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NOTE

From:	General Secretariat of the Council
To:	Delegations
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Subject:	REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on a framework for the recovery and resolution of central counterparties and amending Regulations (EU) No 1095/2010, (EU) No 648/2012, and (EU) 2015/2365 - Three-column table comparing the institutions' positions

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
on a framework for the recovery and resolution of central counterparties

and

amending Regulations (EU) No 1095/2010, (EU) No 648/2012, and (EU) 2015/2365

(Text with EEA relevance)

2016/0365 (COD)

Nr.	Ref.	COM	Council	EP
590.	Title V - title	TITLE V RESOLUTION	TITLE V RESOLUTION	TITLE V RESOLUTION
591.	Chapter 1 - title	CHAPTER I Objectives, conditions and general principles	CHAPTER I Objectives, conditions and general principles	CHAPTER I Objectives, conditions and general principles
592.	Art. 21 - title	Article 21 Resolution objectives	Article 21 Resolution objectives	Article 21 Resolution objectives
593.	Art. 21 - para. 1 - introd.	1. When using the resolution tools and exercising the resolution powers, the resolution authority shall have regard to all	1. When using the resolution tools and exercising the resolution powers, the resolution authority shall have regard to	1. When using the resolution tools and exercising the resolution powers, the resolution authority shall have

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	part	the following resolution objectives and shall balance them as appropriate to the nature and circumstances of each case:	all the following resolution objectives, <i>which are of equal significance</i> and shall balance them as appropriate to the nature and circumstances of each case:	regard to all the following resolution objectives and shall balance them as appropriate to the nature and circumstances of each case:
594.	Art. 21 - para. 1 - point a - introd. part	(a) to ensure the continuity of the CCP's critical functions, as identified in the CCP's recovery plan , in particular:	(a) to ensure the continuity of the CCP's critical functions, █ in particular:	(a) to ensure the continuity of the CCP's critical functions, █ in particular:
595.	Art. 21 - para. 1 - point a - subpoint i	(i) the timely settlement of the CCP's obligations to its clearing members;	(i) the timely settlement of the CCP's obligations to its clearing members;	(i) the timely settlement of the CCP's obligations to its clearing members <i>and their clients</i> ;
596.	Art. 21 - para. 1 - point a - subpoint ii	(ii) continuous access of clearing members to securities or cash accounts provided by the CCP and the CCP and securities or cash collateral held by the CCP on behalf of those clearing members;	(ii) continuous access █ to securities or cash accounts provided by the CCP and █ collateral <i>in the form of financial assets</i> held by the CCP-█ ;	(ii) continuous access of clearing members to securities or cash accounts provided by the CCP and securities or cash collateral held by the CCP on behalf of those clearing

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597.	Art. 21 - para. 1 - point b	(b) to ensure the continuity of the links with other FMIs which, if disrupted, would have a material negative impact on financial stability or the timely completion of payment, clearing, settlement and recording functions;	(b) to ensure the continuity of the links with other FMIs which, if disrupted, would have a material negative impact on financial stability <i>in the Union or in one or more of its Member States as well as</i> the timely completion of payment, clearing, settlement and recording functions;	members; (b) to ensure the continuity of the links with other FMIs which, if disrupted, would have a material negative impact on financial stability or the timely completion of payment, clearing, settlement and <i>record-keeping</i> functions;
598.	Art. 21 - para. 1 - point c	(c) to avoid a significant adverse effect on the financial system, in particular by preventing contagion of financial distress between financial institutions and by maintaining market discipline;	(c) to avoid a significant adverse effect on the financial system <i>in the Union or in one or more of its Member State</i> , in particular by <i>mitigating</i> contagion of financial distress between financial institutions and by maintaining market discipline;	(c) to avoid a significant adverse effect on the financial system, in particular by preventing contagion of financial distress <i>to the CCP's clearing members, their clients or to the wider financial system, including other FMIs, and by maintaining market and public confidence;</i>

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599.	Art. 21 - para. 1 - point d	(d) to protect public funds by minimising reliance on extraordinary public financial support;	(d) to protect public funds by minimising reliance on extraordinary public financial support <i>and the potential risk of losses for taxpayers;</i>	(d) to protect public funds by minimising reliance on public financial support <i>and potential losses for taxpayers;</i>
600.	Art. 21 - para. 1 - point e	(e) to minimise the cost of resolution on all affected stakeholders and avoid destruction of the CCP's value.		(e) to minimise the cost of resolution on all affected stakeholders and avoid destruction of the CCP's value, <i>unless such destruction is necessary to achieve the resolution objectives.</i>
601.	Art. 21 - para. 1 - subpara 1a (new)		<i>When pursuing the above objectives, the resolution authority shall seek to minimise the cost of resolution on all affected stakeholders and avoid destruction of the CCP's value.</i>	
602.	Art. 21 - para. 2	2. The board and senior management of a CCP under resolution shall provide the resolution authority with all necessary		2. The board and senior management of a CCP under resolution shall provide the

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		assistance for the achievement of the resolution objectives.		resolution authority with all necessary assistance for the achievement of the resolution objectives.
603.	Art. 22 - title	Article 22 Conditions for resolution	Article 22 Conditions for resolution	Article 22 Conditions for resolution
604.	Art. 22 - para. 1 - introd. part	1. The resolution authority shall take a resolution action in relation to a CCP provided that all of the following conditions are met:	1. The resolution authority shall take a resolution action in relation to a CCP provided that all of the following conditions are met:	1. The resolution authority shall take a resolution action in relation to a CCP provided that all of the following conditions are met:
605.	Art. 22 - para. 1 - point a - introd. part	(a) the CCP is failing or is likely to fail as determined by any of the following:	(a) the CCP is failing or is likely to fail as determined by any of the following:	(a) the CCP is failing or is likely to fail as determined by any of the following:
606.	Art. 22 - para. 1 - point a -	i) the competent authority, after consulting the resolution authority;	i) the competent authority, after consulting the resolution authority;	i) the competent authority, after consulting the resolution authority;

