JUDGMENT OF THE GENERAL COURT (Eighth Chamber)

25 November 2026 (*)

(Economic and monetary policy – Prudential supervision of credit institutions – Regulation (EU) No 1024/2013 – Regulation (EU) No 468/2014 – Specific supervisory tasks conferred on the ECB – Decision to withdraw a credit institution's authorisation – Proposal from the national competent authority – Infringements of the provisions on the prevention of the use of the financial system for the purposes of money laundering and terrorist financing – Breaches of governance requirements – Professional repute of the shareholder – Competence of the ECB – Composite administrative procedure – Misuse of powers – Procedural rights – Right to be heard – Confidentiality – Obligation to state reasons – Notification of the contested decision – Judicial review – Plea of illegality – Proportionality – Legitimate expectations – Ne bis in idem principle – Equality of treatment)

In Case T-532/24,

Rangecourt SA, formerly Banque Havilland SA, established in Luxembourg (Luxembourg), represented by O. Behrends, lawyer,

applicant,

v

European Central Bank (ECB), represented by E. Yoo, M. Puidokas and D. Brinkman, acting as Agents,

defendant,

supported by

Council of the European Union, represented by I. Gurov and A. Westerhof Löfflerová, acting as Agents,

and by

European Commission, represented by D. Triantafyllou and P. Messina, acting as Agents,

interveners,

THE GENERAL COURT (Eighth Chamber),

composed, at the time of the deliberations, of I. Gâlea, President, M.J. Costeira (Rapporteur) and B. Ricziová, Judges,

Registrar: A. Marghelis, Administrator,

having regard to the written part of the procedure,

further to the hearing on 16 April 2026,

gives the following

Judgment

1 By its action under Article 263 TFEU, the applicant, Rangecourt SA, formerly Banque Havilland SA, seeks annulment of the decision under reference ECB-SSM-2024-LU-5 WHD-2023-0005 of the European Central Bank (ECB) of 1 August 2024 withdrawing Banque Havilland's authorisation to take up the business of a credit institution ('the contested decision').

I. Background to the dispute and events subsequent to the bringing of the action

2 On the date of the contested decision, Banque Havilland was a credit institution established in Luxembourg and was classified as a less significant institution for the purposes of Article 6 of Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions (OJ 2013 L 287, p. 63; 'the SSM Regulation').

3 As a less significant credit institution, Banque Havilland was placed under the prudential supervision of the Commission de surveillance du secteur financier (Finance Sector Supervisory Commission, Luxembourg) ('the CSSF'), acting as the national competent authority within the meaning of Article 2(2) of the SSM Regulation. Moreover, that authority also had competence in relation to the monitoring of compliance with rules intended to combat money laundering and the financing of terrorism ('AML/CFT').

4 Albany Settlements Ltd, incorporated in the British Virgin Islands, held 100% of the capital and voting rights in Havilland Group Ltd, which held 100% of the capital and voting rights in Havilland Group S.A., which in turn held 100% of the capital and voting rights in Banque Havilland. Havilland Group S.A. was ultimately owned by Rowland Purpose Trust 2001, incorporated in Guernsey ('the Trust'). A ('the indirect shareholder') was the unique enforcer and controlling person of the Trust. The beneficiaries of the trust were the eight children of the indirect shareholder, who, by holding capital stakes in Albany Settlements, were indirect minority shareholders without voting rights in Banque Havilland.

5 Since 2017, the CSSF has carried out several on-site inspections concerning Banque Havilland's compliance with governance and AML/CFT requirements, following which it has adopted several prudential measures, including an injunction letter ordering Banque Havilland to cease immediately accepting new customers categorised as high risk and to put on hold all expansion plans in the form of acquisitions, divestitures and the opening of further branches, as well as imposing on it two administrative sanctions on 27 July 2018 and 8 March 2024 ('the CSSF's sanction of 8 March 2024'), respectively.

6 Banque Havilland brought, inter alia, administrative appeals before the CSSF and an action before a Luxembourg administrative tribunal against the sanction imposed by the CSSF on 8 March 2024.

7 On 10 June 2024, the ECB received a proposal from the CSSF to withdraw Banque Havilland's authorisation as a credit institution ('the CSSF's proposal to withdraw authorisation').

8 On 12 July 2024, the ECB notified Banque Havilland of the draft decision to withdraw its authorisation to take up the business of a credit institution ('the draft decision'). On 24 July 2024, Banque Havilland submitted its observations on that draft, objecting to withdrawal of its authorisation.

9 On 1 August 2024, the ECB adopted the contested decision, by which it withdrew Banque Havilland's authorisation to take up the business of a credit institution, with effect from the day following that on which that decision was notified to that bank.

10 The contested decision is based on three grounds, alleging:

– first, that Banque Havilland had seriously and repeatedly breached, over a long period of time, and was still in serious breach of the fundamental provisions of the Law of 12 November 2004 on the fight against money laundering and terrorist financing transposing Directive 2001/97/EC of the European Parliament and of the Council of 4 December 2001 amending Council Directive 91/308/EEC on prevention of the use of the financial system for the purpose of money laundering

(*Mémorial* A 183, p. 2766), as amended by the Law of 17 July 2008 transposing Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing (*Mémorial* A 106, p. 1496) ('the Luxembourg Law on AML/CFT'), and that those infringements were serious enough to justify withdrawal of authorisation, in accordance with Article 18(f) and Article 67(1)(o) of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ 2013 L 176, p. 338), read in conjunction with Article 11(4a) and Article 63-2(1)(o) of the Law of 5 April 1993 on the financial sector (*Mémorial* A 27, p. 462), in the version in force on the date of the contested decision ('the Luxembourg Law on the Financial Sector') ('the first ground for the withdrawal of authorisation');

– secondly, that, for a long period of time, Banque Havilland had failed to fulfil its obligation to set up appropriate governance arrangements and had breached the governance requirements referred to in Article 18(f) and Article 67(1)(d) of Directive 2013/36, read in conjunction with Article 11(4a) and Article 63-2(1)(d) of the Luxembourg Law on the Financial Sector ('the second ground for the withdrawal of authorisation');

– thirdly, that Banque Havilland no longer satisfied the conditions for authorisation, given that the indirect shareholder, who was the sole person responsible for the enforcement and control of the Trust which ultimately owned that bank and was the sole entity with the right to vote, lacked integrity and professional competence and no longer met the aptitude requirements laid down in Article 14(2), Article 23(1)(a) and (e) and Article 18(c) of Directive 2013/36, read in conjunction with Article 6(1) and (9)(a) and (e), Article 7(1) and Article 11(1) of the Luxembourg Law on the Financial Sector ('the third ground for the withdrawal of authorisation').

11 By letter lodged at the Court Registry on 10 October 2025, Banque Havilland informed the Court that, following a decision taken in July 2025, it had changed its name, adopting that of the applicant.

II. **Forms of order sought**

12 The applicant claims that the Court should:

– annul the contested decision;

– order the ECB to pay the costs.

13 The ECB, supported by the Council of the European Union and by the European Commission, as interveners, contends that the Court should:

– dismiss the action;

– order the applicant to pay the costs.

III. **Law**

A. **Inadmissibility of the statements in intervention of the Council and the Commission**

14 The applicant, in its observations on the statements in intervention of the Council and the Commission, claims that those statements are inadmissible on the ground that they do not comply with the requirements laid down in Article 145(2)(b) and (c) of the Rules of Procedure of the General Court, in that they are limited to general allegations and do not contain the pleas in law and arguments relied on.

15 At the hearing, the Council and the Commission submitted that their statements in intervention were admissible.

16 Article 145(2)(b) and (c) of the Rules of Procedure provides that the statement in intervention is to contain the pleas in law and arguments relied on by the intervener and, where appropriate, any evidence produced or offered.

17 In the present case, it suffices to note that the statements in intervention of the Council and the Commission contain the form of order that fully supports the form of order sought by the ECB, as well as the arguments relating to the questions to which their intervention is limited.

18 It follows that the statements in intervention of the Council and the Commission comply with the requirements of Article 145(2)(b) and (c) of the Rules of Procedure.

19 Accordingly, the statements in intervention of the Council and the Commission are admissible.

B. **Substance**

20 In support of its action, the applicant raises three pleas, alleging, first, ultra vires or, in the alternative, infringement of substantive EU law and a plea of illegality, secondly, breach of the applicant's procedural rights and a plea of illegality and, thirdly, infringement of the Treaties or breach of any rule of law relating to their application.

1. ***The first plea, alleging ultra vires or, in the alternative, infringement of substantive EU law and a plea of illegality***

21 The present plea is divided into two parts, alleging, first, ultra vires or, in the alternative, infringement of substantive EU law and, secondly, a plea of illegality.

(a) ***The first part of the first plea, alleging ultra vires or, in the alternative, infringement of substantive EU law***

22 The applicant submits, in essence, that the contested decision is vitiated by ultra vires or, in the alternative, by an infringement of substantive EU law.

23 In the light of the arguments put forward by the applicant, the Court considers it appropriate to divide the first part of the first plea into three complaints, alleging, first, lack of competence on the part of the ECB, secondly, lack of judicial review and, thirdly, ultra vires and misuse of powers.

24 The ECB, supported by the Council and the Commission, disputes the applicant's arguments.

25 As a preliminary point, it should be borne in mind that, under Article 4(1)(a) of the SSM Regulation and subject to Article 14 thereof, by virtue of the tasks conferred on it by that regulation, the ECB is exclusively competent to authorise credit institutions established in the Member States participating in the Single Supervisory Mechanism and to withdraw authorisations of those institutions (see, to that effect, judgment of 12 September 2024, *Anglo Austrian AAB* v *ECB and Far-East*, C-579/22 P, EU:C:2024:731, paragraphs 43 and 57 and the case-law cited).

26 Under the first subparagraph of Article 4(3) of the SSM Regulation, for the purpose of carrying out the tasks conferred on it by that regulation, and with the objective of ensuring high standards of supervision, the ECB is to apply all relevant EU law, and where that EU law is composed of directives, the national legislation transposing those directives. Under the second sentence of Article 4(3) of the SSM Regulation, where the relevant Union law is composed of regulations and where currently those regulations explicitly grant options for Member States, the ECB is to apply also the national legislation exercising those options.

27 Article 14(5) of the SSM Regulation provides that the ECB may withdraw authorisation of its own initiative or on proposal from the national competent authority. Where the national competent authority which has proposed authorisation in accordance with Article 14(1) of that regulation considers that authorisation must be withdrawn in accordance with the relevant national law, it is to submit a proposal to

the ECB to that end. In that case, the ECB is to take a decision on the proposed withdrawal taking full account of the justification for withdrawal put forward by that authority.

28 As regards the withdrawal of a credit institution's authorisation, provided for in Article 4(1)(a) of the SSM Regulation, the cooperation between the ECB and the national competent authorities is expressed, in accordance with Article 14(5) of that regulation, by the obligation to consult those authorities, in the event that the ECB withdraws authorisation on its own initiative or in the possibility that those authorities have to propose that withdrawal to the ECB.

29 Article 83(1) of Regulation (EU) No 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for cooperation within the Single Supervisory Mechanism between the European Central Bank and national competent authorities and with national designated authorities (OJ 2014 L 141, p. 1; 'the SSM Framework Regulation') states that the ECB is to take a decision on withdrawal of authorisation without undue delay and that, in doing so, it may accept or reject the proposal for withdrawal submitted by the national competent authority concerned. Article 83(2) of that regulation also specifies that, when the ECB makes its decision, it must take into account all of the following: first, its assessment of the circumstances justifying the withdrawal; secondly, where applicable, the national competent authority's proposal for the withdrawal; thirdly, consultation with the relevant national competent authority and, where the national competent authority is not the competent resolution authority, the national resolution authority; and, fourthly, the comments provided by the credit institution pursuant to Articles 81(2) and 82(3) of that regulation.

30 As regards the link between AML/CFT and prudential supervision, it should be noted that, among the circumstances justifying the withdrawal of a banking authorisation, first, Article 18(f) of Directive 2013/36 mentions the breaches referred to in Article 67(1) of that directive, which include serious breaches of the national provisions adopted pursuant to Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing (OJ 2005 L 309, p. 15), which was replaced by Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ 2015 L 141, p. 73). Secondly, Article 18(e) of Directive 2013/36 mentions the other cases in which national law provides for the withdrawal of authorisation (judgment of 7 September 2023, *Versobank* v *ECB*, C-803/21 P, not published, EU:C:2023:630, paragraph 96).

31 It follows that, although Member States remain competent to implement AML/CFT provisions, as expressly provided for in recital 28 of the SSM Regulation, the ECB has exclusive competence to withdraw authorisation, for all credit institutions, irrespective of their size, even where that withdrawal is based on the grounds set out in Article 67(1)(d), (e) and (o) of Directive 2013/36, to which Article 18 of that directive refers, since Article 14(5) of that regulation lays down, as a condition for withdrawal of authorisation, the existence of one or more grounds justifying withdrawal under Article 18 of that directive (judgment of 7 September 2023, *Versobank* v *ECB*, C-803/21 P, not published, EU:C:2023:630, paragraph 97).

32 Furthermore, although Article 18 of Directive 2013/36 refers to the power of national competent authorities to withdraw authorisation, in view of the distribution of tasks between those authorities and the ECB, provided for in Article 4 of the SSM Regulation, and particularly in view of the fact that the power to withdraw authorisation has become an exclusive competence of the ECB, which the ECB may exercise, pursuant to Article 14(5) of that regulation, on a proposal from a national competent authority, that provision must be understood as referring to the power to propose withdrawal of authorisation, which remains with the national competent authorities (judgment of 7 September 2023, *Versobank* v *ECB*, C-803/21 P, not published, EU:C:2023:630, paragraph 98).

33 It is in the light of those considerations that the applicant's complaints must be examined.

(1) *The first complaint, alleging that the ECB lacks competence*

34 The applicant submits that the contested decision concerns matters excluded from the ECB's competence, namely those relating to AML/CFT legislation and payment services, which fall within the competence of the national competent authority. The ECB's competence in relation to the prudential supervision of credit institutions is limited to deposit-taking and lending activities. Moreover, the contested decision withdraws Banque Havilland's authorisation in its entirety, that is to say, also as regards activities which merely require a national authorisation.

35 In the present case, it is apparent from the introductory part of the contested decision and from paragraphs 1.5.1, 1.5.14 and 1.5.15 of that decision that, by the first ground for the withdrawal of authorisation, the ECB claims that Banque Havilland had seriously and repeatedly breached, over a long period of time, and was still in serious breach of the provisions of the Luxembourg Law on AML/CFT, identified in paragraph 1.5.1 of that decision (see the first indent of paragraph 10 above).

36 In addition, it is apparent from paragraphs 1.5.1 and 1.5.15 of the contested decision that the ECB considered that the breaches referred to in paragraph 35 above constituted a ground justifying the withdrawal of authorisation, in accordance with Article 18(f) and Article 67(1)(o) of Directive 2013/36, transposed into Luxembourg law by Article 11(4a) and Article 63-2(1)(o) of the Luxembourg Law on the Financial Sector.

37 As is apparent from the applicable provisions and the case-law cited in paragraphs 30 and 31 above, the ECB has the power to adopt a decision to withdraw a credit institution's authorisation, inter alia, in cases of infringements of the AML/CFT legislation. Accordingly, the ECB's competence to adopt the contested decision cannot, on that ground, be called into question.

38 The applicant further submits that the ECB's competence is limited to the prudential supervision of deposit-taking and lending activities and that the ECB exceeded its powers by including, in the contested decision, issues relating to payment services.

39 Admittedly, as is apparent from recital 28 of the SSM Regulation, the supervision of payment services is one of the supervisory functions which are not conferred on the ECB and which remain a matter for the national authorities.

40 However, the present case does not concern the supervision of payment services covered, inter alia, by Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (OJ 2015 L 337, p, 35). By contrast, the matter at issue in the present case is the prudential supervision of credit institutions the main activities of which are not those falling within the scope of payment services, but those of deposit-taking and lending activities.

