



EUROPEAN CENTRAL BANK
BANKING SUPERVISION

Danièle NOUY
Chair of the Supervisory Board

Mr Matt Carthy
Member of the European Parliament
European Parliament
60, rue Wiertz
B-1047 Brussels

Frankfurt am Main, 6 December 2017

Re: Your letter (QZ101)

Honourable Member of the European Parliament, dear Mr Carthy,

Thank you for your letter on the practice of split mortgages, which was passed on to me by Mr Roberto Gualtieri, Chairman of the Committee on Economic and Monetary Affairs, accompanied by a cover letter dated 7 November 2017.

We have been approached by several institutions from different euro area countries asking for supervisory guidance on the appropriate use of non-performing mortgage splitting. We have started work on a clear supervisory response to these queries and are currently conducting a full legal and technical review of this topic, which will take into account input from the relevant stakeholders, including the European Banking Authority.

As soon as this work is completed, we will provide feedback to the relevant banks via their joint supervisory teams. At that stage, we will of course stand ready to provide you with further details on the chosen approach.

Yours sincerely,

[signed]

Danièle Nouy