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	subpoint i			
607.	Art. 22 - para. 1 - point a - subpoint ii	ii) the resolution authority after consulting the competent authority, where the resolution authority has the necessary tools for reaching that conclusion;	ii) the resolution authority after consulting the competent authority, where the resolution authority has the necessary tools for reaching that conclusion;	ii) the resolution authority after consulting the competent authority, where the resolution authority has the necessary tools for reaching that conclusion;
608.	Art. 22 - para. 1 - point b	(b) there is no reasonable prospect that any alternative private sector measures or supervisory action, including early intervention measures taken, would prevent the failure of the CCP within a reasonable timeframe, having regard to all relevant circumstances;	(b) there is no reasonable prospect that any alternative private sector measures, including the CCP's recovery plan or other contractual arrangements , or supervisory action, including early intervention measures taken, would prevent the failure of the CCP within a reasonable timeframe, having regard to all relevant circumstances;	(b) there is no reasonable prospect that any alternative private sector measures or supervisory action, including early intervention measures taken, would prevent the failure of the CCP within a reasonable timeframe, having regard to all relevant circumstances; and
609.	Art. 22 - para. 1 - point c	(c) a resolution action is necessary in the public interest to achieve the resolution objectives where winding down the CCP	(c) a resolution action is necessary in the public interest, pursuant to paragraph 2a .	(c) a resolution action is necessary in the public interest to achieve the resolution objectives where

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		under normal insolvency proceedings would not meet those objectives to the same extent.		<i>implementing the CCP's contractual arrangements or, where such arrangements are not comprehensive and</i> winding down the CCP under normal insolvency proceedings would not meet those objectives to the same extent.
610.	Art. 22 - para. 1 - subpara. 2	For the purposes of point (a)(ii), the competent authority shall provide without delay any relevant information that the resolution authority requests in order to perform its assessment.	For the purposes of point (a)(ii), the competent authority shall provide without delay any relevant information that the resolution authority requests in order to perform its assessment.	For the purposes of point (a)(ii), the competent authority shall provide <i>the resolution authority</i> without delay and <i>on its own initiative with</i> any information that <i>may give an indication that the CCP is failing or likely to fail. The competent authority shall also provide</i> the resolution authority, <i>upon request with any other information needed</i> in order to perform its assessment.

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611.	Art. 22 - para. 2 - introd. part	2. For the purposes of point (a) of paragraph 1, a CCP shall be deemed to be failing or likely to fail where one or more of the following circumstances apply:	2. For the purposes of point (a) of paragraph 1, a CCP shall be deemed to be failing or likely to fail where one or more of the following circumstances apply:	2. For the purposes of point (a) of paragraph 1, a CCP shall be deemed to be failing or likely to fail where one or more of the following circumstances apply:
612.	Art. 22 - para. 2 - point a	(a) the CCP infringes, or is likely to infringe, its authorisation requirements in a way that would justify the withdrawal of its authorisation pursuant to Article 20 of Regulation (EU) No 648/2012;	(a) the CCP infringes, or is likely to infringe, its authorisation requirements in a way that would justify the withdrawal of its authorisation pursuant to Article 20 of Regulation (EU) No 648/2012;	(a) the CCP infringes, or is likely to infringe, its authorisation requirements in a way that would justify the withdrawal of its authorisation pursuant to Article 20 of Regulation (EU) No 648/2012;
613.	Art. 22 - para. 2 - point b	(b) the CCP is unable, or is likely to be unable, to provide a critical function;	(b) the CCP is unable, or is likely to be unable, to provide a critical function;	(b) the CCP is unable, or is likely to be unable, to provide a critical function;
614.	Art. 22 - para. 2 - point c	(c) the CCP is unable, or is likely to be unable, to restore its viability through the implementation of its recovery measures;	(c) the CCP is unable, or is likely to be unable, to restore its viability through the implementation of its recovery measures;	(c) the CCP is unable, or is likely to be unable, to restore its viability through the implementation of its recovery measures;

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615.	Art. 22 - para. 2 - point d	(d) the CCP is unable, or is likely to be unable, to pay its debts or other liabilities as they fall due;	(d) the CCP is unable, or is likely to be unable, to pay its debts or other liabilities as they fall due;	(d) the CCP is unable, or is likely to be unable, to pay its debts or other liabilities as they fall due;
616.	Art. 22 - para. 2 - point e	(e) the CCP requires extraordinary public financial support.	(e) the CCP requires extraordinary public financial support.	(e) the CCP requires ■ public financial support.
617.	Art. 22 - para. 2 - subpara. 2 - introd. part	For the purposes of point (e) extraordinary public financial support shall not include public financial support that meets all of the following conditions:	For the purposes of point (e) extraordinary public financial support shall not include public financial support that meets all of the following conditions:	For the purposes of point (e) a measure shall not be considered to be public financial support where all of the following conditions are met:
618.	Art. 22 - para. 2 - subpara. 2 - point i	i) it takes the form of a State guarantee to back liquidity facilities provided by a central bank according to the central bank's conditions, or the form of a State guarantee of newly issued liabilities;	i) it takes the form of a State guarantee to back liquidity facilities provided by a central bank according to the central bank's conditions, or the form of a State guarantee of newly issued liabilities;	i) it takes the form of a State guarantee to back liquidity facilities provided by a central bank according to the central bank's conditions, or the form of a State guarantee of newly issued liabilities;

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619.	Art. 22 - para. 2 - subpara. 2 - point i a (new)			<i>ia) none of the circumstances referred to in points (a), (b), (c) or (d) of this paragraph is present at the time the public financial support is granted</i>
620.	Art. 22 - para. 2 - subpara. 2 - point i b (new)			<i>ib) the State guarantees referred to in point (i) are required to remedy a serious disturbance in the economy of a Member State and preserve financial stability</i>
621.	Art. 22 - para. 2 - subpara. 2 - point ii	ii) the State guarantees referred to in point (i) are confined to solvent CCPs, conditional on final approval under the Union State aid framework, are precautionary and temporary, proportionate to remedy the consequences of the serious disturbance and are not used to offset losses that the CCP has incurred or is likely to	ii) the State guarantees referred to in point (i) are confined to solvent CCPs, conditional on final approval under the Union State aid framework, are precautionary and temporary, proportionate to remedy the consequences of the serious disturbance and are not used to offset losses that the CCP has incurred	ii) the State guarantees referred to in point (i) are confined to solvent CCPs , conditional on final approval under the Union State aid framework, are of a precautionary and temporary nature , proportionate to remedy the consequences of the serious disturbance referred to in paragraph ib) and are not used to