41 As mentioned in paragraph 25 above, the ECB alone is competent to authorise credit institutions established in the Member States participating in the Single Supervisory Mechanism and to withdraw authorisations of those institutions.

42 The withdrawal of authorisation, in respect of which the ECB has exclusive competence, concerns all the activities of a credit institution covered by that authorisation, in accordance with the provisions of Article 4(1)(a) and Article 14(2) of the SSM Regulation and Article 78(5) of the SSM Framework Regulation.

43 In particular, Article 78(5) of the SSM Framework Regulation provides that 'the decision granting authorisation shall cover the applicant's activities as a credit institution as provided for in the relevant national law'. In addition, it follows from Article 33 of Directive 2013/36 that a credit institution's authorisation covers the activities listed in Annex I to that directive.

44 It follows that authorisation to take up the business of a credit institution includes, primarily, deposit-taking and lending and, where appropriate, the activities listed in Annex I to Directive 2013/36, entitled 'List of activities subject to mutual recognition'.

45 Consequently, the ECB's exclusive competence to withdraw authorisation to take up the business of a credit institution extends to all the activities of that institution to which such authorisation relates.

46 In the present case, the ECB's competence to withdraw Banque Havilland's authorisation included not only the deposit-taking and lending activities, but also all the activities of the bank covered by that authorisation, as defined in Annex I to Directive 2013/36, including the payment services referred to in point 4 of that annex.

47 The applicant's argument that the ECB exceeded its powers as regards matters relating to payment services cannot therefore succeed.

48 The applicant's vague argument that the contested decision also withdraws Banque Havilland's authorisation for activities requiring only national authorisation must also be dismissed. Since the applicant does not even identify those activities, such an argument is inadmissible under Article 76(d) of the Rules of Procedure.

49 The first complaint in the first part of the first plea must therefore be rejected.

(2) *The second complaint, alleging a lack of judicial review*

50 The applicant submits, in essence, that the contested decision infringes its right to have its affairs handled in accordance with national law and to have the decisions of the national competent authorities reviewed by the national courts, which results in a lack of judicial review.

51 In the first place, the applicant submits that the withdrawal of authorisation should have been taken by the national competent authority and should have been subject to judicial review on a national level.

52 However, as mentioned in paragraphs 25 and 37 above, the ECB alone is competent, by virtue of the tasks conferred on it by the SSM Regulation, to withdraw authorisations of credit institutions established in the Member States participating in the Single Supervisory Mechanism, even where that withdrawal is based on breaches of AML/CFT legislation.

53 Consequently, the applicant's argument that the withdrawal of authorisation should have been carried out by the national competent authority and should have been subject to judicial review on a national level must be rejected.

54 In the second place, the applicant submits that the ECB is not competent to apply national law. In addition, the ECB is bound, when the contested decision is adopted, by the decisions taken by the competent national AML/CFT authority.

55 In that regard, it should be borne in mind that, first, it is clear from the first subparagraph of Article 4(3) of the Basic SSM Regulation that, for the purpose of carrying out the tasks conferred on it by that regulation, and with the objective of ensuring high standards of supervision, the ECB is to apply all relevant Union law, and where that Union law is composed of directives, the national legislation transposing those directives (see paragraph 26 above). The tasks referred to in Article 4(3) of that regulation include that referred to in Article 4(1)(a) of that same regulation, consisting of withdrawing authorisations of credit institutions.

56 Secondly, as mentioned in paragraph 30 above, in the context of the grounds for the withdrawal of a banking authorisation, Article 18(f) of Directive 2013/36 refers to the breaches mentioned in Article 67(1) of that directive. Those breaches include, inter alia, serious breaches of the national provisions adopted pursuant to Directive 2005/60, which was replaced by Directive 2015/849.

57 Thirdly, as mentioned in paragraph 29 above, Article 83(2) of the SSM Framework Regulation states that, when the ECB makes its decision, it must take into account all of the following: 'its assessment of the circumstances justifying withdrawal; … where applicable, the [national competent authority]'s draft withdrawal decision; … consultation with the relevant NCA and, where the NCA is not the national resolution authority, the national resolution authority; … any comments provided by the credit institution pursuant to Articles 81(2) and 82(3) [of that regulation].'

58 Fourthly, it follows from Article 81(1) and paragraphs 1 and 2 of Article 83 of the SSM Framework Regulation, and from Article 4(1) and (3) and Article 14(5) of the SSM Regulation that, under its competence to withdraw authorisations of credit institutions, it is for the ECB to carry out its own examination as to whether there are circumstances justifying withdrawal of authorisation, taking into account the factors referred to in paragraph 57 above, in order to decide whether to accept or reject the proposal for withdrawal submitted by the national competent authority.

59 Fifthly, Article 67(1)(o) of Directive 2013/36 refers to institutions which are found liable for a serious breach of the national provisions adopted under Directive 2005/60, which has been replaced by Directive 2015/849.

60 The expression 'is found liable' in Article 67(1)(o) of Directive 2013/36 implies in that respect that Article 63-2(1)(o) of the Luxembourg Law on the Financial Sector, which transposes that provision, must be interpreted as meaning that, in order to determine whether the institution concerned has committed serious breaches of the Luxembourg Law on AML/CFT, to which that provision refers, the ECB must base its determination on CSSF decisions establishing that serious breaches have been committed, but not as meaning that the ECB must itself find that the credit institution committed a serious breach (see, to that effect and by analogy, judgment of 22 June 2022, *Anglo Austrian AAB and Belegging-Maatschappij 'Far-East'* v *ECB*, T-797/19, EU:T:2022:389, paragraph 258).

61 Accordingly, in the present case, the ECB was required, taking full account of the justification for withdrawal put forward by the CSSF and following its own examination of the circumstances justifying that withdrawal, to ascertain whether the conditions laid down by Luxembourg law, read in the light of Article 18(f) and Article 67(1)(o) of Directive 2013/36, were satisfied, that is to say, to establish the relevant facts and to decide whether they were capable of demonstrating that Banque Havilland had been found liable for a serious breach within the meaning of Article 63-2(1)(o) of the Luxembourg Law on the Financial Sector.

62 It should be noted that, first of all, the contested decision contains a summary of the procedure and the facts giving rise to the dispute (paragraphs 1.1 and 1.2 of that decision), the summary of the facts relating to the AML/CFT breaches which gave rise to the first ground for the withdrawal of authorisation (paragraph 1.4 of that decision) and an annex containing a detailed statement of those facts (paragraph 1.4.1 of that decision), the ECB's assessment of those facts (paragraph 1.5 of that decision), including the ECB's conclusion (paragraphs 1.5.9 to 1.5.15 of that decision), and an analysis of the proportionality of the measure withdrawing authorisation, based on that first ground, as well as on the second and third grounds for the withdrawal (paragraph 2 of that decision).

63 More specifically, in paragraphs 1.5.14 and 1.5.15 of the contested decision, the ECB concluded that it agreed with the CSSF's conclusion that Banque Havilland had committed serious breaches of the provisions of the Luxembourg Law on AML/CFT. In addition, the ECB considered that those breaches constituted a ground justifying withdrawal of its authorisation, in accordance with Article 11(4a) of the Luxembourg Law on the Financial Sector, read in conjunction with Article 63-2(1)(o) of that law, transposing Article 18(f) of Directive 2013/36, read in conjunction with Article 67(1)(o) of the same directive.

64 Next, the ECB considered, inter alia, that the findings made, the assessments carried out and the prudential measures adopted by the CSSF demonstrated that those breaches of the Luxembourg Law on AML/CFT, described in paragraphs 1.4 and 1.5 of the contested decision and detailed in the annex thereto, had

persisted from 2016 to 2021 and had been brought to Banque Havilland's attention by the CSSF as early as 2017. However, Banque Havilland had not fully and effectively remedied the deficiencies and failings identified following the supervisory measures taken by the CSSF. Those infringements concerned the obligations to monitor transactions on a continual basis (paragraphs 1.5.3 to 1.5.7 of the contested decision) and to file suspicious transaction reports with the Luxembourg Financial Intelligence Unit (paragraph 1.5.8 of the contested decision). The prudential measures adopted by the CSSF consisted, inter alia, in on-site inspections, an injunction letter ordering Banque Havilland to cease immediately accepting new customers categorised as high risk and to put on hold all expansion plans in the form of acquisitions, divestitures and the opening of further branches, and two penalties, applied in 2018 and 2024 respectively.

65 Lastly, by the first ground for the withdrawal of authorisation, the ECB alleged that Banque Havilland had seriously and repeatedly breached, over a long period of time, and was still in serious breach of the fundamental provisions of the Luxembourg Law on AML/CFT, those breaches being sufficiently serious to justify withdrawal of authorisation, in accordance with Article 18(f) and Article 67(1)(o) of Directive 2013/36, read in conjunction with Article 11(4a) and Article 63-2(1)(o) of the Luxembourg Law on the Financial Sector (see the first indent of paragraph 10 and paragraphs 35 and 36 above).

66 It follows from the foregoing that the ECB considered, following its own assessment, not only that it agreed with the CSSF's findings relating to the breaches it had identified, but that it also considered that the facts at issue, in essence, established that Banque Havilland had been found liable for serious breaches of the national provisions adopted pursuant to Directive 2005/60, replaced by Directive 2015/849, within the meaning of Article 67(1)(o) of Directive 2013/36 and Article 63-2(1)(o) of the Luxembourg Law on the Financial Sector.

67 Accordingly, the ECB did not merely refer to the breaches found by the CSSF in its proposal to withdraw authorisation, but found, on the basis of its own assessment, that Banque Havilland had been found liable for serious breaches of AML/CFT legislation.

68 In addition, it should be noted that the Commission did not disregard the allocation of powers between the CSSF and the ECB when it carried out, in the contested decision, a legal assessment aimed at determining whether the facts constituting breaches of the AML/CFT legislation established by the CSSF justified withdrawal of authorisation (see, to that effect and by analogy, judgment of 7 September 2023, *Versobank* v *ECB*, C-803/21 P, not published, EU:C:2023:630, paragraph 99).

69 Accordingly, it is necessary to reject the applicant's arguments alleging that the ECB lacked competence to apply national AML/CFT law and that the ECB is bound by the decisions taken by the national competent authority in that area.

70 In the third place, the applicant alleges, in essence, a lack of judicial review. First, the ECB should not have adopted the contested decision until the judicial review of the decisions adopted by the CSSF relating to AML/CFT breaches had been completed. Secondly, that approach is still necessary since the EU Courts do not have jurisdiction to apply national law, especially if it is not prudential or supervisory in nature, or if it has been predetermined by EU directives.

71 First of all, it should be noted that Banque Havilland was a less significant credit institution, under the prudential supervision of the CSSF, and that the contested decision was adopted on a proposal from the CSSF (see paragraphs 3 and 7 above).

72 In such a case, in accordance with Article 14(5) of the SSM Regulation and paragraphs 1 and 2 of Article 83 of the SSM Framework Regulation, referred to respectively in paragraph 27 and paragraph 29 above, the ECB was required to take a decision on withdrawal of authorisation 'without undue delay', after carrying out its own examination of whether there were circumstances justifying that withdrawal, in order to decide to accept or reject the CSSF's proposal to withdraw authorisation.

73 It follows that the ECB was required to take a decision on the withdrawal of Banque Havilland's authorisation, a decision which was not dependent on the outcome of actions brought by that bank before the national courts in order to challenge the decisions of the national competent authority.

74 Similarly, as regards the circumstances justifying the withdrawal of authorisation on the ground of serious breaches of AML/CFT legislation, the provisions of Article 18(f) and Article 67(1)(o) of Directive 2013/36 do not make the possibility of withdrawing authorisation dependent on the outcome of actions brought before the national courts by the credit institution in order to challenge the measures previously taken by the national competent authority.

75 In that context, the fact that the applicant brought actions before the Luxembourg courts against certain decisions of the CSSF (see paragraph 6 above) cannot restrict the exercise of the ECB's exclusive competence to withdraw authorisation, including for serious breaches of AML/CFT legislation, and cannot therefore oblige the ECB to postpone the adoption of the contested decision until the outcome of those actions.

76 Consequently, the applicant's argument alleging that the ECB should not have adopted the contested decision until the judicial review of the decisions adopted by the CSSF relating to AML/CFT breaches had been completed must be rejected.

77 Next, it should be noted that, contrary to what the applicant claims, the fact that, in order to establish that a credit institution has been found liable for serious breaches, the ECB is obliged to rely on national decisions that precede the decision to propose withdrawing authorisation does not preclude the judicial review of those national decisions. First, those decisions can be the subject matter of an action before a national court, as did in fact occur in relation to a number of the decisions addressed to Banque Havilland (see paragraph 6 above), which already ensures judicial review of those decisions.

78 Secondly, it should be recalled that Article 263 TFEU confers upon the Court of Justice of the European Union exclusive jurisdiction to review the legality of acts adopted by the EU institutions, one of which is the ECB (judgment of 19 December 2018, *Berlusconi and Fininvest*, C-219/17, EU:C:2018:1023, paragraph 42).

79 In that regard, account must be taken of the fact that the possible involvement of the national authorities in the course of the procedure leading to the adoption of acts adopted by the EU institutions cannot call into question their classification as EU acts where the acts adopted by the national authorities are a stage of a procedure in which an EU institution exercises, alone, the final decision-making power without being bound by the preparatory acts or the proposals of the national authorities (see, to that effect, judgment of 19 December 2018, *Berlusconi and Fininvest*, C-219/17, EU:C:2018:1023, paragraph 43 and the case-law cited).

80 In such a situation, where EU law does not aim to establish a division between two powers – one national and the other of the European Union – with separate purposes, but, on the contrary, lays down that an EU institution is to have an exclusive decision-making power, it falls to the EU Courts, by virtue of their exclusive jurisdiction to review the legality of EU acts on the basis of Article 263 TFEU, to rule on the legality of the final decision adopted by the EU institution at issue and to examine, in order to ensure effective judicial protection of the persons concerned, any defects vitiating the preparatory acts or the proposals of the national authorities that would be such as to affect the validity of that final decision (see, to that effect, judgment of 19 December 2018, *Berlusconi and Fininvest*, C-219/17, EU:C:2018:1023, paragraph 44 and the case-law cited).

81 Accordingly, the existence – confirmed by the present action – of a remedy to challenge the contested decision before the courts of the European Union also makes it possible to ensure that the applicant is afforded judicial protection.

82 Lastly, contrary to what the applicant appears to claim, the national law at issue in the present action is that relating to the prudential supervision of credit institutions established in the Member States participating in the Single Supervisory Mechanism, namely, in the present case, Luxembourg and the Luxembourg law transposing EU AML/CFT directives. The applicant's argument that the General Court lacked jurisdiction to examine the action in the light of such a right cannot therefore succeed.

83 Since, as is apparent from the first subparagraph of Article 4(3) of the SSM Regulation, for the purpose of carrying out the tasks conferred on it by that regulation, the ECB is to apply all relevant Union law and, where that regulation is composed of directives, the national law transposing those directives, the appellant cannot validly call into question the jurisdiction of the General Court in that regard (see judgment of 12 September 2024, *Anglo Austrian AAB* v *ECB and Far-East*, C-579/22 P, EU:C:2024:731, paragraph 73 and the case-law cited).

84 The second complaint in the first part of the first plea must therefore be rejected.

(3) *The third complaint, alleging ultra vires and misuse of powers*

85 First, the applicant claims that the ECB acted *ultra vires* by extending its supervision to the indirect shareholder of Banque Havilland, even though that shareholder is not a bank and is not subject to the provisions governing a bank.

86 That argument, however, is based on an incorrect reading of the contested decision. As the ECB submits, the contested decision mentions the indirect shareholder only in his capacity as the holder of a qualifying holding, taking the view that his influence over Banque Havilland must be taken into account in the context of the prudential supervision of that bank. In that regard, the third ground for the withdrawal of authorisation, which is the only one directly linked to the indirect shareholder, is based not on any alleged prudential supervision of its activities 'as a bank', but on the suitability of that shareholder and, in particular, on his lack of integrity and professional competence (see the third indent of paragraph 10 above).

