



Brussels, 28 November 2018
SRB/CM01/ARES(2018)6838137

Mr. Jonás Fernández
Member of the European Parliament
European Parliament
60, Rue Wiertz / Wiertzstraat 60
B-1047 Brussels

Re: Question for written answer Z-073/2018

Dear Mr. Fernández,

Thank you for your question Z-073/2018, which was forwarded to me by Mr. Roberto Gualtieri, Chairman of the Committee on Economic and Monetary Affairs, on 30 October 2018.

The Union's legislative framework on bank resolution recognises that resolution actions must be taken swiftly. Regulation 806/2014¹ (SRMR) allows the Single Resolution Board (SRB) to inform its decisions by means of provisional valuations where, due to the urgency in the circumstances of the case, it is not possible to comply with all the requirements applicable to definitive valuations (see Article 20(10) SRMR).

After careful assessment of the applicable legislative framework, the SRB has decided that, in light of the circumstances of the resolution of Banco Popular, it is not necessary for an ex-post definitive valuation as referred to in Article 20(11) SRMR to be prepared. Carrying out such valuation could not have an impact on the concluded sale of Banco Popular to Banco Santander that determined the market price of Banco Popular as an entity in an open, fair and transparent process.

The SRB's decision not to require an independent valuer to carry out an ex-post definitive valuation under Article 20(11) SRMR for Banco Popular is currently the subject-matter of pending proceedings before the Union Courts.² However, the outcome of such proceedings should not have any bearing on the validity of the resolution decision based on a provisional valuation.

Yours sincerely,

Chair
Elke König

¹ Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010, OJ L 225, 30.7.2014, p. 1-90.

² Case T-599/18.