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		incur in the future;	or is likely to incur in the future;	offset losses that the CCP has incurred or is likely to incur in the future;
622.	Art. 22 - para. 2 - subpara. 2 - point iii	iii) the State guarantees referred to in point (i) are required to remedy a serious disturbance in the economy of a Member State and preserve financial stability.	iii) the State guarantees referred to in point (i) are required to remedy a serious disturbance in the economy of a Member State and preserve financial stability.	■
623.	Art. 22 - para. 2 a (new)		<i>2a. For the purposes of point (c) of paragraph 1, a resolution action shall be treated as in the public interest if it is necessary for the achievement of the resolution objectives and it is proportionate to one or more resolution objectives referred to in Article 21 and winding up the CCP under normal insolvency procedures would not meet those resolution objectives to the same extent.</i>	

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624.	Art. 22 - para. 2 - subpara. 3	3. The resolution authority may also take a resolution action where it considers that the CCP applies or intends to apply recovery measures which could prevent the CCP's failure but cause significant adverse effects to the financial system.	3. The resolution authority may also take a resolution action where it considers that the CCP <i>has applied</i> or intends to apply recovery measures which could prevent the CCP's failure but cause significant adverse effects to the financial system <i>of the Union or of one of more of its Member States</i> .	3. The resolution authority may also take a resolution action where it considers that the CCP applies or intends to apply recovery measures which could prevent the CCP's failure but cause significant adverse effects to the financial system.
625.	Art. 22 - para. 2 - subpara. 3a (new)			<i>3a. The decision taken by a resolution authority deeming a CCP failing or likely to may only be challenged on the basis that this decision was arbitrary and unreasonable at the time of the decision, based on the information then readily available.</i>
626.	Art. 22 - para. 4 -	4. ESMA shall issue guidelines to promote the convergence of supervisory and resolution practices regarding the	4. ESMA shall issue guidelines to promote the convergence of supervisory and resolution practices regarding the	4. ESMA shall adopt guidelines to promote the convergence of supervisory and resolution practices

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	subpara. 1	application of the circumstances under which a CCP is deemed to be failing or likely to fail by <i>[PO, please insert date 12 months from entry into force of this Regulation]</i> .	application of the circumstances under which a CCP is deemed to be failing or likely to fail by <i>[PO, please insert date 12 months from entry into force of this Regulation]</i> .	regarding the application of the circumstances under which a CCP is deemed to be failing or likely to fail by <i>[PO, please insert date 12 months from entry into force of this Regulation], if and where appropriate taking into consideration the differing sizes and nature of CCPs established in the Union.</i>
627.	Art. 22 - para. 4 - subpara. 2	For the issuance of those guidelines, ESMA shall take into account the guidelines issued in accordance with Directive 2014/59/EU.	For the issuance of those guidelines, ESMA shall take into account the guidelines issued in accordance with Article 32(6) of Directive 2014/59/EU.	<i>When adopting those guidelines</i> , ESMA shall take into account the guidelines issued in accordance with Article 32(6) of Directive 2014/59/EU.
628.	Art. 23 - title	Article 23 General principles regarding resolution	Article 23 General principles regarding resolution	Article 23 General principles regarding resolution

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629.	Art. 23 - para. 1 - introd. part	The resolution authority shall take all appropriate measures to use the resolution tools referred to in Article 27 and exercise the resolution powers referred to in Article 48 in accordance with the following principles:	1. The resolution authority shall take all appropriate measures to use the resolution tools referred to in Article 27 and exercise the resolution powers referred to in Article 48 in accordance with the following principles:	The resolution authority shall take all appropriate measures to use the resolution tools referred to in Article 27 and exercise the resolution powers referred to in Article 48 in accordance with the following principles:
630.	Art. 23 - para. 1 - point a	(a) all contractual obligations and other arrangements in the CCP's recovery plan are enforced either partially or in full, to the extent that they have not been exhausted before entry into resolution, unless the resolution authority determines that the use of resolution tools or the exercise of resolution powers is more appropriate to achieve the resolution objectives in a timely manner;	(a) all contractual obligations and other arrangements in the CCP's recovery plan are enforced ■ , to the extent that they have not been exhausted before entry into resolution, unless the resolution authority determines that in order to achieve the resolution objectives in a timely manner; any of the following or both are more appropriate:	(a) all contractual obligations and other arrangements in the CCP's recovery plan are enforced ■ , to the extent that they have not been exhausted before entry into resolution, unless, in extreme circumstances , the resolution authority determines that the use of resolution tools or the exercise of resolution powers is more appropriate to achieve the resolution objectives in a timely manner;

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631.	Art. 23 - para. 1 - point a - subpoint i (new)		<i>(i) to refrain from enforcing certain contractual obligations under the CCP's recovery plan or otherwise deviate from it;</i>	
632.	Art. 23 - para. 1 - point a - subpoint ii (new)		<i>(ii) to use resolution tools or exercise the resolution powers.</i>	
633.	Art. 23 - para. 1 - point b	(b) the shareholders of the CCP under resolution bear first losses following the enforcement of all obligations and arrangements referred to in point (a) in accordance with that point;	(b) the shareholders of the CCP under resolution bear first losses following the enforcement of all obligations and arrangements referred to in point (a) in accordance with that point;	(b) the shareholders of the CCP under resolution bear first losses following the enforcement of all obligations and arrangements referred to in point (a) in accordance with that point;
634.	Art. 23 - para. 1 -	(c) creditors of the CCP under resolution bear losses after the shareholders in	(c) creditors of the CCP under resolution bear losses after the shareholders in	(c) creditors of the CCP under resolution bear losses after the

Nr.	Ref.	COM	Council	EP
	point c	accordance with the order of priority of their claims under normal insolvency proceedings, save as expressly provided otherwise in this Regulation;	accordance with the order of priority of their claims under normal insolvency proceedings, save as expressly provided otherwise in this Regulation;	shareholders in accordance with the order of priority of their claims under normal insolvency proceedings, save as expressly provided otherwise in this Regulation;
635.	Art. 23 - para. 1 - point d	(d) the CCP's creditors of the same class are treated in an equitable manner;	(d) the CCP's creditors of the same class are treated in an equitable manner;	(d) the CCP's creditors of the same class are treated in an equitable manner;
636.	Art. 23 - para. 1 - point e	(e) none of the CCP's creditors incur higher losses than they would have incurred under any of the following circumstances:	(e) ■ the CCP's <i>shareholders</i> , creditors, <i>clearing members and to the extent the information is available, their clients should not</i> incur <i>greater</i> losses than they would have incurred in the circumstances <i>referred to in Article 60</i> ;	(e) none of the CCP's <i>shareholders</i> , creditors <i>and clearing members or their clients</i> incur higher losses than they would have incurred in accordance with <i>Article 60</i> ;
637.	Art. 23 - para. 1 - point e - subpoint i	i) the resolution authority had not taken any resolution action pursuant to Article 21 following the default of one or more clearing members and the creditor was	■	■