87 Secondly, the applicant submits that the contested decision must be regarded as an ultra vires decision, in that it constitutes a 'de facto sanction' rather than a measure intended to ensure compliance with the rules.

88 By that argument, in reality, the applicant claims that the ECB misused its powers.

89 In that regard, it should be recalled that, according to settled case-law, a measure is vitiated by misuse of powers only if it appears on the basis of objective, relevant and consistent evidence to have been taken with the exclusive or main purpose of achieving an end other than that stated or evading a procedure specifically prescribed by the Treaty for dealing with the circumstances of the case (see judgment of 15 May 2008, *Spain* v *Council*, C-442/04, EU:C:2008:276, paragraph 49 and the case-law cited).

90 In the present case, it is sufficient to note that the applicant has failed to prove, on the basis of objective, relevant and consistent evidence, that the ECB, by adopting the contested decision, pursued an aim other than the performance of its task of prudential supervision of credit institutions.

91 In any event, it must be observed that the contested decision is based on three grounds for the withdrawal of authorisation, laid down in Article 18 of Directive 2013/36 (see paragraph 10 above). In addition, it follows from paragraph 2.2.1 of the contested decision that the objective of withdrawing Banque Havilland's authorisation as a credit institution was to put an end to the breaches of the applicable legislation by that bank and to prevent such breaches in the future, to protect the public interest represented by the stability of the financial system and to ensure a level playing field between credit institutions within the SSM by withdrawing from the market a credit institution which was not operating in accordance with the requirements laid down by EU and national legislation and which was therefore, legally, considered unsuitable for carrying out banking activities.

92 It follows from the foregoing that the reasons which determined the terms of the contested decision are consistent with the objectives pursued by the task of prudential supervision entrusted to the ECB, such as those referred to in paragraphs 99 to 101 below.

93 Accordingly, the third complaint of the first part of the first plea must be rejected and, consequently, that first part must be rejected in its entirety.

(b) ***The second part of the first plea, alleging a plea of illegality***

94 In the application, the applicant raises a plea of illegality in respect of Articles 4 and 14 of the SSM Regulation, and in particular of the first subparagraph of Article 4(3) of that regulation, and of the 'analogous provisions' of the SSM Framework Regulation.

95 At the hearing, in response to a question put to it by the Court, the applicant stated that it claimed that the interpretation of Articles 4 and 14 of the SSM Regulation adopted by the ECB in the contested decision was unlawful in that it disregarded the limits of prudential supervision by conferring on the ECB a power to withdraw a 'universal authorisation'. The applicant requests the General Court to interpret those provisions in accordance with the limits of prudential supervision laid down in Article 127(6) TFEU.

96 The ECB, supported by the Council and the Commission, disputes the applicant's arguments.

97 First of all, the applicant submits that the ECB's interpretation of Articles 4 and 14 of the SSM Regulation disregards the limits on the prudential supervision of credit institutions, which is limited, in accordance with Article 127(6) TFEU, to activities relating to the combination of deposit-taking and lending activities and does not include the issues referred to in recital 28 of the SSM Regulation, in particular those relating to AML/CFT.

98 Article 127(6) TFEU, which is the legal basis on which the SSM Regulation was adopted, provides that the Council may confer on the ECB specific tasks concerning policies relating to the prudential supervision of credit institutions and other financial institutions, with the exception of insurance undertakings.

99 The tasks relating to prudential banking supervision that are referred to in Article 127(6) TFEU are performed with the objective of ensuring the safety and soundness of credit institutions, in particular the major credit institutions and banking groups, so as to help ensure the stability of the EU financial system as a whole (judgment of 2 October 2019, *Crédit Mutuel Arkéa* v *ECB*, C-152/18 P and C-153/18 P, EU:C:2019:810, paragraph 55).

100 Furthermore, the pursuit of that objective is explicitly mentioned in recitals 16, 26, 30 and 65 of the SSM Regulation and the first paragraph of Article 1 of that regulation (judgment of 2 October 2019, *Crédit Mutuel Arkéa* v *ECB*, C-152/18 P and C-153/18 P, EU:C:2019:810, paragraph 56).

101 It follows that the purpose of the prudential supervision carried out by the ECB, referred to in the SSM Regulation, and in particular in Article 4(1) of that regulation, is to limit specific risks linked to economic and financial stability within the euro area.

102 Furthermore, as noted in paragraph 31 above, although Member States remain competent to implement AML/CFT provisions, as explicitly provided for in recital 28 of the SSM Regulation, the ECB has exclusive competence to withdraw authorisation, for all credit institutions, irrespective of their size, in particular where such withdrawal is based, as in the present case, on the grounds set out in Article 67(1)(o) of Directive 2013/36, to which Article 18 of that directive refers, which concern cases where an institution has been found liable for a serious breach of the national provisions adopted pursuant to Directive 2005/60.

103 Accordingly, as is apparent from paragraphs 36 and 46 above, the applicant errs in claiming that the powers of the ECB which fall within the concept of 'prudential supervision of credit institutions' are limited to deposit-taking and lending activities and that the ECB is not competent to adopt the contested

decision, in so far as that decision withdraws Banque Havilland's authorisation on the basis of, inter alia, breaches of AML/CFT legislation.

104 Consequently, the applicant's argument that the ECB's interpretation of Articles 4 and 14 of the SSM Regulation is unlawful in so far as it disregards the limits on the prudential supervision of credit institutions, in breach of Article 127(6) TFEU, must be rejected.

105 Next, the applicant submits that the ECB's interpretation of Articles 4 and 14 of the SSM Regulation disregards the distinction between powers and tasks, given that the first subparagraph of Article 4(3) of that regulation relates only to tasks, and not to powers, which precludes the ECB from deciding in a matter covered by AML/CFT legislation, which is not composed of prudential provisions in the narrow sense of EU law.

106 In that regard, it should be observed that, as noted in paragraph 26 above, under Article 4(3) of the SSM Regulation, for the purpose of carrying out the tasks conferred on it by that regulation and with the objective of ensuring high standards of supervision, the ECB is to apply all relevant EU law and, where that EU law is composed of directives, the national legislation transposing those directives.

107 The tasks referred to in Article 4(3) of the SSM Regulation include that referred to in Article 4(1)(a) of that regulation, consisting of withdrawing the authorisations of credit institutions (see, to that effect, judgment of 12 September 2024, *Anglo Austrian AAB* v *ECB and Far-East*, C-579/22 P, EU:C:2024:731, paragraph 52).

108 Furthermore, it follows from the second subparagraph of Article 9(1) of the SSM Regulation that, for the sole purpose of carrying out the tasks conferred on it by, inter alia, Article 4(1) of that regulation, the ECB is to have all the powers and obligations set out in that regulation (see, to that effect, judgment of 12 September 2024, *Anglo Austrian AAB* v *ECB and Far-East*, C-579/22 P, EU:C:2024:731, paragraph 53).

109 Therefore, the ECB has all the powers provided for by the SSM Regulation for the purposes, inter alia, of carrying out its task of withdrawing authorisations of credit institutions, without the distinction between tasks and powers, or tasks and competences, relied on by the appellant being relevant in that regard (see, to that effect, judgment of 12 September 2024, *Anglo Austrian AAB* v *ECB and Far-East*, C-579/22 P, EU:C:2024:731, paragraph 54).

110 Moreover, contrary to what the applicant claims, the withdrawal of authorisation is a decision which falls within the scope of the ECB's task of prudential supervision, even in the case, such as that in the present case, where the ground for the withdrawal relates, inter alia, to breaches of AML/CFT legislation.

111 The applicant's argument that the ECB's interpretation of the first subparagraph of Article 4(3) and Article 14 of the SSM Regulation is unlawful in so far as it disregards the distinction between powers and tasks must therefore be rejected.

112 In addition, the applicant submits that the ECB's interpretation of the first subparagraph of Article 4(3) of the SSM Regulation is unlawful, in that it allows for the 'external application' of national law by the ECB, with the consequence that national law is no longer applied by the national authorities or subject to judicial review on a national level. Moreover, the elimination of judicial review on a national level also eliminates the jurisdiction of the Court of Justice of the European Union conferred by Article 267 TFEU. According to the applicant, that results in a lack of judicial review, a breach of the rule of law, an unlawful re-allocation of competences within the EU legal order, as well as a breach of the principle of democracy and an elimination of democratic control over the executive. Furthermore, in its observations on the Council's statement in intervention, the applicant submits that the CSSF's proposal to withdraw authorisation is not subject to judicial review.

113 The first subparagraph of Article 4(3) of the SSM Regulation reads as follows:

‘For the purpose of carrying out the tasks conferred on it by this Regulation, and with the objective of ensuring high standards of supervision, the ECB shall apply all relevant Union law, and where this Union law is composed of Directives, the national legislation transposing those Directives. Where the relevant Union law is composed of Regulations and where currently those Regulations explicitly grant options for Member States, the ECB shall apply also the national legislation exercising those options.’

114 In that regard, the Court has already held that, under Article 4(3) of the SSM Regulation, for the purpose of carrying out the tasks conferred on it by that regulation, and with the objective of ensuring high standards of supervision, the ECB is to apply all relevant Union law, and where that Union law is composed of directives, the national legislation transposing those directives (judgment of 7 September 2023, *Versobank* v *ECB*, C-803/21 P, not published, EU:C:2023:630, paragraph 92). That literal interpretation is also confirmed by the context of that provision, having regard to the purpose of that regulation, as provided for in Article 1 thereof, which confers on the ECB specific tasks concerning policies relating to the prudential supervision of credit institutions, in order to contribute to their safety and soundness and to the stability of the financial system within the European Union and each Member State.

115 Moreover, that literal interpretation of Article 4(3) of the SSM Regulation is confirmed by its teleological interpretation, that is to say, by the objectives of ensuring the safety and soundness of credit institutions and of contributing to ensuring the stability of the financial system of the European Union as a whole, pursued by Article 127(6) TFEU, which constitutes the legal basis on which the SSM Regulation was adopted (see paragraphs 98 and 99 above).

116 In the present case, it is not apparent from the file, or indeed from the applicant’s vague line of argument, that the ECB adopted an interpretation of Article 4(3) of the SSM Regulation other than that set out in paragraphs 114 and 115 above.

117 Therefore, the applicant’s argument that the ECB adopted an unlawful interpretation of the first subparagraph of Article 4(3) of the SSM Regulation must be rejected.

118 Furthermore, in its observations on the Council’s statement in intervention, the applicant submits that the CSSF’s proposal to withdraw authorisation is not subject to judicial review.

119 Irrespective of whether it is new in relation to the complaints raised in the application and therefore inadmissible, the applicant’s argument referred to in paragraph 118 above cannot succeed. It is apparent from Article 14(5) of the SSM Regulation and Article 83(1) of the SSM Framework Regulation that the proposal to withdraw authorisation is a preparatory act which is not binding on the ECB (see paragraphs 27 to 29 above). Thus, in accordance with the case-law cited in paragraph 80 above, it is for the Courts of the European Union to rule on the legality of the final decision taken by the ECB and, if necessary, to examine any defects vitiating that proposal which might affect the validity of the ECB’s decision.

120 As noted in paragraph 81 above, the existence – confirmed by the present action – of a remedy to challenge the contested decision before the courts of the European Union also makes it possible to ensure that the applicant is afforded judicial protection. Furthermore, that action before the EU courts does not limit the applicant’s right to bring proceedings before the national courts against decisions falling within their jurisdiction, such as those adopted by the national competent authority.

121 Finally, the applicant errs in claiming that the elimination of judicial review on a national level also eliminates the jurisdiction of the Court of Justice of the European Union conferred by Article 267 TFEU. In that regard, it suffices to note that the applicant has the right to bring proceedings before national courts against decisions falling within the jurisdiction of the national competent authorities, such as those adopted by the CSSF, a right which it has indeed exercised (see paragraphs 6 and 77 above). In the context of those actions before the Luxembourg courts, it is for the national court to decide whether it is appropriate to refer a question to the Court of Justice for a preliminary ruling, in accordance with Article 267 TFEU.

122 Accordingly, the applicant's argument that the ECB's interpretation of the first subparagraph of Article 4(3) of the SSM Regulation is unlawful in so far as it gives rise to a lack of judicial review must be rejected.

123 It is also necessary to reject the applicant's vague arguments alleging a breach of the rule of law, an unlawful re-allocation of competences within the EU legal order, as well as a breach of the principle of democracy and an elimination of democratic control over the executive. Since the applicant does not in any way indicate what the alleged infringements consist of, such arguments are inadmissible under Article 76(d) of the Rules of Procedure.

124 In the light of the foregoing, the second part of the first plea, alleging a plea of illegality, must be rejected without it being necessary to examine whether that plea satisfies the conditions for admissibility.

125 Consequently, the first plea must be dismissed in its entirety.

2. ***The second plea, alleging infringement of procedural rights and essential procedural requirements and a plea of illegality***

126 The second plea is divided into two parts, alleging, first, infringement of procedural rights and essential procedural requirements and, secondly, a plea of illegality of the period laid down in Article 31(3) of the SSM Framework Regulation and infringement of the right to be heard.

(a) ***The first part of the second plea, alleging infringement of procedural rights and essential procedural requirements***

127 By the first part, the applicant submits that the contested decision infringes essential procedural requirements within the meaning of Article 263 TFEU, its procedural rights and the corresponding obligations of the CSSF and the ECB's obligations under national law, Article 41 of the Charter of Fundamental Rights of the European Union ('the Charter'), Article 96(2) TFEU, Articles 4, 14, 22 et seq. of the SSM Regulation and Article 27 et seq. of the SSM Framework Regulation.

128 In that regard, the applicant raises seven complaints, alleging, first, an error relating to the initiation of the procedure for the withdrawal of authorisation, secondly, infringement of the right to be heard on the CSSF's proposal to withdraw authorisation, thirdly, infringement of the right of access to the file, fourthly, breach of the right to confidentiality, fifthly, infringement of the obligation to state reasons, sixthly, infringement of the formalities for notification of the contested decision and, seventhly, lack of judicial review.

129 The ECB, supported by the Council and the Commission, disputes the applicant's arguments.

(1) *The first complaint, alleging an error relating to the initiation of the procedure for the withdrawal of authorisation*

130 In the first place, the applicant submits that the ECB erred in considering that the procedure for the withdrawal of authorisation began with the CSSF's proposal to withdraw authorisation. The ECB should have considered that that procedure began before, on a national level, in particular at the time of the on-site inspections carried out by the CSSF or as soon as the CSSF had envisaged the withdrawal of authorisation. In addition, in accordance with Article 28(1) of the SSM Framework Regulation, the ECB should have made a statement of the facts which were relevant for the purposes of the final decision, when the CSSF began to consider a possible withdrawal of authorisation.

131 It should be noted that, as is apparent from Article 14(5) of the SSM Regulation and Articles 80 and 82 of the SSM Framework Regulation, the procedure for withdrawal of authorisation is a composite administrative procedure involving the national competent authority and the ECB.

132 As is apparent from Article 14(5) of the SSM Regulation and Articles 80 and 82 of the SSM Framework Regulation, if the withdrawal of authorisation falls within the exclusive competence of the ECB, the corresponding procedure may be initiated by the ECB on its own initiative or on a proposal from a national competent authority. In the first case, the ECB must consult with the national competent authority and, in the second case, it must take into account, inter alia, the reasons for withdrawal put forward by that authority.

133 In the present case, it follows from paragraphs 2 and 7 above and from paragraph 1.1.1 of the contested decision that Banque Havilland was a less significant credit institution placed under the prudential supervision of the CSSF, that the CSSF had submitted to the ECB, on 10 June 2024, a proposal to withdraw its authorisation and that, following that proposal, the ECB initiated the procedure for withdrawal of Banque Havilland's authorisation.

