of the first subparagraph of this paragraph and shall duly inform EBA thereof.

For the purposes of the first subparagraph, liquid assets shall be any of the following, without limitation to their composition:

- a the assets referred to in Articles 10 to 13 of Delegated Regulation (EU) 2015/61, subject to the same conditions regarding eligibility criteria and the same applicable haircuts as those laid down in those Articles;
- b the assets referred to in Article 15 of Delegated Regulation (EU) 2015/61, up to an absolute amount of EUR 50 million or the equivalent amount in domestic currency, subject to the same conditions regarding eligibility criteria, with the exception of the EUR 500 million threshold amount referred to in Article 15(1) of that Regulation, and the same applicable haircuts as those laid down in in that Article;
- c financial instruments not covered by points (a) and (b) of this subparagraph, traded on a trading venue for which there is a liquid market as defined in point (17) of Article 2(1) of Regulation (EU) No 600/2014 and in Articles 1 to 5 of Commission Delegated Regulation (EU) 2017/567⁽¹⁾, subject to a haircut of 55 %;
- d unencumbered short#term deposits at a credit institution.

2 Cash, short term deposits and financial instruments belonging to clients, even where held in the own name of the investment firm, shall not be treated as liquid assets for the purposes of paragraph 1.

3 For the purposes of paragraph 1 of this Article, investment firms that meet the conditions for qualifying as small and non#interconnected investment firms set out in Article 12(1) of this Regulation and investment firms that do not meet the conditions for qualifying as small and non#interconnected investment firms set out in Article 12(1) of this Regulation but which do not carry out any of the activities referred to in points (3) and (6) of Section A of Annex I to Directive 2014/65/EU may also include receivables from trade debtors as well as fees or commissions receivable within 30 days in their liquid assets, where those receivables comply with the following conditions:

Status: This is the original version (as it was originally adopted).

- a they account for up to a maximum of one third of the minimum liquidity requirements as referred to in paragraph 1 of this Article;
- b they are not to be counted towards any additional liquidity requirements required by the competent authority for firm#specific risks in accordance with point (k) of Article 39(2) of Directive (EU) 2019/2034;
- c they are subject to a haircut of 50 %.

4 For the purposes of the second subparagraph of paragraph 1, EBA, in consultation with ESMA, shall issue guidelines specifying further the criteria which the competent authorities may take into account when exempting investment firms that meet the conditions for qualifying as small and non#interconnected investment firms set out in Article 12(1) from the liquidity requirement.

Article 44

Temporary reduction of the liquidity requirement

1 Investment firms may, in exceptional circumstances, and after approval by the competent authority, reduce the amount of liquid assets held.

2 Compliance with the liquidity requirement set out in Article 43(1) shall be restored within 30 days of the original reduction.

Article 45

Client guarantees

Investment firms shall increase their liquid assets by 1,6 % of the total amount of guarantees provided to clients.

- (1) Commission Delegated Regulation (EU) 2017/567 of 18 May 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council with regard to definitions, transparency, portfolio compression and supervisory measures on product intervention and positions ([OJ L 87, 31.3.2017, p. 90](#)).