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		instead subject to possible outstanding obligations pursuant to the CCP's operating rules;		
638.	Art. 23 - para. 1 - point e - subpoint ii	ii) the CCP had been wound up under normal insolvency proceedings, where no clearing member has defaulted;		
639.	Art. 23 - para. 1 - point f	(f) the board and senior management of the CCP under resolution are replaced, except where the resolution authority considers that the retention of the board and senior management, in whole or in part, is necessary for the achievement of the resolution objectives;	(f) the board and senior management of the CCP under resolution are replaced, except where the resolution authority considers that the retention of the board and senior management, in whole or in part, is necessary for the achievement of the resolution objectives;	(f) the board and senior management of the CCP under resolution are replaced, except where the resolution authority considers that the retention of the board and senior management, in whole or in part, is necessary for the achievement of the resolution objectives;
640.	Art. 23 - para. 1 -	(g) resolution authorities inform and consult employee representatives in	(g) resolution authorities inform and consult employee representatives in	(g) resolution authorities inform and consult employee representatives in

Nr.	Ref.	COM	Council	EP
	point g	accordance with their national laws or practice;	accordance with their national laws, <i>collective agreements</i> or practice;	accordance with their national laws or practice;
641.	Art. 23 - para. 1 - point g a (new)		<i>(ga) resolution tools and powers are exercised without prejudice to provisions on the representation of employees in management bodies as provided for in national laws, collective agreements or practice;</i>	
642.	Art. 23 - para. 1 - point h	(h) where a CCP is part of a group, resolution authorities take account of the impact on other group entities and on the group as a whole.	(h) where a CCP is part of a group, resolution authorities take account of the impact on other group entities <i>in particular where such group comprises other FMIs</i> and on the group as a whole.	(h) where a CCP is part of a group, resolution authorities take account of the impact on other group entities and on the group as a whole.
643.	Art. 23 - para. 1 a (new)		<i>1a. Resolution authorities may take a resolution action in deviation from points (d) and (e) of paragraph 1 where it is justified in the public interest to achieve the resolution objectives and is</i>	

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			<i>proportionate to the risk addressed. However, where that deviation results in a clearing member and to the extent the information is available a client, a creditor or a shareholder incurring greater loss than it would have incurred in the circumstances referred to in Article 60, the entitlement to payment of the difference under Article 62 shall apply.</i>	
644.	Art. 23 - para. 1 b (new)		<i>2. The board and senior management of a CCP under resolution shall provide the resolution authority with all necessary assistance for the achievement of the resolution objectives.</i>	
645.	Chapter 2 - title	CHAPTER II Valuation	CHAPTER II Valuation	CHAPTER II Valuation
646.	Art. 24 -	Article 24	Article 24	Article 24

Nr.	Ref.	COM	Council	EP
	title	Objectives of valuation	Objectives of valuation	Objectives of valuation
647.	Art. 24 - para. 1	1. Resolution authorities shall ensure that any resolution action is taken on the basis of a valuation ensuring a fair, prudent and realistic assessment of the assets, liabilities, rights and obligations of the CCP.	1. Resolution authorities shall ensure that any resolution action is taken on the basis of a valuation ensuring a fair, prudent and realistic assessment of the assets, liabilities, rights and obligations of the CCP.	1. Resolution authorities shall ensure that any resolution action is taken on the basis of a valuation ensuring a fair, prudent and realistic assessment of the assets, liabilities, rights and obligations of the CCP.
648.	Art. 24 - para. 2	2. Before the resolution authority places a CCP under resolution, it shall ensure that a first valuation is carried out to determine whether the conditions for resolution under Article 22(1) are met.	2. Before the resolution authority places a CCP under resolution, it shall ensure that a first valuation is carried out to determine whether the conditions for resolution under Article 22(1) are met.	2. Before the resolution authority places a CCP under resolution, it shall ensure that a first valuation is carried out to determine whether the conditions for resolution under Article 22(1) are met.
649.	Art. 24 - para. 3 - introd. part	3. After the resolution authority has decided to place a CCP under resolution, it shall ensure that a second valuation is carried out to:	3. After the resolution authority has decided to place a CCP under resolution, it shall ensure that a second valuation is carried out to:	3. After the resolution authority has decided to place a CCP under resolution, it shall ensure that a second valuation is carried out to:

Nr.	Ref.	COM	Council	EP
650.	Art. 24 - para. 3 - point a	(a) inform the decision on the appropriate resolution action to be taken;	(a) inform the decision on the appropriate resolution action to be taken;	(a) inform the decision on the appropriate resolution action to be taken;
651.	Art. 24 - para. 3 - point b	(b) ensure that any losses on the assets and rights of the CCP are fully recognised at the moment the resolution tools are used;	(b) ensure that any losses on the assets and rights of the CCP are fully recognised at the moment the resolution tools are used;	(b) ensure that any losses on the assets and rights of the CCP are fully recognised at the moment the resolution tools are used;
652.	Art. 24 - para. 3 - point c	(c) inform the decision on the extent of the cancellation or dilution of instruments of ownership and the decision on the value and number of instruments of ownership issued or transferred as a result of the exercise of resolution powers;	(c) inform the decision on the extent of the cancellation or dilution of instruments of ownership and the decision on the value and number of instruments of ownership issued or transferred as a result of the exercise of resolution powers;	(c) inform the decision on the extent of the cancellation or dilution of instruments of ownership and the decision on the value and number of instruments of ownership issued or transferred as a result of the exercise of resolution powers;
653.	Art. 24 - para. 3 - point d	(d) inform the decision on the extent of the write down or conversion of any unsecured liabilities, including debt instruments;	(d) inform the decision on the extent of the write down or conversion of any unsecured liabilities, including debt instruments;	(d) inform the decision on the extent of the write down or conversion of any unsecured liabilities, including debt instruments;