134 Contrary to what the applicant claims, it is not apparent either from the provisions of the SSM Regulation or from the SSM Framework Regulation that the ECB should have initiated the procedure for withdrawal of Banque Havilland's authorisation at a time prior to the CSSF's proposal to withdraw authorisation, in particular where the CSSF had carried out on-site inspections or when the CSSF had envisaged a possible withdrawal of authorisation. By contrast, it follows from the provisions referred to in paragraph 132 above that the ECB was entitled to initiate the procedure for withdrawal of Banque Havilland's authorisation following the CSSF's proposal to withdraw authorisation.

135 Furthermore, the applicant cannot successfully rely on Article 28(1) of the SSM Framework Regulation in support of its arguments. That provision lays down general obligations for the ECB and the parties to an ECB supervisory procedure, in particular the obligation for the ECB to determine the facts which are relevant for the adoption of its final decision. However, that does not mean that the procedure for the withdrawal of authorisation on a proposal from the national competent authority should be initiated before such a proposal is submitted.

136 Accordingly, the first complaint, alleging an error relating to the launch of the procedure for the withdrawal of authorisation, must be rejected.

(2) *The second complaint, alleging infringement of the right to be heard on the CSSF's proposal to withdraw authorisation*

137 The applicant submits that it should have been notified of the CSSF's proposal to withdraw authorisation so that it could ensure that the procedural safeguards provided for by national law and those provided for by EU law, in particular Article 28(1) of the SSM Framework Regulation, were met.

138 The applicant's argument must be interpreted as alleging an infringement of the right to be heard.

139 In that regard, it must be recalled that Article 41(2) of the Charter provides that the right to good administration includes, inter alia, the right of every person to be heard before any individual measure which would affect him or her adversely is taken and the right of every person to have access to his or her file, while respecting the legitimate interests of confidentiality and of professional and business secrecy.

140 In particular, the right to be heard, which is an integral part of the general principle of respect for the rights of the defence, guarantees every person the opportunity to make known his or her views effectively during an administrative procedure and before the adoption of any decision liable to affect his or her interests adversely (see judgment of 22 November 2012, *M.*, C-277/11, EU:C:2012:744, paragraph 87 and the case-law cited).

141 In a procedure for the withdrawal of authorisation, Article 81(2) of the SSM Framework Regulation provides that the right to be heard in accordance with the detailed rules laid down in Article 31 of that regulation is to apply.

142 Article 31 of the SSM Framework Regulation provides that ‘before the ECB may adopt an ECB supervisory decision addressed to a party which would adversely affect the rights of such party, the party must be given the opportunity of commenting in writing to the ECB on the facts, objections and legal grounds relevant to the ECB supervisory decision. The notification by which the ECB gives the party the opportunity to provide its comments shall mention the material content of the intended ECB supervisory decision and the material facts, objections and legal grounds on which the ECB intends to base its decision.’

143 Furthermore, it should be noted that, in accordance with Article 14(5) of the SSM Regulation and Article 83(1) of the SSM Framework Regulation, the proposal to withdraw authorisation is a preparatory act which is not binding on the ECB (see paragraph 119 above). That proposal does not constitute a supervisory decision within the meaning of Article 31(1) of the SSM Framework Regulation and is therefore not capable of adversely affecting the rights of the credit institution covered by that proposal.

144 Accordingly, contrary to what the applicant claims, EU law and, in particular, Article 31(1) of the SSM Framework Regulation, read in conjunction with Article 81(2) of that regulation, do not contain any guidance on the procedure governing the adoption, by the national competent authority, of a proposal to withdraw authorisation. Moreover, EU law does not require such a proposal to be notified to the credit institution concerned (see, to that effect, judgments of 22 June 2022, *Anglo Austrian AAB and Belegging-Maatschappij ‘Far-East’* v *ECB*, T-797/19, EU:T:2022:389, paragraph 233, and of 7 December 2022, *PNB Banka* v *ECB*, T-230/20, not published, EU:T:2022:782, paragraph 62).

145 Similarly, the ECB’s general obligations set out in Article 28(1) of the SSM Framework Regulation, relied on by the applicant, do not include a requirement to notify the credit institution concerned of the proposal to withdraw authorisation.

146 Therefore, in the present case, EU law did not require the ECB to communicate to Banque Havilland the CSSF’s proposal to withdraw authorisation.

147 Furthermore, the applicant does not dispute that, on 12 July 2024, the ECB notified Banque Havilland of the draft decision and that, on 24 July 2024, Banque Havilland submitted its observations on that draft decision, objecting to the withdrawal of authorisation (see paragraph 8 above).

148 It follows from the foregoing that the applicant’s argument alleging infringement of the right to be heard must be rejected.

149 Furthermore, the vague and unsubstantiated claim, which the applicant has not in any way specified, relating to an infringement of other procedural guarantees provided for by national law and EU law must be rejected as inadmissible, pursuant to Article 76(d) of the Rules of Procedure.

150 Accordingly, the second complaint, alleging infringement of the right to be heard on the CSSF’s proposal to withdraw authorisation, must be rejected.

(3) *Fourth plea, alleging breach of the right of access to the file*

151 The applicant submits that the CSSF and the ECB were expected to ensure, throughout the procedure, the transparency provided for in the access to the file regime and thus to ensure that it had been given the opportunity to comment on the three grounds on which the contested decision is based. According to the applicant, no ‘meaningful’ access to the file was granted, the list of documents provided was incomplete and the reasons given for the refusals to grant access were not sufficient. Moreover, the CSSF should have informed the applicant of the need to terminate its restructuring processes.

152 As a preliminary point, it should be recalled that, under Article 22(2) of the Basic SSM Regulation and Article 32(1) of the SSM Framework Regulation, the rights of defence of the persons concerned are to be fully respected in the procedure. Those persons are to be entitled to have access to the ECB’s file, subject

to the legitimate interest of other persons in the protection of their business secrets. That right is not to extend to confidential information.

153 Furthermore, according to the case-law, the right of access to the file means that the institution concerned must give the undertaking concerned the opportunity to examine all the documents in the investigation file which may be relevant for its defence. Those documents comprise both inculpatory and exculpatory evidence, with the exception of business secrets of other undertakings, internal documents and other confidential information (see, to that effect and by analogy, judgment of 7 January 2004, *Aalborg Portland and Others* v *Commission*, C-204/00 P, C-205/00 P, C-211/00 P, C-213/00 P, C-217/00 P and C-219/00 P, EU:C:2004:6, paragraph 68 and the case-law cited).

154 In the present case, it should be pointed out at the outset that the applicant does not dispute that it had access to the file, but merely states that 'no meaningful access to the file was granted, [that] the list of documents provided was manifestly incomplete and [that] the refusals to grant access or full access were not appropriately reasoned'.

155 As the ECB submits, the applicant's claims are vague and do not specify how its access to the file was not 'meaningful'. In addition, they do not indicate which documents in the file the applicant did not have access to and, in particular, whether or not they were confidential documents. Accordingly, the applicant does not provide the slightest explanation as to how its right of access to the file was infringed. In addition, the applicant does not dispute the refusal to grant access to documents in the file which the ECB classified as confidential.

156 Accordingly, the applicant has not been able to demonstrate, first, the existence of an infringement of its right of access to the file and, secondly, the unlawfulness of the contested decision on account of an infringement of that right.

157 Moreover, the argument that the CSSF should have informed the applicant of the need to terminate its restructuring processes cannot, without further elaboration, be capable of having an impact on the legality of the contested decision. The omission of the CSSF alleged by the applicant is not the subject of the present action and the applicant does not explain how such an omission of the CSSF could call into question the legality of the contested decision, the author of which is the ECB.

158 Accordingly, the third complaint, alleging infringement of the right of access to the file, must be rejected.

(4) *The fourth complaint, alleging infringement of the right to confidentiality*

159 The applicant submits that press articles, sourced from ECB staff members, were published during the proceedings, in breach of its right to confidentiality.

160 It should be noted that Article 27(1) of the SSM Regulation imposes an obligation of professional secrecy on members of ECB staff with regard to information which they obtain in the context of prudential supervision. That obligation includes, in particular, the duty to respect the confidentiality requirements imposed by all the relevant acts of EU law.

161 However, it must be noted that, in the present case, even if the press articles referred to by the applicant contained information covered by the obligation of professional secrecy and, therefore, incorrectly communicated by ECB staff members, that irregularity could entail the annulment of the contested decision only if it were established that, in the absence of that irregularity, the contested decision might have been substantively different (see, to that effect and by analogy, judgment of 29 October 1980, *van Landewyck and Others* v *Commission*, 209/78 to 215/78 and 218/78, EU:C:1980:248, paragraph 47).

162 However, nothing in the applicant's submissions demonstrates how the alleged disclosure of confidential information covered by the obligation of professional secrecy on the part of ECB staff could have had an impact on the content of the contested decision and, consequently, on its legality.

163 The present complaint is therefore ineffective.

164 Accordingly, the fourth complaint, alleging infringement of the right to confidentiality, must be rejected.

(5) *The fifth complaint, alleging infringement of the obligation to state reasons*

165 The applicant submits that the reasons of the contested decision are insufficient. In particular, that decision is 'silent' as to the distinction made by the ECB between, on the one hand, the CSSF's factual conclusions concerning the breaches committed, which cannot be reviewed by the ECB and, on the other hand, the ECB's assessment of the seriousness of those breaches for the purposes of the decision to withdraw authorisation.

166 It should be recalled, as a preliminary point, that, according to the second subparagraph of Article 22(2) of the SSM Regulation, decisions of the ECB must state the reasons on which they are based.

167 Under Article 33(1) and (2) of the SSM Framework Regulation, an ECB supervisory decision must be accompanied by a statement of the reasons for that decision. The statement of reasons is to contain the material facts and legal reasons on which the ECB supervisory decision is based.

168 It should be noted that the provisions referred to in paragraphs 166 and 167 above merely reiterate, in the body of the SSM Regulation and of the SSM Framework Regulation, the obligation to state reasons by which EU institutions and bodies are bound under the second paragraph of Article 296 TFEU (see judgment of 6 October 2021, *Ukrselhosprom PCF and Versobank* v *ECB*, T-351/18 and T-584/18, EU:T:2021:669, paragraph 384 and the case-law cited).

169 The statement of reasons required by Article 296 TFEU must be appropriate to the measure at issue and must disclose in a clear and unequivocal fashion the reasoning followed by the institution which adopted the measures in such a way as to enable the persons concerned to ascertain the reasons for the measure and to enable the court having jurisdiction to exercise its power of review. As regards, in particular, the reasons given for individual decisions, the purpose of the obligation to state the reasons on which an individual decision is based is, therefore, in addition to permitting review by the Courts, to provide the person concerned with sufficient information to know whether the decision may be vitiated by an error enabling its validity to be challenged (see judgment of 16 May 2017, *Landeskreditbank Baden-Württemberg* v *ECB*, T-122/15, EU:T:2017:337, paragraph 123 and the case-law cited).

170 In the present case, it must be observed that the contested decision includes, first, a part recalling the procedure and the facts giving rise to the case, secondly, a part summarising the facts underlying the CSSF's proposal to withdraw authorisation, linked to the three grounds for the withdrawal, and an annex containing a detailed statement of those facts, thirdly, a part containing the ECB's assessment of those facts and, fourthly, a part in which the ECB analyses the proportionality of the measure withdrawing authorisation. In addition, the contested decision exhaustively sets out the factual and legal elements on which the ECB relied.

171 It follows that, contrary to what the applicant claims, the statement of reasons for the contested decision mentions both the CSSF's findings concerning the breaches committed and the ECB's assessment of those breaches and their seriousness for the purposes of the decision to withdraw authorisation.

172 Furthermore, it should be noted that the statement of reasons for the contested decision enabled the applicant to understand the reasons justifying its adoption and to formulate its challenges and enabled the Courts of the European Union to exercise their power of review, in accordance with the case-law cited in paragraph 169 above.

173 Accordingly, the fifth complaint, alleging infringement of the obligation to state reasons, must be rejected.

(6) *The sixth complaint, alleging infringement of the formalities for notification of the contested decision*

174 The applicant submits that the contested decision was not notified correctly, since it was not addressed to its lawyer.

175 As a preliminary point, it should be noted that, under Article 35(1) of the SSM Framework Regulation, ECB supervisory decisions are to be notified to the entity subject to that supervision. Under Article 35(2) of that regulation, in cases where that entity has authorised a representative in writing, the ECB may notify its supervisory decision to the representative and, in that case, it is not obliged to notify that decision also to the entity it represents.

176 In the present case, it must be observed that the contested decision was notified to the Board of Directors of Banque Havilland, which, moreover, the applicant does not dispute.

177 Consequently, in accordance with the provisions referred to in paragraph 175 above, it was not mandatory to notify Banque Havilland's lawyer also of the contested decision.

178 In any event, even if the service of a document were to constitute an essential procedural requirement, it must be held in the present case that the alleged failure to notify the contested decision to the applicant's lawyer did not deprive the applicant of the opportunity to acquaint itself, in good time, with that decision, such that it was likewise not deprived of the opportunity to bring an action against that decision before the Court (see, to that effect and by analogy, judgment of 22 May 2025, *Trasta Komercbanka* v *ECB*, C-90/23 P, not published, EU:C:2025:369, paragraph 61 and the case-law cited).

179 Accordingly, the sixth complaint, alleging infringement of the formalities for notification of the contested decision, must be rejected.

(7) *The seventh complaint, alleging a lack of judicial review*

180 The applicant submits that the CSSF and the ECB should have initiated, in a timely manner, a procedure for the withdrawal of authorisation to ensure its right to have its affairs under national law handled by the national competent authority subject to judicial review on a national level. In particular, the procedure should have ensured that appeals by the applicant against CSSF decisions on AML/CFT were completed before the adoption of the contested decision.

181 In addition, the applicant submits that the CSSF's proposal to withdraw authorisation contains elements which are not capable subsequently of being examined by the ECB and the Courts of the European Union. Any aspect that is ultimately determined by the CSSF should have been included in a separate CSSF decision that could be reviewed on a national level.

182 It should be noted at the outset that the applicant's arguments overlap, in part, with those which have already been examined above.

183 In so far as the applicant challenges the timing of the initiation of the procedure for the withdrawal of authorisation, it should be noted that, as concluded in paragraph 134 above, the ECB was entitled to initiate the procedure for the withdrawal of Banque Havilland's authorisation following the CSSF's proposal to withdraw that authorisation.

184 Moreover, the applicant's argument alleging infringement of its right to have its affairs under national law handled by the national competent authority subject to judicial review on a national level must be rejected, on the same grounds as those referred to in paragraphs 51 and 52 above.

185 Furthermore, the applicant's argument that the procedure should have ensured that its actions against CSSF decisions on AML/CFT were completed before the adoption of the contested decision must be rejected for the same reasons as those referred to in paragraphs 70 to 76 above.

186 In addition, at the reply stage, the applicant submits that the CSSF's proposal to withdraw authorisation cannot contain findings which are not capable subsequently of being examined by the ECB and the Courts

of the European Union. Any aspect that is ultimately determined by the CSSF should have been included in a separate CSSF decision that could be reviewed on a national level. By that argument, the applicant appears to dispute, in essence, the fact that, in the contested decision, the ECB relied on the CSSF's findings concerning breaches of Luxembourg AML/CFT legislation by Banque Havilland, findings which, according to the applicant, were not subject to judicial review.

187 That argument cannot succeed, however.

188 First, as mentioned in paragraph 119 above, it is apparent from Article 14(5) of the SSM Regulation and Article 83(1) of the SSM Framework Regulation that the proposal to withdraw authorisation is a preparatory act which is not binding on the ECB. It is for the Courts of the European Union to rule on the legality of the final decision taken by the ECB and, if necessary, to examine any defects vitiating that proposal which might affect the validity of the contested decision.

