

Chapter 1

Commission Delegated Regulation (EU) 2015/2303

Article 2 Significant intra-group transactions

(1) Significant intra-group transactions may include the following transactions within a financial conglomerate:

- (a) investments and intercompany balances including real estate, bonds, equity, loans, hybrid and subordinated instruments, collateralised debt, arrangements to centralise the management of assets or cash or to share costs, pension arrangements, provision of management, back office or other services, dividends, interest payments and other receivables;
- (b) guarantees, commitments, letters of credit and other off-balance sheet transactions;
- (c) derivatives transactions;
- (d) purchase, sale or lease of assets and liabilities;
- (e) intra-group fees related to distribution contracts;
- (f) transactions to shift risk exposures between entities within the financial conglomerate, including transactions with special purpose vehicles or ancillary entities;
- (g) insurance, reinsurance and retrocession operations;
- (h) transactions that consist of several connected transactions where assets or liabilities are transferred to entities outside of the financial conglomerate, but ultimately risk exposure is brought back within the financial conglomerate.

(2) With respect to regulated entities and mixed financial holding companies, when identifying types of significant intra-group transactions, defining appropriate thresholds, periods for reporting and overviewing significant intra-group transactions, the coordinator and the other regulator shall, in particular, take into account:

- (a) the specific structure of the financial conglomerate, the complexity of the intra-group transactions, the specific geographical location of the counterparty and whether or not the counterparty is a regulated entity;

(b) possible contagion effects within the financial conglomerate;

(c) possible circumventions of sectoral rules

(d) possible conflicts of interests

(e) the solvency and liquidity position of the counterparty;

(f) transactions among entities belonging to different sectors of a financial conglomerate, if not already reported at sectoral level;

(g) transactions within a financial sector, which are not already reported in accordance to the provisions of the sectoral rules.

(3) The coordinator and the other regulator shall agree on the form and content of the significant intra-group transactions report, including language, remittance dates and channels of communication.

(4) The coordinator and the other regulator shall at least require regulated entities or mixed financial holding companies to report on the following:

(a) the dates and amounts of the significant transactions, names and company register numbers or other identification numbers of the relevant group entities and counterparties, including legal entity identifier (LEI), where applicable;

(b) a brief description of the significant intra-group transactions according to the types of transactions set out in paragraph 1;

(c) the total volume of all significant intra-group transactions of a specific financial conglomerate within a given reporting period;

(d) information on how conflicts of interests and risks of contagion at the level of the financial conglomerate regarding significant intra-group transactions are managed, taking into consideration the financial conglomerate's strategy to combine activities in the banking, insurance and investment services sectors, or a sectoral own risks self-assessment including a consideration on the management of conflicts of interests and risks of contagion regarding significant intra-group transactions.

(5) Transactions that are executed as part of a single economic operation shall be aggregated for the purpose of determining whether an intra-group transaction is significant.