Nr.	Ref.	COM	Council	EP
654.	Art. 24 - para. 3 - point e	(e) where the loss and position allocation tools are used, inform the decision on the extent of losses to be applied against affected creditors' claims, outstanding obligations or positions in relation to the CCP;	(e) where the loss and position allocation tools are used, inform the decision on the extent of losses to be applied against affected creditors' claims, outstanding obligations or positions in relation to the CCP; ;	(e) where the loss and position allocation tools are used, inform the decision on the extent of losses to be applied against affected creditors' claims, outstanding obligations or positions in relation to the CCP <i>and on the extent and necessity of a resolution cash call;</i>
655.	Art. 24 - para. 3 - point f	(f) where the bridge CCP tool is used, inform the decision on the assets, liabilities, rights and obligations of instruments that may be transferred to the bridge CCP and the decision on the value of any consideration that may be paid to the CCP under resolution or, where relevant, to the holders of the instruments of ownership;	(f) where the bridge CCP tool is used, inform the decision on the assets, liabilities, rights and obligations of instruments of ownership that may be transferred to the bridge CCP and the decision on the value of any consideration that may be paid to the CCP under resolution or, where relevant, to the holders of the instruments of ownership;	(f) where the bridge CCP tool is used, inform the decision on the assets, liabilities, rights and obligations of instruments of ownership that may be transferred to the bridge CCP and the decision on the value of any consideration that may be paid to the CCP under resolution or, where relevant, to the holders of the instruments of ownership;

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656.	Art. 24 - para. 3 - point g	(g) where the sale of business tool is used, inform the decision on the assets, liabilities, rights and obligations of ownership that may be transferred to the third party purchaser and to inform the resolution authority's understanding of what constitutes commercial terms for the purposes of Article 40.	(g) where the sale of business tool is used, inform the decision on the assets, liabilities, rights and obligations of ownership that may be transferred to the third party purchaser and to inform the resolution authority's understanding of what constitutes commercial terms for the purposes of Article 40.	(g) where the sale of business tool is used, inform the decision on the assets, liabilities, rights and obligations of ownership that may be transferred to the third party purchaser and to inform the resolution authority's understanding of what constitutes commercial terms for the purposes of Article 40.
657.	Art. 24 - para. 3 - point g a (new)			<i>(ga) the price of any termination of contracts by the resolution authority shall be based, insofar as possible, upon a fair market price determined on the basis of the CCP's rules and arrangements, and only substituted for another price discovery method if deemed essential by the resolution authority.</i>

Nr.	Ref.	COM	Council	EP
658.	Art. 24 - para. 3 - subpara. 2	For the purposes of point (d), the valuation shall take into account any losses that would be absorbed by the enforcement of any outstanding obligations of the clearing members or other third parties owed to the CCP and the level of conversion to be applied to debt instruments.	For the purposes of point (d), the valuation shall take into account any losses that would be absorbed by the enforcement of any outstanding obligations of the clearing members or other third parties owed to the CCP and the level of conversion to be applied to debt instruments.	For the purposes of point (d), the valuation shall take into account any losses that would be absorbed by the enforcement of any outstanding obligations of the clearing members or other third parties owed to the CCP and the level of conversion to be applied to debt instruments.
659.	Art. 24 - para. 4	4. The valuations referred to in paragraphs 2 and 3 may be subject to an appeal in accordance with Article 72 only together with the decision to use a resolution tool or to exercise a resolution power.	4. The valuations referred to in paragraphs 2 and 3 may be subject to an appeal in accordance with Article 72 only together with the decision to use a resolution tool or to exercise a resolution power.	4. The valuations referred to in paragraphs 2 and 3 may be subject to an appeal in accordance with Article 72 only together with the decision to use a resolution tool or to exercise a resolution power.
660.	Art. 25 - title	Article 25 Requirements for valuation	Article 25 Requirements for valuation	Article 25 Requirements for valuation
661.	Art. 25 -	1. The resolution authority shall ensure	1. The resolution authority shall ensure	1. The resolution authority shall

Nr.	Ref.	COM	Council	EP
	para. 1 - introd. part	that the valuations referred to in Article 24 are carried out:	that the valuations referred to in Article 24 are carried out:	ensure that the valuations referred to in Article 24 are carried out:
662.	Art. 25 - para. 1 - point a	(a) by a person independent from any public authority and from the CCP;	(a) by a person independent from any public authority and from the CCP;	(a) by a person independent from any public authority and from the CCP;
663.	Art. 25 - para. 1 - point b	(b) by the resolution authority, where those valuations cannot be carried out by a person as referred to in point (a).	(b) by the resolution authority, where those valuations cannot be carried out by a person as referred to in point (a).	(b) by the resolution authority, where those valuations cannot be carried out by a person as referred to in point (a).
664.	Art. 25 - para. 2	2. The valuations referred to in Article 24 shall be considered definitive where they are carried out by the person referred to in point (a) of paragraph 1 and all the requirements laid down in this Article are fulfilled.	2. The valuations referred to in Article 24 shall be considered definitive where they are carried out by the person referred to in point (a) of paragraph 1 and all the requirements laid down in this Article are fulfilled.	2. The valuations referred to in Article 24 shall be considered definitive where they are carried out by the person referred to in point (a) of paragraph 1 and all the requirements laid down in this Article are fulfilled.
665.	Art. 25 -	3. Without prejudice to the Union State	3. Without prejudice to the Union State	3. Without prejudice to the Union

Nr.	Ref.	COM	Council	EP
	para. 3	aid framework, where applicable, a definitive valuation shall be based on prudent assumptions and shall not assume any potential provision of extraordinary public financial support, any central bank emergency liquidity assistance or any central bank liquidity assistance provided under non-standard collateralisation, tenor and interest rate terms to the CCP from the point in time at which resolution action is taken. The valuation shall also take account of the potential recovery of any reasonable expenses incurred by the CCP under resolution in accordance with Article 27(9).	aid framework, where applicable, a definitive valuation shall be based on prudent assumptions and shall not assume any potential provision of extraordinary public financial support, any central bank emergency liquidity assistance or any central bank liquidity assistance provided under non-standard collateralisation, tenor and interest rate terms to the CCP from the point in time at which resolution action is taken. The valuation shall also take account of the potential recovery of any reasonable expenses incurred by the CCP under resolution in accordance with Article 27(9).	State aid framework, where applicable, a definitive valuation shall be based on prudent assumptions and shall not assume any potential provision of public financial support, any central bank emergency liquidity assistance or any central bank liquidity assistance provided under non-standard collateralisation, tenor and interest rate terms to the CCP from the point in time at which resolution action is taken. The valuation shall also take account of the potential recovery of any reasonable expenses incurred by the CCP under resolution in accordance with Article 27(9).
666.	Art. 25 - para. 4 -	4. A definitive valuation shall be supplemented by the following information	4. A definitive valuation shall be supplemented by the following	4. A definitive valuation shall be supplemented by the following