189 Secondly, as mentioned in paragraphs 81 and 120 above, the existence – confirmed by the present action – of a remedy to challenge the contested decision before the courts of the European Union also makes it possible to ensure that the applicant is afforded judicial protection. Moreover, that action before the Courts of the European Union does not limit the applicant's right to bring actions before the national courts against decisions falling within their jurisdiction, such as those adopted by the national competent authority, as was, moreover, the case for a certain number of the CSSF decisions addressed to Banque Havilland (see paragraph 77 above).

190 Thirdly, as is apparent from paragraphs 170 and 171 above, the contested decision includes not only the CSSF's findings concerning the breaches committed, but also the ECB's assessment of those breaches and their seriousness for the purposes of the decision to withdraw authorisation, as well as an analysis, by the ECB, of the proportionality of the measure withdrawing authorisation.

191 It follows that, in the contested decision, the ECB, first, relied on the circumstances giving rise to the prudential supervision and the breaches of prudential requirements found by the CSSF, in particular in relation to breaches of the Luxembourg Law on AML/CFT and, secondly, made its own assessments necessary for the performance of the prudential supervision tasks conferred on it by the SSM Regulation, in particular the exercise of its exclusive competence to withdraw authorisations of credit institutions established in the Member States participating in the Single Supervisory Mechanism.

192 Therefore, contrary to what the applicant claims, in the contested decision the ECB did not merely refer to the breaches found by the CSSF in its proposal to withdraw authorisation.

193 Furthermore, it is necessary to reject the applicant's line of argument alleging breaches of obligations by the CSSF and by the ECB under national law, Article 41 of the Charter, Article 96(2) TFEU, Articles 4, 14, 22 et seq. of the SSM Regulation and Article 27 et seq. of the SSM Framework Regulation. In that regard, it is sufficient to note, as the ECB has done, that the applicant does not put forward detailed arguments in support of those alleged infringements and that, consequently, that line of argument is inadmissible under Article 76(d) of the Rules of Procedure.

194 In the light of all of the foregoing, the seventh complaint, alleging a lack of judicial review, and, consequently, the first part of the second plea in its entirety, must be rejected.

(b) ***The second part of the second plea, alleging the unlawfulness of the period laid down in Article 31(3) of the SSM Framework Regulation and infringement of the right to be heard***

195 By the second part of the present plea, the applicant claims that the last sentence of Article 31(3) of the SSM Framework Regulation is unlawful, in so far as that provision lays down a period of three working days for submitting comments on the draft decision, on the ground that that period is contrary to the right to be heard, provided for in Article 22 of the SSM Regulation and Article 41 of the Charter. The extremely short period granted to supervised institutions to submit their comments is incompatible with the

complexity of a decision to withdraw authorisation, such as that in the present case. Moreover, there is no urgency justifying such a short period, given that the withdrawals of authorisation decided by the ECB are often decided on the basis of alleged persistent problems over long periods. Furthermore, that provision remains unlawful where the period has been extended, as in the present case, to five days.

196 The ECB, supported by the Council and the Commission, disputes those arguments.

197 In that regard, it was recalled in paragraph 140 above that the right to be heard, which is an integral part of the general principle of respect for the rights of the defence, guarantees every person the opportunity to make known his or her views effectively during an administrative procedure and before the adoption of any decision liable to affect his or her interests adversely.

198 Pursuant to Article 81(2) and Article 82(3) of the SSM Framework Regulation, the right to be heard in accordance with the detailed rules laid down in Article 31 of that regulation is applicable in the context of the procedure for the withdrawal of authorisation.

199 Article 31(1) of the SSM Framework Regulation provides that, before the ECB may adopt a supervisory decision which is likely to adversely affect a party, that party must have been given the opportunity to comment in writing on the facts, objections and legal grounds relevant to the ECB supervisory decision. Pursuant to that article, if the ECB deems it appropriate it may also give the parties the opportunity to comment in a meeting.

200 It is also stated in Article 31(1) of the SSM Framework Regulation that the notification by which the ECB gives the parties the opportunity to provide their comments is to mention the material content of the intended ECB supervisory decision and the material facts, objections and legal grounds on which the ECB intends to base its decision.

201 In addition, Article 31(3) of the SSM Framework Regulation provides that the period for submitting written comments is, in principle, two weeks, that that period may, in particular circumstances, be reduced to three working days, and that, in particular in the situations referred to in Articles 14 and 15 of the SSM Regulation, that period is three working days. On application of the party concerned, the ECB may extend those time limits, as appropriate.

202 One of the situations provided for in Article 14 of the SSM Regulation is that set out in Article 14(5) of that regulation, according to which the ECB may, inter alia, withdraw authorisation from a credit institution on a proposal from the national competent authority.

203 Accordingly, it follows from a combined reading of the third subparagraph of Article 31(3) of the SSM Framework Regulation and Article 14 of the SSM Regulation, to which it refers, that the period reserved for the credit institution to submit its written comments on a draft decision to withdraw authorisation is three working days and may be extended at its request.

204 First of all, it should be noted that, as regards the period laid down in the third subparagraph of Article 31(3) of the SSM Framework Regulation, read in conjunction with Article 14 of the SSM Regulation, it has already been held that the EU legislature had carried out an assessment as to the reasonableness of the period laid down by those provisions by weighing the relevant opposing interests, on the one hand, the private interests of the credit institutions in having as much time as possible to make their observations and, on the other, the public interest in having legality restored as quickly as possible (judgment of 6 October 2021, *Ukrselhosprom PCF and Versobank* v *ECB*, T-351/18 and T-584/18, EU:T:2021:669, paragraph 374).

205 As regards, furthermore, the public interest underlying the period laid down in the third subparagraph of Article 31(3) of the SSM Framework Regulation, read in conjunction with Article 14 of the SSM Regulation, it should be recalled that, as mentioned in paragraphs 99 to 101 above, the purpose of carrying out the tasks of prudential banking supervision referred to in Article 127(6) TFEU, as is apparent from

recitals 16, 26, 30 and 65 and the first paragraph of Article 1 of the SSM Regulation, is to ensure the safety and soundness of credit institutions, in particular those of large credit institutions and banking groups, in order to contribute to ensuring the stability of the financial system of the European Union as a whole. Accordingly, the prudential supervision tasks conferred on the ECB by the SSM Regulation and, in particular, its exclusive competence to withdraw the authorisations of credit institutions established in the Member States which participate in the Single Supervisory Mechanism, have the objective of limiting specific risks linked to economic and financial stability within the euro area.

206 Next, it should be noted that various aspects of the procedure for the withdrawal of authorisation contribute to the respect of the right of the parties concerned to be heard, despite the time constraints arising from the short period for submitting comments on the draft decision provided for in the third subparagraph of Article 31(3) of the SSM Framework Regulation.

207 First, it should be noted that it is for the ECB to use all the means at its disposal to ensure respect for the right of the parties concerned in each individual case to be heard, which means, inter alia, that it must examine carefully and impartially any request for an extension of the period submitted for that purpose. It will then be for the Court to verify that that obligation on the part of the ECB has been complied with in each given situation.

208 Secondly, as mentioned in paragraphs 199 and 200 above, the notification by which the ECB gives the party the opportunity to provide its comments in writing on a draft decision to withdraw authorisation must mention the material content of the intended ECB supervisory decision and the material facts, objections and legal grounds on which the ECB intends to base its decision. Moreover, under Article 33(3) of the SSM Framework Regulation, the decision to withdraw authorisation must be based on the facts and objections on which the party has been able to comment.

209 Thirdly, the procedure for the withdrawal of authorisation is a composite administrative procedure, involving the national competent authority and the ECB, which forms part of a supervisory history conducted by the national competent authority directly with the supervised entity, in particular in the case of a less significant credit institution. The factual and procedural context of a draft decision to withdraw authorisation is therefore not unknown to the body covered by it.

210 Finally, the ECB may give the parties the opportunity to submit their observations at a meeting, a context which is therefore more informal and, as appropriate, more compatible with the short period.

211 Consequently, the plea of illegality in respect of Article 31(3) of the SSM Framework Regulation must be rejected on the ground that that article, read in conjunction with the other provisions which govern the procedure for the withdrawal of authorisation and allow the credit institution concerned effectively to submit its observations on the ECB's draft decision, does not infringe that institution's right to be heard.

212 Furthermore, as regards the applicant's argument alleging infringement of the right to be heard, it should be observed that, in the present case, it is apparent from paragraph 1.1.4 of the contested decision that Banque Havilland had an initial period of five working days, extended by three additional working days, that is to say, a total of eight working days, to submit its comments on the draft decision.

213 In addition, it is apparent from paragraphs 1.4.5 and 2.3.2 of the contested decision that that decision forms part of a multi-year dialogue between the applicant and the CSSF, initiated in 2016, from which it may be concluded that the applicant was aware of the factual and procedural context of that decision. That knowledge is, moreover, confirmed by the fact that, following several inspections conducted by the CSSF since 2017, prudential measures, in particular an injunction letter, and administrative sanctions had previously been applied by the CSSF to Banque Havilland and that the latter had brought administrative and judicial actions against some of those administrative decisions (see paragraphs 5 and 6 above).

214 In addition, as mentioned in paragraph 91 above, the objective of withdrawing Banque Havilland's authorisation as a credit institution was to put an end to the breaches of the applicable legislation by that

bank and to prevent such breaches in the future, in particular AML/CFT breaches, to protect the public interest represented by the stability of the financial system and to ensure a level playing field between credit institutions within the SSM by withdrawing from the market a credit institution which was not operating in accordance with the requirements laid down by EU and national legislation and which was therefore, legally, considered unsuitable for carrying out banking activities.

215 Therefore, in the present case, an infringement of the right to be heard, on account of the period of eight working days of the period granted to Banque Havilland for submitting comments on the draft decision, assessed in the light of the procedural context and the weighing up of the interests at stake, has not been established.

216 In the light of the foregoing, the second part of the second plea must be rejected and, therefore, the second plea must be dismissed in its entirety.

3. *The third plea, alleging infringement of the Treaties or breach of any rule of law relating to their application*

217 The third plea is divided into eight parts. The first, second and third parts relate, respectively, to the first, second and third grounds for the withdrawal of authorisation and allege several errors of fact and law. The fourth, fifth, sixth, seventh and eighth parts allege, respectively, breach of the principle of proportionality, misuse of powers, breach of the principle of legitimate expectations, breach of the principle of *ne bis in idem* and breach of the principle of equal treatment.

218 The ECB, supported by the Council and the Commission, disputes the applicant's arguments.

219 As a preliminary point, it should be noted that the contested decision is a measure relating to the prudential supervision of a credit institution, adopted by the ECB, which has a certain margin of discretion in that regard since, as stated in recital 55 of the SSM Regulation, the conferral of supervisory tasks implies a significant responsibility for the ECB to safeguard financial stability in the Union, and to use its supervisory powers in the most effective and proportionate manner (see, to that effect, judgment of 18 December 2025, *Crédit agricole and Others* v *ECB*, C-548/24 P, not published, EU:C:2025:1014, paragraph 78 and the case-law cited).

220 Furthermore, it should be recalled that the Court of Justice has held that, where EU law does not aim to establish a division between two powers – one national and the other of the European Union – with separate purposes, but, on the contrary, lays down that an EU institution is to have an exclusive decision-making power, it falls to the EU Courts, by virtue of their exclusive jurisdiction to review the legality of EU acts on the basis of Article 263 TFEU, to rule on the legality of the final decision adopted by the EU institution at issue and to examine, in order to ensure effective judicial protection of the persons concerned, any defects vitiating the preparatory acts or the proposals of the national authorities that would be such as to affect the validity of that final decision (see judgment of 19 December 2018, *Berlusconi and Fininvest*, C-219/17, EU:C:2018:1023, paragraph 44 and the case-law cited).

(a) *The first part of the third plea, relating to the first ground for the withdrawal of authorisation*

221 The applicant submits, in essence, that the ECB has not established the legal and factual basis for the first ground for the withdrawal of authorisation.

222 In the first place, the applicant submits that the first ground for the withdrawal of authorisation has no legal basis and is contrary to Article 4(1)(a) of the SSM Regulation, since it is based on the Luxembourg Law on AML/CFT, which does not fall within the scope of the law on prudential supervision, and on breaches which are not predetermined by an EU directive.

223 In the present case, by the first ground for the withdrawal of authorisation, the ECB alleges that Banque Havilland had seriously and repeatedly breached, over a long period of time, and was still in serious breach

of the fundamental provisions of the Luxembourg Law on AML/CFT (see the first indent of paragraph 10, and paragraph 35 above). It is apparent from paragraphs 1.5.14 and 1.5.15 of the contested decision that the ECB concluded that it agreed with the CSSF's conclusion that Banque Havilland had committed serious breaches of certain provisions of the Luxembourg Law on AML/CFT. In addition, the ECB considered that those breaches constituted a ground justifying the withdrawal of its authorisation, in accordance with Article 11(4a) of the Luxembourg Law on the Financial Sector, read in conjunction with Article 63-2(1)(o) of that law, transposing Article 18(f) of Directive 2013/36, read in conjunction with Article 67(1)(o) of that directive (see paragraph 63 above). Those infringements concerned the obligations to monitor transactions on a continual basis and to file suspicious transaction reports with the Luxembourg Financial Intelligence Unit (see paragraph 64 above).

224 In that regard, it should be borne in mind that it follows from the provisions referred to in paragraph 30 above that serious breaches of the national provisions adopted pursuant to Directive 2005/60, replaced by Directive 2015/849, are among the circumstances justifying the withdrawal of a banking authorisation.

225 In addition, it is apparent from the case-law cited in paragraph 31 above that, although the Member States remain competent to implement AML/CFT provisions, as expressly provided for in recital 28 of the SSM Regulation, the ECB has exclusive competence to withdraw authorisation, for all credit institutions, irrespective of their size, in particular where that withdrawal is based, as in the present case, on the grounds laid down in Article 67(1)(o) of Directive 2013/36, to which Article 18 of that directive refers, which cover the case where an institution has been found liable for a serious breach of the national provisions adopted pursuant to Directive 2005/60.

226 The applicant therefore errs in claiming that the first ground for the withdrawal of authorisation has no legal basis and is contrary to Article 4(1)(a) of the SSM Regulation, in so far as it is based on breaches of the Luxembourg Law on AML/CFT.

227 In the second place, the applicant submits that the first ground for the withdrawal of authorisation lacks an appropriate factual basis, since it relates to cases representing less than 1.5% of Banque Havilland's business. In addition, the ECB did not review randomly selected cases, but pre-identified allegedly problematic cases. Moreover, the ECB should focus on the balance on the accounts, not on the volume of transactions, in so far as it is competent for deposit-taking and lending activities, but not for payment services.

228 As mentioned in paragraph 223 above, by the first ground for the withdrawal of authorisation, the ECB alleges that Banque Havilland had seriously and repeatedly breached, over a long period of time, and was still in serious breach of the fundamental provisions of the Luxembourg Law on AML/CFT, those breaches constituting a ground for withdrawing its authorisation, in accordance with Article 63-2(1)(o) of the Luxembourg Law on the Financial Sector, which transposes Article 18(f) of Directive 2013/36, read in conjunction with Article 67(1)(o) of that directive.

229 It should be noted that the circumstances justifying the withdrawal of authorisation, provided for in Article 67(1)(o) of Directive 2013/36, concern cases which are not necessarily quantifiable, the seriousness of the infringements being the sole decisive criterion. The applicant does not put forward any specific evidence capable of calling into question the plausibility of the ECB's findings as to the gravity, repetition and duration of the infringements at issue. The applicant's arguments that the first ground for the withdrawal of authorisation had no factual basis, since it concerned less than 1.5% of Banque Havilland's business and was based on a pre-identification of problematic cases, cannot therefore succeed.

230 Furthermore, the applicant's argument that the ECB should focus on the balance on the accounts, and not on the volume of transactions, in so far as it is not competent for activities falling within the scope of payment services must be rejected for the reasons set out in paragraphs 40 to 47 above. Moreover, that argument does not demonstrate that the ECB committed a manifest error of assessment by focusing on the balance on the accounts and not on the volume of transactions.