Nr.	Ref.	COM	Council	EP
	introd. part	held by the CCP:	information held by the CCP:	information held by the CCP:
667.	Art. 25 - para. 4 - point a	(a) an updated balance sheet and a report on the financial position of the CCP, including the remaining available prefunded resources and outstanding financial commitments;	(a) an updated balance sheet and a report on the financial position of the CCP, including the remaining available prefunded resources and outstanding financial commitments;	(a) an updated balance sheet and a report on the financial position of the CCP, including the remaining available prefunded resources and outstanding financial commitments;
668.	Art. 25 - para. 4 - point b	(b) the records of cleared contracts as referred to in Article 29 of Regulation (EU) No 648/2012;	(b) the records of cleared contracts as referred to in Article 29 of Regulation (EU) No 648/2012;	(b) the records of cleared contracts as referred to in Article 29 of Regulation (EU) No 648/2012;
669.	Art. 25 - para. 4 - point c	(c) any information on the market and accounting values of its assets, liabilities and positions, including relevant claims and outstanding obligations owed or due to the CCP.	(c) any information on the market and accounting values of its assets, liabilities and positions, including relevant claims and outstanding obligations owed or due to the CCP.	(c) any information on the market and accounting values of its assets, liabilities and positions, including relevant claims and outstanding obligations owed or due to the CCP.
670.	Art. 25 - para. 5 -	5. A definitive valuation shall indicate the subdivision of the creditors in classes in accordance with their priority levels under	5. A definitive valuation shall indicate the subdivision of the creditors in classes in accordance with their priority levels	5. A definitive valuation shall indicate the subdivision of the creditors in classes in accordance

Nr.	Ref.	COM	Council	EP
	subpara. 1	the applicable insolvency law. It shall also include an estimate of the treatment that each class of shareholders and creditors would have been expected to receive in application of the principle specified in point (e) of Article 23.	under the applicable insolvency law. It shall also include an estimate of the treatment that each class of shareholders and creditors would have been expected to receive in application of the principle specified in point (e) of Article 23.	with their priority levels under the applicable insolvency law. It shall also include an estimate of the treatment that each class of shareholders and creditors would have been expected to receive in application of the principle specified in point (e) of Article 23.
671.	Art. 25 - para. 5 - subpara. 2	The estimate referred to in the first subparagraph shall not prejudice the valuation referred to in Article 61.	The estimate referred to in the first subparagraph shall not prejudice the valuation referred to in Article 61.	The estimate referred to in the first subparagraph shall not prejudice the valuation referred to in Article 61.
672.	Art. 25 - para. 6 - introd. part	6. ESMA, taking into account any regulatory technical standards drafted in accordance with Article 36(14) and (15) of Directive 2014/59/EU, shall develop draft regulatory technical standards to specify:	6. ESMA, taking into account any regulatory technical standards drafted in accordance with Article 36(14) and (15) of Directive 2014/59/EU, shall develop draft regulatory technical standards to specify:	6. ESMA, taking into account any regulatory technical standards drafted in accordance with Article 36(14) and (15) of Directive 2014/59/EU, shall develop draft regulatory technical standards to specify:

Nr.	Ref.	COM	Council	EP
673.	Art. 25 - para. 6 - point a	(a) the circumstances in which a person is deemed to be independent from both the resolution authority and from the CCP for the purposes of paragraph 1 of this Article;	(a) the circumstances in which a person is deemed to be independent from both the resolution authority and from the CCP for the purposes of paragraph 1 of this Article;	(a) the circumstances in which a person is deemed to be independent from both the resolution authority and from the CCP for the purposes of paragraph 1 of this Article;
674.	Art. 25 - para. 6 - point b	(b) the methodology for assessing the value of the assets and liabilities of the CCP;	(b) the methodology for assessing the value of the assets and liabilities of the CCP;	(b) the methodology for assessing the value of the assets and liabilities of the CCP;
675.	Art. 25 - para. 6 - point c	(c) the separation of the valuations under Articles 24 and 61.	(c) the separation of the valuations under Articles 24 and 61.	(c) the separation of the valuations under Articles 24 and 61.
676.	Art. 25 - para. 6 - subpara. 2	ESMA shall submit those draft regulatory technical standards to the Commission by <i>[PO: insert date: within 12 months of the entry into force of this Regulation]</i> .	ESMA shall submit those draft regulatory technical standards to the Commission by <i>[PO: insert date: within 12 months of the entry into force of this Regulation]</i> .	ESMA shall submit those draft regulatory technical standards to the Commission by <i>[PO: insert date: within 12 months of the entry into force of this Regulation]</i> .
677.	Art. 25 -	Power is delegated to the Commission to	Power is delegated to the Commission to	Power is delegated to the

Nr.	Ref.	COM	Council	EP
	para. 6 - subpara. 3	adopt the regulatory technical standards referred to in the first subparagraph in accordance with the procedure laid down in Articles 10 to 14 of Regulation (EU) No 1095/2010.	adopt the regulatory technical standards referred to in the first subparagraph in accordance with the procedure laid down in Articles 10 to 14 of Regulation (EU) No 1095/2010.	Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with the procedure laid down in Articles 10 to 14 of Regulation (EU) No 1095/2010.
678.	Art. 26 - title	Article 26 Provisional valuation	Article 26 Provisional valuation	Article 26 Provisional valuation
679.	Art. 26 - para. 1 - subpara. 1	1. The valuations referred to in Article 24 that do not meet the requirements laid down in Article 25(2) shall be considered to be provisional valuations.	1. The valuations referred to in Article 24 that do not meet the requirements laid down in Article 25(2) shall be considered to be provisional valuations.	1. The valuations referred to in Article 24 that do not meet the requirements laid down in Article 25(2) shall be considered to be provisional valuations.
680.	Art. 26 - para. 1 - subpara. 2	Provisional valuations shall include a buffer for additional losses and an appropriate justification for that buffer.	Provisional valuations shall include a buffer for additional losses and an appropriate justification for that buffer.	Provisional valuations shall include a buffer for additional losses and an appropriate justification for that buffer.

Nr.	Ref.	COM	Council	EP
681.	Art. 26 - para. 2 - subpara. 1	2. Where resolution authorities take resolution action on the basis of a provisional valuation, they shall ensure that a definitive valuation is carried out as soon as practicable.	2. Where resolution authorities take resolution action on the basis of a provisional valuation, they shall ensure that a definitive valuation is carried out as soon as practicable.	2. Where resolution authorities take resolution action on the basis of a provisional valuation, they shall ensure that a definitive valuation is carried out as soon as practicable.
682.	Art. 26 - para. 2 - subpara. 2 - introd.part	The resolution authority shall ensure that the definitive valuation referred to in the first subparagraph:	The resolution authority shall ensure that the definitive valuation referred to in the first subparagraph:	The resolution authority shall ensure that the definitive valuation referred to in the first subparagraph:
683.	Art. 26 - para. 2 - subpara. 2 - point a	(a) allows for full recognition of any losses of the CCP in its books;	(a) allows for full recognition of any losses of the CCP in its books;	(a) allows for full recognition of any losses of the CCP in its books;
684.	Art. 26 - para. 2 - subpara. 2 - point b	(b) informs a decision to write back creditors' claims or to increase the value of the consideration paid, in accordance with paragraph 3.	(b) informs a decision to write back creditors' claims or to increase the value of the consideration paid, in accordance with paragraph 3.	(b) informs a decision to write back creditors' claims or to increase the value of the consideration paid, in accordance with paragraph 3.

Nr.	Ref.	COM	Council	EP
685.	Art. 26 - para. 3 - introd. part	3. Where the definitive valuation's estimate of the net asset value of the CCP is higher than the provisional valuation's estimate of the net asset value of the CCP, the resolution authority may:	3. Where the definitive valuation's estimate of the net asset value of the CCP is higher than the provisional valuation's estimate of the net asset value of the CCP, the resolution authority may:	3. Where the definitive valuation's estimate of the net asset value of the CCP is higher than the provisional valuation's estimate of the net asset value of the CCP, the resolution authority may:
686.	Art. 26 - para. 3 - point a	(a) increase the value of the claims of affected creditors which have been written down or restructured;	(a) increase the value of the claims of affected creditors which have been written down or restructured;	(a) increase the value of the claims of affected creditors which have been written down or restructured;
687.	Art. 26 - para. 3 - point b	(b) require a bridge CCP to make a further payment of consideration in respect of the assets, liabilities, rights and obligations to the CCP under resolution or, as the case may be, in respect of the instruments of ownership to the owners of those instruments.	(b) require a bridge CCP to make a further payment of consideration in respect of the assets, liabilities, rights and obligations to the CCP under resolution or, as the case may be, in respect of the instruments of ownership to the owners of those instruments.	(b) require a bridge CCP to make a further payment of consideration in respect of the assets, liabilities, rights and obligations to the CCP under resolution or, as the case may be, in respect of the instruments of ownership to the owners of those instruments.
688.	Art. 26 -	4. ESMA, taking into account any	4. ESMA, taking into account any	4. ESMA, taking into account any

Nr.	Ref.	COM	Council	EP
	para. 4 - subpara. 1	regulatory technical standards drafted in accordance with Article 36(15) of Directive 2014/59/EU, shall develop draft regulatory standards to specify, for the purposes of paragraph 1 of this Article, the methodology for calculating the buffer for additional losses to be included in provisional valuations.	regulatory technical standards drafted in accordance with Article 36(15) of Directive 2014/59/EU, shall develop draft regulatory technical standards to specify, for the purposes of paragraph 1 of this Article, the methodology for calculating the buffer for additional losses to be included in provisional valuations.	regulatory technical standards drafted in accordance with Article 36(15) of Directive 2014/59/EU, shall develop draft regulatory technical standards to specify, for the purposes of paragraph 1 of this Article, the methodology for calculating the buffer for additional losses to be included in provisional valuations.
689.	Art. 26 - para. 4 - subpara. 2	ESMA shall submit those draft regulatory technical standards to the Commission by [PO: insert date: within 12 months of the entry into force of this Regulation].	ESMA shall submit those draft regulatory technical standards to the Commission by [PO: insert date: within 12 months of the entry into force of this Regulation].	ESMA shall submit those draft regulatory technical standards to the Commission by [PO: insert date: within 12 months of the entry into force of this Regulation].
690.	Art. 26 - para. 4 - subpara. 3	Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with the procedure laid down in	Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with the procedure laid down	Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance

Nr.	Ref.	COM	Council	EP
		Articles 10 to 14 of Regulation (EU) No 1095/2010.	in Articles 10 to 14 of Regulation (EU) No 1095/2010.	with the procedure laid down in Articles 10 to 14 of Regulation (EU) No 1095/2010.
691.	Chapter 3 - title	CHAPTER III Resolution tools	CHAPTER III Resolution tools	CHAPTER III Resolution tools
692.	Section 1 - title	SECTION 1 GENERAL PRINCIPLES	SECTION 1 GENERAL PRINCIPLES	SECTION 1 GENERAL PRINCIPLES
693.	Art. 27 - title	Article 27 General provisions on resolution tools	Article 27 General provisions on resolution tools	Article 27 General provisions on resolution tools
694.	Art. 27 - para. 1 - introd. part	1. Resolution authorities shall take resolution actions referred to in Article 21 by using any of the following resolution tools individually or in any combination:	1. Resolution authorities shall take resolution actions referred to in Article 21 by using any of the following resolution tools individually or in any combination:	1. Resolution authorities shall take resolution actions referred to in Article 21 by using any of the following resolution tools individually or in any combination:
695.	Art. 27 - para. 1 -	(a) the position and loss allocation tools;	(a) the position and loss allocation tools;	(a) the position and loss allocation tools;

Nr.	Ref.	COM	Council	EP
	point a			
696.	Art. 27 - para. 1 - point b	(b) the write-down and conversion tool;	(b) the write-down and conversion tool;	(b) the write-down and conversion tool;
697.	Art. 27 - para. 1 - point c	(c) the sale of business tool;	(c) the sale of business tool;	(c) the sale of business tool;
698.	Art. 27 - para. 1 - point d	(d) the bridge CCP tool;	(d) the bridge CCP tool;	(d) the bridge CCP tool;
699.	Art. 27 - para. 1 - point e	(e) any other resolution tool consistent with Articles 21 and 23.		(e) any other resolution tool consistent with Articles 21 and 23.
700.	Art. 27 - para. 2	2. In the event of a systemic crisis, the resolution authority may also provide extraordinary public financial support by using government stabilisation tools in	2. In the event of a systemic crisis, <i>a Member State</i> may <i>as a last resort</i> provide extraordinary public financial support by using government stabilisation	2. In the event of a systemic crisis, the resolution authority may also provide public financial support by using government stabilisation tools