231 In the third place, the applicant submits that paragraph 1.5.3 of the contested decision is vitiated by errors concerning Luxembourg AML/CFT law. That right does not require banks to know the customers of their customers or to apply due diligence measures in respect of those first customers. Furthermore, that law does not require monitoring of former customers whose accounts have been closed, since that monitoring is impossible from a legal and practical point of view, since Banque Havilland no longer has any connection with its former customers.

232 In addition, the applicant submits that paragraph 1.5.4 of the contested decision is vitiated by errors of law and fact, in that it states that certain accounts were not closed but taken over by the indirect shareholder, whereas the latter merely refinanced certain loans held by former customers and those measures were agreed between Banque Havilland and the CSSF. Moreover, the indirect shareholder is not a bank and is not subject to supervision by the CSSF. Moreover, contrary to what is stated in paragraph 1.5.4 of the contested decision, Banque Havilland always monitored the transactions of the accounts linked to that shareholder. Furthermore, the quantitative information in paragraph 1.5.6 of that decision is misleading in that it is based on overestimated figures.

233 It should be noted that, in paragraph 1.5.3 of the contested decision, the ECB considered that Banque Havilland had committed several serious breaches of its obligation to monitor transactions on a continual basis, by systematically excluding from its supervisory process the counterparties of the indirect shareholder, including former customers considered to be high-risk or even prohibited. Although Banque Havilland terminated its direct business relationship with some of those counterparties, it should still have identified them in the context of its supervision of the transactions, since those counterparties continued to transfer funds through it using shareholder accounts. The objective of supervising transactions was to manage the reputational risk associated with its direct customers, but also with their counterparties, even after the end of the direct business relationship. The ECB considered that, by ignoring its obligation to monitor the transactions of its indirect shareholder, in particular with high-risk or prohibited customers, Banque Havilland had committed serious AML/CFT breaches and had significantly increased the risk of being used for money laundering or terrorist financing purposes, as the CSSF had established. The supervision of transactions was one of the key due diligence obligations of the obliged entities and was the basis for an effective application of AML/CFT measures. Without proper supervision of transactions, it was not possible to detect and therefore report suspicious transactions.

234 In addition, in paragraph 1.5.4 of the contested decision, the ECB took the view that, from the point of view of the analysis of the risks of money laundering and terrorist financing, the closure of the accounts with the supervised entity, as requested in the CSSF's 2017 injunction, had not made it possible to mitigate the deficiencies identified or the risks associated with those accounts, since they had subsequently been taken over and managed by the indirect shareholder. Accordingly, Banque Havilland should have exercised enhanced vigilance over the accounts of the indirect shareholder, especially since that shareholder's exposure to money laundering and terrorist financing through high-risk counterparties, or even prohibited counterparties, had a contagion effect on its own risk of money laundering and terrorist financing, given the control exercised over it by that shareholder. Moreover, the indirect shareholder's takeover of the accounts could not be regarded as an adequate response to the CSSF's injunctions to close those accounts, since the risks of money laundering and terrorist financing to which Banque Havilland was exposed had persisted and even increased, since Banque Havilland, by excluding the shareholder's accounts from its transaction monitoring system, had not applied the necessary preventive AML/CFT measures.

235 First of all, it should be noted that the ECB found, on the basis of evidence previously established by the CSSF, that the closure of the accounts with Banque Havilland, as required in the CSSF's 2017 injunction, had not made it possible to mitigate the deficiencies identified or the risks associated with those accounts, since they had subsequently been taken over and managed by the indirect shareholder, Banque Havilland having systematically excluded from its supervisory process the counterparties of the indirect shareholder (including former customers of that bank regarded as high-risk or even prohibited customers). Furthermore, although Banque Havilland terminated its direct business relationship with some of those counterparties, it should still have identified those counterparties in the context of its supervision of the transactions, since those counterparties continued to transfer funds through it using shareholder accounts.

236 Accordingly, contrary to what the applicant claims, the infringements imputed to Banque Havilland, in paragraph 1.5.3 of the contested decision, did not result from a mere requirement, not set out in the law, to monitor the customers of its customers, or former customers whose accounts had been closed. On the contrary, it should be noted that an obligation on Banque Havilland to supervise its indirect shareholder's transactions with its counterparties, including former customers of Banque Havilland, regarded as high-risk or even prohibited customers, on account of risks of money laundering and terrorist financing, cannot be contrary to the objectives of the AML/CFT legislation. That obligation was all the more relevant since the accounts of those customers had been taken over by the indirect shareholder who exercised control over Banque Havilland.

237 Therefore, contrary to what the applicant claims, paragraph 1.5.3 of the contested decision is not vitiated by errors concerning Luxembourg AML/CFT legislation, and the applicant does not specify in any way which provisions have been infringed.

238 In addition, the applicant's argument that Banque Havilland has always monitored the transactions in the accounts linked to the indirect shareholder is directly contradicted by the assessments set out in paragraphs 1.5.3 and 1.5.4 of the contested decision, since the applicant does not put forward any specific evidence capable of calling into question their plausibility.

239 Next, it is necessary to reject the applicant's argument that the indirect shareholder was not subject to supervision by the CSSF because it was not a bank. The indirect shareholder's takeover of positions of the former customers of Banque Havilland was relevant for the purpose of assessing the risks of money laundering and terrorist financing to which Banque Havilland was exposed, since the transactions and funds of those customers continued to be channelled through that bank.

240 Furthermore, the applicant's argument that the indirect shareholder merely refinanced certain loans held by former customers is not sufficient to call that conclusion into question.

241 Lastly, the applicant's assertion that the quantitative information in paragraph 1.5.6 of the contested decision was misleading in that it was based on overestimated figures is in no way specified and, consequently, is not sufficient to call into question the total volume of transactions in the accounts of the indirect shareholder referred to in paragraph 1.5.6 of the contested decision.

242 In the fourth place, the applicant submits that the contested decision is incorrectly based on provisions of Directive 2013/36, since, in the present case, there is no basis for a withdrawal of authorisation under EU law. Furthermore, that decision does not identify precisely the provisions of national law transposing that directive. Moreover, the decision is based on the Guidelines of the European Banking Authority (EBA) of 27 September 2011 on internal governance ('the EBA Guidelines on Internal Governance') and on CSSF Circular 12/552, which is non-binding.

243 In that regard, it should be borne in mind that, under Article 4(3) of the SSM Regulation, for the purpose of carrying out the tasks conferred on it by that regulation, and with the objective of ensuring high standards of supervision, the ECB is to apply all relevant Union law, and where that Union law is composed of directives, the national legislation transposing those directives (see paragraph 26 above).

244 As regards the absence of a legal basis justifying a withdrawal of authorisation under EU law, it is sufficient to recall that, although Member States remain competent to implement AML/CFT provisions, as explicitly provided for in recital 28 of the SSM Regulation, the ECB has exclusive competence to withdraw authorisation, for all credit institutions, irrespective of their size, in particular where such withdrawal is based, as in the present case, on the grounds set out in Article 67(1)(o) of Directive 2013/36, to which Article 18 of that directive refers, which concern cases where an institution has been found liable for a serious breach of the national provisions adopted pursuant to Directive 2005/60 (see paragraph 31 above).

245 Furthermore, contrary to what the applicant claims, the introductory part and paragraphs 1.5.1, 1.5.14 and 1.5.15 of the contested decision clearly identify the provisions on which the ECB based the first ground for the withdrawal of authorisation. As mentioned in the first indent of paragraph 10 and in paragraphs 35, 36 and 223 above, those provisions include, inter alia, Article 11(4a) and Article 63-2(1)(o) of the Luxembourg Law on the Financial Sector, transposing Article 18(f) and Article 67(1)(o) of Directive 2013/36, and Article 3(2)(a) and (d) and (5) and (7), Article 3-2(1), (4), (5) and (7), Article 4(1) and Article 5(1) of the Luxembourg Law on AML/CFT.

246 Moreover, it follows from the provisions referred to in paragraph 30 above that serious breaches of the national provisions adopted pursuant to Directive 2005/60, replaced by Directive 2015/849, are among the circumstances justifying the withdrawal of a banking authorisation (see paragraph 224 above).

247 Furthermore, it should be noted that the contested decision mentions the EBA Guidelines on Internal Governance and the fact that those guidelines were adopted by the CSSF in Circular 12/552.

248 However, neither the EBA Guidelines on Internal Governance nor CSSF Circular 12/552 are mentioned in paragraphs 1.4 and 1.5 of the contested decision, which contain the reasoning of the first ground for the withdrawal of authorisation. Moreover, the applicant does not specify which provision of those guidelines or that circular was applied in support of that ground and does not explain to what extent that could have an impact on the legality of the contested decision. In any event, the mere reference to those guidelines and that circular cannot call into question the legal basis of the first ground for the withdrawal of authorisation, which is based on the provisions referred to in paragraph 245 above.

249 In the light of the foregoing, the first part of the third plea must be rejected.

(b) ***The second part of the third plea, relating to the second ground for the withdrawal of authorisation***

250 The applicant submits, in essence, that the second ground for the withdrawal of authorisation is contrary to national law and EU law and is not based on a sufficient factual basis.

251 In the first place, the applicant submits that there is no evidence of influence by the indirect shareholder over the management or board of directors of Banque Havilland that would lead to a breach of governance requirements. In addition, the applicant claims that it managed to correct certain breaches committed in the past.

252 As a preliminary point, it should be noted that it follows from Article 18(f) of Directive 2013/36, read in conjunction with Article 67(1)(d) of that directive, transposed by Article 11(4a) and Article 63-2(1)(d) of the Luxembourg Law on the Financial Sector, that the competent authorities may withdraw any authorisation granted where a credit institution has not put in place the governance arrangements required by the competent authorities pursuant to the national provisions transposing Article 74 of that directive. Article 74 of that directive, transposed by Article 5 of that law, provides that the credit institution must have, inter alia, effective processes to identify, manage, monitor and report the risks it is or might be exposed to, and adequate internal control mechanisms.

253 In the present case, by the second ground for the withdrawal of authorisation, the ECB alleges that, for a long period of time, Banque Havilland had failed to fulfil its obligation to set up appropriate governance arrangements and had breached the governance requirements (see the second indent of paragraph 10 above).

254 In that regard, it is apparent, in essence, from paragraphs 1.6.1 to 1.7.16 of the contested decision that Banque Havilland was accused of certain infringements. The first infringement concerned the breach of AML/CFT governance requirements consisting of the takeover of certain credit exposures by the indirect shareholder, who had refinanced old loans granted by Banque Havilland through ad hoc companies that he owned and funded himself. By means of the indirect shareholder’s takeover, Banque Havilland had continued to provide services indirectly to very high-risk or even prohibited customers through the

accounts held by that shareholder with that bank, and was therefore exposed to the same risk of money laundering and terrorist financing and to the same reputational risk as before. The second infringement concerned the breach of governance requirements to prevent and manage the risk of conflicts of interest resulting from the ubiquitous presence of the indirect shareholder, who indirectly controlled 100% of the votes in Banque Havilland. That shareholder conducted his business activities through accounts opened with that bank, the members of his family were the beneficial owners of some of those accounts and, at the same time, until recently occupied leading positions as employees or directors within that bank. Banque Havilland's failure to manage conflicts of interest with the indirect shareholder is illustrated, for example, by the fact that the reports drawn up by KPMG and EXIGER, acting directly on behalf of Banque Havilland, excluded from their scope the accounts of the 'shareholder's family'. The third infringement concerned the ineffectiveness of the changes made to the management and governance structure of Banque Havilland. Replacements for the compliance officer and auditor had not improved internal AML/CFT governance. Instead, serious breaches continued to be identified despite the implementation of a remedial plan. The recurrence of serious breaches highlights a problem with compliance culture at the highest levels of Banque Havilland rather than a problem with the competence of those responsible for internal control functions. The number of independent directors has decreased continuously since 2018, while the number of non-independent directors has increased.

255 In addition, in paragraph 1.7.15 of the contested decision, it is stated that the ECB shared the CSSF's assessment that Banque Havilland had committed significant and serious breaches of the mandatory internal governance requirements laid down in the Luxembourg Law on the Financial Sector, in particular Article 5(1)(a) and Article 38-1 of that law, taking into account, first, the recurrent nature of the breaches and the duration for which they occurred, from 2016 to 2021, secondly, the fact that the breaches concerned not only shareholders' accounts, but also customer accounts in general, thirdly, the fact that the serious breaches identified did not concern only Banque Havilland, but extended to entities within the group as a whole and, fourthly, the fact that the efforts of the board of directors and authorised management had not resulted in the effective implementation of sufficient and adequate governance arrangements ensuring effective and prudent risk management at the level of Banque Havilland, in particular as regards the risks of money laundering and terrorist financing.

256 Moreover, it is apparent from paragraphs 1.7.1 and 1.7.16 of the contested decision that the ECB considered that the failures referred to in paragraph 255 above justified the withdrawal of Banque Havilland's authorisation on the ground, inter alia, of the failure to establish the governance arrangements required by the national competent authority, in accordance with Article 11(4a) and Article 63-2(1)(d) of the Luxembourg Law on the Financial Sector transposing Article 18(f) of Directive 2013/36, read in conjunction with Article 67(1)(d) thereof.

257 It should be observed that the applicant has not provided any tangible evidence to support its argument that the indirect shareholder did not exercise influence over the management or board of directors of Banque Havilland. Consequently, the applicant's argument does not invalidate the evidence referred to in paragraph 254 above, illustrating that influence. In particular, the applicant does not provide any evidence capable of invalidating the factual evidence set out in the contested decision, according to which the indirect shareholder was the only person responsible for the enforcement and control of the Trust which, ultimately, owned Banque Havilland (see paragraph 4 above).

258 The ECB was therefore right to take the view that the indirect shareholder was capable of exercising influence over Banque Havilland, as the sole person responsible for the enforcement and control of the Trust, which ultimately owned Banque Havilland.

259 Furthermore, the applicant's argument that Banque Havilland had succeeded in correcting certain infringements committed in the past cannot succeed. It follows from the contested decision that the efforts of the board of directors and authorised management did not result in the effective implementation of sufficient and adequate governance arrangements ensuring effective and prudent risk management at the level of that bank, in particular as regards the risks of money laundering and terrorist financing (see

paragraph 255 above). The applicant does not put forward any detailed evidence to contradict that assessment.

260 In the second place, the applicant submits that the second ground for the withdrawal of authorisation is merely a repetition of the first ground. The allegation of governance deficiencies is inferred from the alleged AML/CFT breaches raised in the context of the first ground.

261 In that regard, it is sufficient to note that, as is apparent, first, from paragraphs 223, 233, 234 and 245 and, secondly, from paragraphs 252 to 256 above, the infringements and breaches identified respectively in the context of the first and second grounds for the withdrawal of authorisation are not the same and are not based on the same legal provisions.

262 In the third place, the applicant submits that paragraphs 1.7.5 to 1.7.9 of the contested decision are vitiated by errors of fact and law as regards 'non-existing requirements', activities of the indirect shareholder, conflicts of interest, the small percentage of activities at issue and the fact that those activities had been virtually eliminated by November 2022. In addition, that second ground is contradicted by the findings of the first on-site inspection in 2021.

263 In that regard, it should be noted that, in essence, the applicant reiterates the arguments already put forward in the context of the present part of the plea and does not specify the errors of fact and law which it identifies in paragraphs 1.7.5 to 1.7.9 of the contested decision. By contrast, as has been pointed out in paragraphs 257, 259 and 261 above, such arguments are not sufficient to call into question the breaches alleged against Banque Havilland, referred to in paragraphs 254 to 256 above. Moreover, for the same reasons as those set out in paragraphs 228 and 229 above, the applicant's argument based on the low percentage of activities must be rejected.

264 Similarly, the argument that the second ground for the withdrawal of authorisation is contradicted by the findings of the first on-site inspection of 2021 lacks precision and, in any event, is ineffective, since that second ground is not based solely on that inspection, but is also based, inter alia, on five on-site inspections carried out by the CSSF between 2016 and 2022, as is apparent, inter alia, from paragraph 1.6.2 of the contested decision.

265 In the light of the foregoing, the second part of the third plea must be rejected.

(c) ***The third part of the third plea, relating to the third ground for the withdrawal of authorisation***

266 The applicant submits, in essence, that the third ground for the withdrawal of authorisation is contrary to national law and EU law and lacks a factual basis. It raises several complaints relating, first of all, to the lack of a factual and legal basis, next, to errors of assessment and of reasoning and, finally, to the approval of the indirect shareholder by the CSSF.

(1) *The complaints relating to the lack of a factual and legal basis*

267 First, the applicant submits that the third ground for the withdrawal of authorisation lacks a factual basis, in so far as it is not based on any alleged problem relating to the professional repute of the indirect shareholder or on an assessment of the public perception. The ECB merely considered, in error, that the indirect shareholder had helped to circumvent the restrictions imposed by the CSSF, inter alia, by taking over loans or using bank accounts or to rely on governance issues which formed the basis of the second ground for the withdrawal of authorisation. However, authorisation can be withdrawn due to false statements by the shareholder or due to the shareholder's criminal conviction or other similar events. Secondly, only the professional repute of the shareholder is relevant, since the criteria relating to knowledge, skill and experience are not applicable to him. Thirdly, the broader criteria set out in the joint guidelines of the EBA, the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA) on the prudential assessment of acquisitions of and increases in qualifying holdings in the financial sector, published on 20 December 2016 ('the joint

guidelines'), are inconsistent with Article 7(1) of the Luxembourg Law on the Financial Sector. The third ground for the withdrawal of authorisation infringes, inter alia, Article 6(9) and Article 7(1) of the Luxembourg Law on the Financial Sector.

268 As a preliminary point, it should be noted that Article 11(1) of the Luxembourg Law on the Financial Sector, transposing Article 18(c) of Directive 2013/36, provides that the authorisation of a credit institution may be withdrawn if the conditions under which it was granted it are no longer met.

269 Under the second subparagraph of Article 6(1) of the Luxembourg Law on the Financial Sector, transposing Article 14(2) of Directive 2013/36, authorisation is to be refused if, taking into account the need to ensure the sound and prudent management of a credit institution, the suitability of its shareholders or members is not satisfactory, in particular where the criteria set out in Article 6(9) of that law are not met.

270 Article 6(9) of the Luxembourg Law on the Financial Sector, transposing Article 23(1) of Directive 2013/36, lays down the criteria which must be fulfilled in order for a shareholder seeking to acquire a qualifying holding in a credit institution to be regarded as appropriate in the light of the objective of ensuring the sound and prudent management of credit institutions, taking into account the likely influence of that shareholder on the credit institution concerned. In addition, under Article 6(9)(a) and (e) of that law, transposing Article 23(1)(a) and (e) of that directive, the competent authority must verify the repute of the acquirer and ensure that there are no reasonable grounds to suspect that an act of, or an attempt at, money laundering or terrorist financing is taking place or has taken place in connection with the proposed acquisition, or that the proposed acquisition could increase the risk of it taking place.

271 Accordingly, contrary to what the applicant claims, authorisation may be withdrawn where the conditions under which it was granted are no longer met, which is not only the case of false statements by the shareholder, or due to the shareholder's criminal conviction or other similar events. It follows from a joint reading of the provisions referred to in paragraphs 268 to 270 above that the criteria which proposed acquirers must meet in order to be authorised to acquire a qualifying holding, including those referred to in paragraph 270 above, are applicable to the assessment of the suitability of the shareholders carried out for the purposes of withdrawing authorisation to take up the business of a credit institution. It follows that such authorisation may be withdrawn by the competent authorities if, taking into account the need to ensure the sound and prudent management of that institution and to ensure the preservation and stability of the financial system within the European Union and each Member State, those authorities are not satisfied as to the suitability of the shareholders or members who are likely to exercise influence.

272 In the present case, in the first place, it should be borne in mind that, by the third ground for the withdrawal of authorisation, the ECB criticised Banque Havilland for no longer satisfying the conditions for authorisation, given that the indirect shareholder, who was the sole person responsible for the enforcement and control of the Trust which ultimately owned that bank, lacked integrity and professional competence and no longer met the aptitude requirements laid down in Article 14(2), Article 23(1)(a) and (e) and Article 18(c) of Directive 2013/36, read in conjunction with Article 6(1) and (9)(a) and (e), Article 7(1) and Article 11(1) of the Luxembourg Law on the Financial Sector (see the third indent of paragraph 10 above).

273 First, as is apparent from paragraph 258 above, the ECB was right to take the view that the indirect shareholder was capable of exercising influence over Banque Havilland, as the sole person responsible for the enforcement and control of the Trust, which ultimately owned that bank. In those circumstances, contrary to what the applicant claims, the suitability of the indirect shareholder of Banque Havilland was a continuous requirement, and failure to comply with that requirement could lead to the withdrawal of that bank's authorisation.

274 Secondly, in paragraph 1.9.24 of the contested decision, the ECB concluded, like the CSSF in its proposal to withdraw authorisation, that the indirect shareholder did not have the required reputation for integrity and professional competence and that its shares increased the risk that Banque Havilland and the Luxembourg and European financial markets would be used for money laundering and terrorist financing

purposes. The ECB adds that, given that it was mandatory for an institution to have qualified shareholders with a good reputation and that qualified shareholders were required not to contribute to an increased risk of money laundering and terrorist financing within the institution, it had to be concluded that Banque Havilland no longer satisfied the conditions under which it had been granted authorisation to take up the business of a credit institution and that that constituted a ground for withdrawing that bank's authorisation as a credit institution.

275 Accordingly, the applicant errs in claiming that the third ground for the withdrawal of authorisation had no factual or legal basis.

276 In the second place, it should be noted that 'repute' and 'reasonable grounds to suspect conduct linked to money laundering or the financing of terrorism' are undefined legal concepts. Article 23(1) of Directive 2013/36 and Article 6(9) of the Luxembourg Law on the Financial Sector which corresponds to it do not contain an exhaustive definition of those concepts or a list of conduct capable of falling within their scope. That implies that the national competent authorities and – when exercising its power to withdraw authorisations of credit institutions – the ECB must examine on a case-by-case basis whether those criteria are fulfilled, taking into account the relevant facts, the reasons underlying those criteria and the objectives which those criteria seek to ensure.

277 It follows that the applicant's argument that a poor professional repute on the part of a shareholder of a credit institution requires false statements or criminal offences has no legal basis.

278 Furthermore, in accordance with settled case-law, when interpreting a provision of EU law, it is necessary to consider not only its wording but also the context in which it occurs and the objectives pursued by the rules of which it is part (judgment of 17 November 1983, *Merck*, 292/82, EU:C:1983:335, paragraph 12; see also judgment of 25 February 2025, *BSH Hausgeräte*, C-339/22, EU:C:2025:108, paragraph 27 and the case-law cited).

279 Consequently, contrary to what the applicant claims, the ECB did not err in relying, in paragraph 1.9.5 of the contested decision, on the joint guidelines in order to interpret the concept of 'professional repute'. As mentioned in that decision, paragraph 10.1 of those joint guidelines states that the assessment of the reputation of qualified shareholders must cover two elements, namely integrity and professional competence.

280 In any event, it should be noted that the contested decision contains, in paragraphs 1.8 and 1.9 thereof, a detailed and precise description of a number of instances of conduct attributed to the indirect shareholder and that it mentions the legal provisions of national law transposing EU law which were considered to have been infringed. First of all, in paragraphs 1.9.7 to 1.9.20 of the contested decision, the ECB analysed the lack of integrity of the indirect shareholder, as regards the increased risk of money laundering and terrorist financing, and the influence which he exercised over Banque Havilland on account of his capacity as an indirect shareholder. Next, in paragraphs 1.9.21 to 1.9.23, the ECB analysed the shareholder's lack of professional competence. Lastly, in paragraph 1.9.24 of the contested decision, the ECB concluded, on the basis of a set of facts and points of law, that the indirect shareholder no longer had the required reputation for integrity and professional competence and that his actions increased the risk of money laundering and terrorist financing within Banque Havilland.

281 In that regard, first, in paragraphs 1.9.7 to 1.9.10 of the contested decision, the ECB stated that the indirect shareholder lacked integrity because, since 2018, he had carried out high-risk transactions on several occasions through his own accounts or through audited accounts within the Banque Havilland group – in particular in its subsidiary in the Bahamas – which had considerably increased the risk of money laundering and terrorist financing. By doing so, the shareholder had made it possible for Banque Havilland to circumvent in practice the CSSF's injunctions to terminate relations with high-risk customers. That conduct was illustrated, inter alia, by 14 situations described in paragraph 1.8.10 of the contested decision and in the annex to that decision.

282 Secondly, in paragraphs 1.9.14 and 1.9.16 to 1.9.18 of the contested decision, the ECB stated that the indirect shareholder exercised considerable influence over Banque Havilland, in particular, because he indirectly controlled 100% of the voting rights in that bank and exercised influence over the direct shareholder of Banque Havilland (namely Havilland Group S.A.), which appointed the board of directors of that bank, and that he exercised influence through his children and close associates, who held management positions in that bank. The indirect shareholder's influence had led to the exclusion of the accounts of the 'shareholder family' from the scope of the reports provided by KPMG and EXIGER, instructed by Banque Havilland, as well as a change in the internal audit methodology in 2018 which was aimed at removing internal audits specifically on the shareholder's accounts. The shareholder's conduct resulted in a culture in which appropriate controls were not implemented within Banque Havilland and influenced the perception which the market had of him.

283 Thirdly, in paragraphs 1.9.21 to 1.9.23 of the contested decision, the ECB concluded that the indirect shareholder lacked professional competence by failing to show care, diligence and compliance with the required applicable standards and, moreover, by using Banque Havilland for private purposes to the detriment of sound risk management.

284 It follows from the foregoing that the contested decision contains a number of duly substantiated facts in support of the conclusion that the indirect shareholder carried out on several occasions high-risk transactions through his own accounts or through audited accounts within the Banque Havilland group, in particular in the Bahamas subsidiary. The applicant's argument that the ECB merely made the incorrect assumption that the indirect shareholder had helped to circumvent the restrictions imposed by the CSSF, in particular by taking over loans or using bank accounts, cannot therefore succeed.

285 Furthermore, the applicant cannot validly maintain that the conduct which is attributed to the indirect shareholder, referred to in paragraphs 280 to 283 above, is not relevant for the purpose of verifying the failure to comply with the conditions referred to in Article 6(9) of the Luxembourg Law on the Financial Sector, transposing Article 23(1) of Directive 2013/36.

286 As to the remainder, the applicant's general and abstract line of argument does not call into question the specific facts referred to in the contested decision and is therefore not sufficient to dispute the plausibility of the assessments referred to in paragraphs 280 to 283 above.

287 In the light of the foregoing, the applicant's complaints relating to the lack of a factual and legal basis must be rejected.

(2) *The complaints relating to errors of assessment and of reasoning*

288 In the first place, the applicant submits that the third ground for the withdrawal of authorisation cannot be distinguished from a general rejection of private banks. Moreover, it stems from the personal animus of the authors of that decision towards the indirect shareholder.

289 It should be noted at the outset that the applicant's arguments based on an alleged objective of rejecting the private banks and on the personal animus towards the indirect shareholder constitute, in essence, a repetition of the arguments put forward in support of its complaint alleging that the contested decision pursued an aim other than the performance of the task of prudential supervision of credit institutions. Consequently, they must be rejected for the same reasons justifying the rejection of that complaint as those referred to in paragraphs 90 to 92 above.

290 In the second place, the applicant submits that the contested decision is wrongly based on links between the indirect shareholder and other entities, in particular a prince of the United Kingdom and the UK Conservative Party. In that regard, the ECB misapplies the EBA Guidelines on Internal Governance.

291 In that regard, it is sufficient to note that, as is apparent from paragraphs 272, 274 and 280 to 283 above, the third ground for the withdrawal of authorisation is not based on any link between the indirect

shareholder and persons or entities in the United Kingdom. That argument is therefore ineffective.

292 In the third place, the applicant claims that the statement of reasons for the contested decision is inadequate, in so far as it does not contain any analysis demonstrating that the indirect shareholder held a qualifying holding.

293 However, in paragraph 1.2.5 of the contested decision, the ECB describes links between the indirect shareholder and several entities which, in a chain of ownership, owned Banque Havilland (see paragraph 4 above). Moreover, those links are not disputed by the applicant.

294 In addition, in paragraph 1.9.14 of the contested decision, the ECB mentions, in its analysis of the third ground for the withdrawal of authorisation, the reasons why it considered that the indirect shareholder exercised considerable influence over Banque Havilland (see paragraph 282 above).

295 The applicant is therefore wrong to claim that the contested decision does not contain an adequate statement of reasons as regards the significant influence of the indirect shareholder over Banque Havilland.

296 In the fourth place, the applicant submits that paragraph 1.9.21 of the contested decision contains an incorrect assertion that Banque Havilland's activities were organised around the business relationships of the indirect shareholder, whereas those activities accounted for less than 1.5% of its business.

297 In paragraph 1.9.21 of the contested decision, the ECB states that a shareholder who exercises control over a supervised entity must have the requisite professional competence, in particular where its experience in the operation and management of financial institutions as majority shareholder shows that it has demonstrated competence, diligence and compliance with the required standards. A competent and reputable shareholder is expected to contribute to the sound and prudent management of the supervised entity. That generally entails contributing to a robust internal governance structure and, more specifically, not giving rise to unmanageable conflicts of interest. In addition, the ECB considered that that was of even greater importance in the case of Banque Havilland, given the inherent risk of money laundering and terrorist financing associated with its business model and the high risk of a conflict of interest arising from the fact that the supervised entity was a family bank focused on the business relationships of the indirect shareholder. The actions of that shareholder did not comply with the expected standards of conduct.

298 It should be observed that paragraph 1.9.21 of the contested decision forms part of an analysis by the ECB concerning the indirect shareholder's lack of professional competence, following an analysis concerning his lack of integrity (see paragraph 280 above).

299 The applicant's line of argument is vague and imprecise and is therefore not capable of calling into question the ECB's detailed assessments, referred to in paragraphs 280 to 283 above, on the basis of which, in paragraph 1.9.21 of the contested decision, the ECB concluded, in essence, that Banque Havilland was a family bank focused on the business relationships of the indirect shareholder, who lacked professional competence, in so far as he had not demonstrated competence, diligence and compliance with the standards required to contribute to the sound and prudent management of that bank.

300 In any event, the ECB's assessments underlying the third ground for the withdrawal of authorisation involve a qualitative, rather than quantitative, assessment of the indirect shareholder's business. It is necessary, first, to determine the influence which the indirect shareholder exercised over Banque Havilland and, secondly, to examine his integrity and professional competence (see paragraph 280 above).

301 Accordingly, even if it were accepted that, as the applicant submits, the activities of the indirect shareholder accounted for less than 1.5% of Banque Havilland's business, the fact remains that, first, the facts put forward in the contested decision, referred to in paragraph 282 above, are capable of demonstrating the influence of the indirect shareholder over that bank and, secondly, the conduct alleged by the ECB against the indirect shareholder, referred to in paragraphs 280 to 283 above, is indicative of

non-compliance with the requirements of integrity and professional competence, irrespective of the percentage of that bank's business that is linked to the indirect shareholder.

302 In the light of the foregoing, the applicant's complaints relating to errors of assessment and of reasoning for the third ground for the withdrawal of authorisation must be rejected.

(3) *The complaints relating to the approval of the indirect shareholder by the CSSF*

303 The applicant submits that the contested decision disregards the initial approval of the indirect shareholder by the CSSF, the absence of prior objections as to his suitability, the absence of requests for the production of evidence attesting to his repute and the indirect nature of the role of that shareholder on account of the interposition of several intermediate entities. According to the applicant, the contested decision thus infringes the principles of legitimate expectations and proportionality.

304 In that regard, it is sufficient to observe that, as is apparent from paragraphs 268, 271 and 273 above, approval may be withdrawn if the conditions for its grant are no longer satisfied. In particular, it may be withdrawn if, taking into account the need to ensure the sound and prudent management of the credit institution and to ensure the preservation and stability of the financial system within the European Union and each Member State, the competent authorities are no longer satisfied as to the suitability of the shareholders or members who are likely to exercise influence over that institution in order to ensure the sound and prudent management of that institution. Accordingly, contrary to what the applicant claims, the suitability of the indirect shareholder of Banque Havilland was a continuous requirement, and failure to comply with that requirement could lead to the withdrawal of authorisation at any time, irrespective of the fact that it was initially approved by the national competent authority.

305 Furthermore, as mentioned in paragraph 258 above, the ECB was right to take the view that the indirect shareholder was capable of exercising influence over Banque Havilland, as the sole person responsible for the enforcement and control of the Trust, which ultimately owned that bank.

306 In the light of the foregoing, the complaints relating to the approval of the indirect shareholder by the CSSF must be rejected and, consequently, the third part of the third plea must be rejected in its entirety.

307 Furthermore, the applicant's argument alleging breach of the principles of proportionality and the protection of legitimate expectations will be analysed in the context of the fourth, fifth and sixth parts of the third plea, respectively.

(d) ***The fourth part of the third plea, alleging breach of the principle of proportionality***

308 The applicant submits that the contested decision breaches the principle of proportionality. First, the withdrawal of authorisation is based on past events which concern only a very small part of Banque Havilland's business. The alleged infringements accounted for only 1.5% of that bank's business and are based on evidence from before the withdrawal of authorisation took effect, namely 2 August 2024. In particular, the contested decision ignored certain reports from accounting firms on that bank's AML/CFT systems and examined other reports in an incomplete and deficient manner.

309 Secondly, the contested decision failed to consider other less intrusive and less onerous measures, such as a voluntary surrender of authorisation accompanied by an interruption of activities within the European Union, an orderly voluntary liquidation of the business or a sale of Banque Havilland to a third party.

310 Thirdly, the contested decision does not pursue legitimate objectives, as set out in the fifth part of the present plea.

311 According to settled case-law, the principle of proportionality, which is one of the general principles of EU law, requires that acts adopted by EU institutions do not exceed the limits of what is appropriate and necessary in order to attain the legitimate objectives pursued by the legislation in question; where there is a

choice between several appropriate measures, recourse must be had to the least onerous, and the disadvantages caused must not be disproportionate to the aims (see judgment of 30 April 2019, *Italy* v *Council (Fishing Quota for Mediterranean swordfish)*, C-611/17, EU:C:2019:332, paragraph 55 and the case-law cited). That principle is referred to in Article 5(4) TEU and in Article 1 of Protocol (No 2) on the application of the principles of subsidiarity and proportionality (OJ 2016 C 202, p. 206).

312 The assessment of the proportionality of a measure must be reconciled with compliance with the discretion that may have been available to the EU institutions at the time it was adopted (see judgment of 8 May 2019, *Landeskreditbank Baden-Württemberg* v *ECB*, C-450/17 P, EU:C:2019:372, paragraph 53 and the case-law cited).

313 In the present case, in the contested decision, the ECB considered, in essence, that the withdrawal of Banque Havilland's authorisation was a proportionate measure since, first, that measure was appropriate and made it possible to achieve the objectives of putting an end to Banque Havilland's breaches of the law, preventing such breaches in the future and preventing the resulting risks to the stability of the European banking system (paragraph 2.2.1 of the contested decision). Secondly, that measure was necessary, given that all the supervisory measures which would make it possible to remedy the situation and to achieve the objectives pursued had been taken without, however, making it possible to remedy the breaches committed by that bank and that there was no less onerous supervisory measure capable of achieving those objectives (paragraph 2.3.12 of the contested decision). Thirdly, that measure was proportionate in the strict sense, given that the damage to public confidence in the Luxembourg and European financial markets and the public interest in restoring legality by removing from the market a credit institution which persistently failed to comply with the requirements laid down by EU and national legislation, thereby preserving the stability, reliability, transparency and efficiency of the financial sector, outweighed Banque Havilland's private interest in maintaining its authorisation as a credit institution (paragraph 2.4.2 of the contested decision).

314 The applicant's arguments are not capable of establishing a manifest error capable of calling into question the plausibility of those assessments, in respect of which the ECB enjoys a margin of discretion, in accordance with the case-law cited in paragraph 312 above.

315 First of all, for the reasons set out in paragraphs 228, 229 and 297 to 301 above, the applicant's argument that the infringements imputed to Banque Havilland accounted for only 1.5% of that bank's business must be rejected.

316 Furthermore, the applicant's argument that the contested decision is based on breaches that occurred prior to the date on which the withdrawal of authorisation took effect does not call into question the objective of the measure withdrawing authorisation, referred to in paragraph 313 above, namely to put an end to the breaches committed by Banque Havilland. Moreover, as is apparent from paragraphs 91, 214 and 313 above, the purpose of withdrawing authorisation is not only to put an end to breaches, but also to prevent such breaches in the future, in particular as regards AML/CFT, and to prevent the resulting risks to the stability of the European banking system.

317 Moreover, it is apparent from paragraph 1.3.2 of the contested decision that, on the date of the contested decision, Banque Havilland was still in serious breach of the provisions of the Luxembourg Law on AML/CFT (see the first indent of paragraph 10 above). In that regard, it should be noted that it follows from paragraphs 5, 64, 264 and 313 above that, in order to assess the necessity of the measure withdrawing authorisation, the ECB took into account the fact that, since 2016, the CSSF had already addressed to Banque Havilland several prudential measures, including an administrative injunction and administrative penalties, but that the breaches identified could not be remedied by those measures.

318 It follows that the applicant cannot validly claim that the contested decision did not envisage other, less intrusive and less onerous measures.

319 Furthermore, the argument that the contested decision ignored certain reports of accounting firms and carried out an incomplete examination of other reports cannot succeed. Even if those reports constituted evidence which should have been taken into account by the ECB, which has not been demonstrated in the present case, it should be noted that, in any event, the applicant does not explain to what extent those reports were capable of calling into question the ECB's assessments concerning the adequacy, necessity and proportionality of the measure withdrawing authorisation.

320 In addition, for the reasons set out in paragraphs 91, 92 and 99 to 101 above, the applicant errs in claiming that the contested decision did not pursue legitimate objectives.

321 It follows from the foregoing that the ECB did not make a manifest error of assessment in finding that the withdrawal of Banque Havilland's authorisation was a measure appropriate for attaining the legitimate objectives pursued and that it did not go beyond what is necessary in order to achieve those objectives, within the meaning of the case-law cited in paragraph 311 above.

322 In the light of the foregoing, the fourth part of the third plea must be rejected.

(e) ***The fifth part of the third plea, alleging misuse of powers***

323 The applicant submits that the contested decision constitutes an 'abuse of power', in so far as it is based on illegitimate objectives, namely the refusal to allow Banque Havilland to continue its business in a third country or the refusal to authorise an orderly liquidation. Moreover, it is a 'retaliatory action' motivated by personal animus towards the indirect shareholder and a desire to obstruct Banque Havilland's restructuring plan.

324 In the light of the foregoing, the applicant's arguments must be interpreted as alleging misuse of powers within the meaning of Article 263 TFEU.

325 Those arguments repeat those put forward in the context of the third complaint of the first part of the first plea and the fourth part of the present plea. Those arguments must therefore be rejected for the same reasons as those set out in paragraphs 89 to 92 above.

326 In the light of the foregoing, the fifth part of the third plea must be rejected.

(f) ***The sixth part of the third plea, alleging breach of the principle of legitimate expectations***

327 The applicant submits that the contested decision breaches the principle of the protection of legitimate expectations, in view of its arbitrary and unforeseeable nature in the light of the prior prudential dialogue between Banque Havilland and the CSSF. The contested decision did not take into account, first, the prior positive assessment, which even led to the lifting of the injunctions by the CSSF, secondly, the fact that the proposal for the restructuring of Banque Havilland had been analysed and supported by the CSSF and, thirdly, the approval, by the CSSF, of the transfer of some of that bank's economic positions to the indirect shareholder. Moreover, the contested decision fails to take account of the highly positive assessment of the indirect shareholder's suitability.

328 The right to rely on the principle of the protection of legitimate expectations, which is the corollary of the principle of legal certainty, extends to any individual in a situation where European Union authorities have caused him or her to entertain legitimate expectations. In whatever form it is given, information which is precise, unconditional and consistent and comes from authorised and reliable sources constitutes assurances capable of giving rise to such expectations. However, a person may not plead infringement of the principle of the protection of legitimate expectations unless he or she has been given precise assurances by the administration (judgment of 30 April 2019, *Italy* v *Council (Fishing quota for Mediterranean swordfish)*, C-611/17, EU:C:2019:332, paragraph 112).

329 In the present case, in paragraph 1.5.12 of the contested decision, it is stated that the last on-site inspection in 2021, concerning the breach of AML/CFT obligations, had demonstrated that the implementation of the corrective and remedial measures, submitted by Banque Havilland to the CSSF, on the basis of which the CSSF had lifted its injunctions on 3 July 2020, had not been effective or complied with in practice. Consequently, the CSSF had concluded, in its sanction of 8 March 2024, that the decision to lift its injunctions had been taken on the basis of incorrect or incomplete information provided by Banque Havilland.

330 It follows that, as the ECB submits, the contested decision found that the CSSF had concluded, in its penalty of 8 March 2024, that the injunctions which it had issued to Banque Havilland had been lifted on the basis of incorrect or incomplete information provided by that bank.

331 Moreover, it has not been shown in the present case that the CSSF approved a proposal for the restructuring of Banque Havilland. On the other hand, it is apparent only from paragraph 1.2.4 of and footnote 5 to the contested decision that, at the beginning of 2023, Banque Havilland had begun a restructuring process aimed at transferring its business abroad and returning its banking authorisation to Luxembourg and that the CSSF had been informed of that draft from the outset and was kept updated on its progress, since Banque Havilland had met the CSSF on 26 March 2024 to take stock of the situation.

332 Furthermore, the CSSF's possible approval of the transfer of certain economic positions of Banque Havilland to the indirect shareholder, even if proved, is not sufficient to establish that precise assurances, within the meaning of the case-law cited in paragraph 328 above, were given to that bank.

333 Therefore, the applicant's arguments do not refer to any circumstance capable of establishing that the ECB, by itself or through the CSSF, caused the applicant to entertain any legitimate expectations that would preclude the withdrawal of authorisation.

334 Moreover, the applicant's argument that the ECB did not take into account the positive assessment of the indirect shareholder's suitability cannot succeed. In that regard, it follows from paragraphs 280 to 286 above that the contested decision contains a number of precise and detailed elements which have not been called into question by the applicant's arguments and which are capable of supporting the ECB's conclusion that the indirect shareholder lacked integrity and professional competence.

335 In the light of the foregoing, the sixth part of the third plea must be rejected.

(g) ***The seventh part of the third plea, alleging breach of the principle of*** **ne bis in idem**

336 The applicant submits that the contested decision infringes the principle of *ne bis in idem*, in that it refers to decisions of the CSSF imposing sanctions on it for breaches of AML/CFT requirements. It states that it is relying on a breach of that principle for the sake of completeness.

337 It follows from the Court's settled case-law on Article 50 of the Charter that the principle of *ne bis in idem* prohibits a duplication of proceedings and penalties for the same facts against the same person (see judgment of 29 January 2026, *M.*, C-311/24, EU:C:2026:50, paragraph 45 and the case-law cited).

338 Even if the principle of *ne bis in idem* were applicable to the circumstances of the present case, it should be noted that the applicant has not put forward specific evidence to establish either that the facts are identical or that there is a duplication of proceedings or penalties within the meaning of the case-law cited in paragraph 337 above.

339 First, the contested decision is based on three grounds, relating, first, to breaches of AML/CFT legislation, secondly, to breaches of governance requirements and, thirdly, to the fact that the indirect shareholder of Banque Havilland no longer met the suitability requirements (see paragraph 10 above). As is apparent from paragraphs 10, 253 and 272 above, the second and third grounds for the withdrawal of authorisation are based on breaches which do not concern AML/CFT legislation.

340 Secondly, the applicant does not specify which proceedings or decisions imposing AML/CFT sanctions on it overlap with the contested decision. In any event, none of the prudential measures adopted by the CSSF against the applicant can overlap with the measure of withdrawal of authorisation contained in the contested decision, for which the ECB alone is competent (see paragraph 25 above), the specific objectives (see paragraph 316 above) of which are not the same as those of other, less onerous measures.

341 The seventh part of the third plea must therefore be rejected.

(h) ***The eighth part of the third plea, alleging infringement of the principle of equal treatment***

342 The applicant submits that the contested decision breaches the principle of equal treatment and constitutes a retaliatory action against it. The CSSF, as the competent AML/CFT authority, did not require any other bank to know the customers of its customers, to carry out due diligence measures on those customers or to monitor transactions of former customers. Moreover, there is no precedent for the withdrawal of a bank's authorisation for failures affecting only 1.5% of Banque Havilland's business. Moreover, other banks with their registered office in Luxembourg have been sanctioned for breaches of AML/CFT requirements, but their authorisations have not been withdrawn.

343 It is apparent from settled case-law that the principle of equal treatment constitutes a general principle of EU law, which has now also been enshrined in Articles 20 and 21 of the Charter, and which requires that comparable situations must not be treated differently and different situations must not be treated in the same way unless such treatment is objectively justified (see judgment of 9 March 2017, *Milkova*, C-406/15, EU:C:2017:198, paragraph 55 and the case-law cited).

344 First of all, the applicant's line of argument is not, in itself, sufficient to establish a breach of the principle of equal treatment. The applicant has not put forward any specific evidence to suggest that the other banks to which it refers were in the same circumstances as Banque Havilland and had been treated differently for the same irregularities as those imputed to that bank.

345 In any event, it should be borne in mind that the principle of equal treatment must be reconciled with the principle of legality and thus a person may not rely, in support of his claim, on an unlawful act committed in favour of a third party (see judgment of 16 May 2017, *Landeskreditbank Baden-Württemberg* v *ECB*, T-122/15, EU:T:2017:337, paragraph 84 and the case-law cited).

346 Next, as is apparent from paragraphs 228, 229, 297 to 301 and 315 above, the applicant's argument that the infringements imputed to Banque Havilland accounted for only 1.5% of that bank's business cannot succeed.

347 Lastly, it is necessary to reject the applicant's argument that the contested decision is a retaliatory action, that is to say, that the ECB misused its powers, for the same reasons as those referred to in paragraphs 89 to 92 above.

348 The eighth part of the third plea must therefore be rejected.

349 Consequently, the action must be dismissed in its entirety, without there being any need to rule on the procedural requests made in the application or on the requests for measures of organisation of procedure lodged at the Court Registry by the applicant on 29 October 2025 and 24 February and 10 April 2026, since the Court considers that it has sufficient information from the documents in the file.

IV. **Costs**

350 Under Article 134(1) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since the applicant has been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by the ECB.

351 Furthermore, in accordance with Article 138(1) of the Rules of Procedure, the institutions which have intervened in the proceedings are to bear their own costs. It follows that the Council and the Commission must each bear their own costs.

On those grounds,

THE GENERAL COURT (Eighth Chamber)

hereby:

1. Dismisses the action;

2. Orders Rangecourt SA, formerly Banque Havilland SA, to bear its own costs and to pay those incurred by the European Central Bank (ECB);

3. Orders the Council of the European Union and the European Commission each to bear their own costs.

Gâlea Costeira Ricziová

Delivered in open court in Luxembourg on 25 November 2026.

T. Henze S. Papasavvas

Acting Registrar President

---

* Language of the case: English.