Nr.	Ref.	COM	Council	EP
		accordance with Articles 45, 46 and 47 on the condition of prior and final approval under the Union State aid framework.	tools in accordance with Articles 45, 46 and 47 on the condition of prior and final approval under the Union State aid framework <i>and where credible arrangements for the timely and comprehensive recovery of the funds are provided for in accordance with paragraph 9.</i>	in accordance with Articles 45, 46 and 47 on the condition of prior and final approval under the Union State aid framework <i>and of the design of comprehensive and credible arrangements for the recovery of the funds provided over an appropriate period of time.</i>
701.	Art. 27 - para. 3 - introd. part	3. Prior to the use of the tools referred to in paragraph 1, the resolution authority shall enforce:	3. Prior to the use of the tools referred to in paragraph 1, the resolution authority shall enforce:	3. Prior to the use of the tools referred to in paragraph 1, the resolution authority shall enforce:
702.	Art. 27 - para. 3 - point a	(a) any existing and outstanding rights of the CCP, including any contractual obligations by clearing members to meet cash calls, to provide additional resources to the CCP, or to take on positions of defaulting clearing members, whether through an auction or other agreed means	(a) any existing and outstanding rights of the CCP, including any contractual obligations by clearing members to meet cash calls, to provide additional resources to the CCP, or to take on positions of defaulting clearing members, whether through an auction or other agreed means	(a) any existing and outstanding rights of the CCP, including any contractual obligations by clearing members to meet cash calls, to provide additional resources to the CCP, or to take on positions of defaulting clearing members,

Nr.	Ref.	COM	Council	EP
		in the CCP's operating rules;	in the CCP's operating rules;	whether through an auction or other agreed means in the CCP's operating rules;
703.	Art. 27 - para. 3 - point b	(b) any existing and outstanding contractual obligation committing parties other than clearing members to any forms of financial support.	(b) any existing and outstanding contractual obligation committing parties other than clearing members to any forms of financial support.	(b) any existing and outstanding contractual obligation committing parties other than clearing members to any forms of financial support.
704.	Art. 27 - para. 3 - subpara. 2	The resolution authority may partially enforce the contractual obligations referred to in points (a) and (b) where it is not possible to enforce those contractual obligations in full within a reasonable timeframe.	The resolution authority may partially enforce the contractual obligations referred to in points (a) and (b) where it is not possible to enforce those contractual obligations in full within a reasonable timeframe.	The resolution authority may partially enforce the contractual obligations referred to in points (a) and (b) where it is not possible to enforce those contractual obligations in full within a reasonable timeframe.
705.	Art. 27 - para. 4	4. By way of derogation from paragraph 3, the resolution authority may refrain from enforcing the relevant existing and outstanding obligations either partially or in	4. By way of derogation from paragraph 3, the resolution authority may refrain from enforcing the relevant existing and outstanding obligations either partially or	4. By way of derogation from paragraph 3, the resolution authority may refrain from enforcing the relevant existing and outstanding

Nr.	Ref.	COM	Council	EP
		full to avoid significant adverse effects on the financial system or widespread contagion, or where the use of the tools referred to in paragraph 1 is more appropriate in order to achieve the resolution objectives in a timely manner.	in full to avoid significant adverse effects on the financial system or widespread contagion, or where the use of the tools referred to in paragraph 1 is more appropriate in order to achieve the resolution objectives in a timely manner.	obligations either partially or in full to avoid significant adverse effects on the financial system or widespread contagion, or where the use of the tools referred to in paragraph 1 is more appropriate in order to achieve the resolution objectives in a timely manner.
706.	Art. 27 - para. 4 a (new) - subpara. 1		<i>4a. In case the resolution authority refrains partially or fully from enforcing existing and outstanding obligations according to the second subparagraph of paragraph 3 or paragraph 4, the resolution authority may enforce the remaining obligations within 18 months after the CCP is considered to be failing or likely to fail in accordance with Article 22, under the condition that the reasons for refraining from enforcing these rights</i>	

Nr.	Ref.	COM	Council	EP
			<i>do no longer exist. The resolution authority shall notify the clearing member and other party three to six months before enforcing that obligation. The proceeds from the enforced remaining obligations shall be used to recover the use of public funds.</i>	
707.	Art. 27 - para. 4 a (new) - subpara. 2		<i>The resolution authority shall, after consultation with the competent authorities and resolution authorities of the affected clearing members and any other parties committed by existing and outstanding obligations, determine whether the reasons for refraining from enforcing the existing and outstanding obligations have ceased to exist and whether to enforce remaining obligations. Where the resolution authority deviates from the views</i>	

Nr.	Ref.	COM	Council	EP
			<i>expressed by the authorities consulted, it shall provide duly justified reasons for doing so in writing.</i>	
708.	Art. 27 - para. 4 a (new) - subpara. 3		<i>The requirement to meet the remaining obligations in the circumstances referred to in this paragraph shall be included in the CCP's rules and other contractual arrangements.</i>	
709.	Art. 27 - para. 5 - subpara. 1	5. The resolution authority shall require the CCP to issue instruments of ownership to be subscribed by all non-defaulting clearing members where those non-defaulting clearing members have been subject to loss and position allocation tools in deviation from the CCP's operating rules which have resulted in the non-defaulting clearing member suffering a financial loss. The number of instruments of ownership issued to each affected non-defaulting	5. <i>The resolution authority may require the CCP to compensate non-defaulting clearing members for their losses stemming from the application of loss allocation tools, where the losses are in excess of those that the non-defaulting clearing member would have borne under their obligations under the CCP's operating rules</i> ■ .	■

Nr.	Ref.	COM	Council	EP
		clearing member shall be proportionate to its loss and shall take account of any outstanding contractual obligations of the clearing members toward the CCP.		
710.	Art. 27 - para. 5 - subpara. 1 a (new)		<i>The compensation referred to in the first subparagraph may take the form of instruments of ownership, debt instruments or instruments recognising a claim on the CCP's future profits.</i>	
711.	Art. 27 - para. 5 - subpara. 2	The number of instruments of ownership to be subscribed by or transferred to non-defaulting clearing members shall be based on the valuation conducted in accordance with Article 24(3).	<i>The amount of instruments issued to each affected non-defaulting clearing member shall be proportionate to its excess loss.</i> <i>It shall take account of any outstanding contractual obligations of the clearing members toward the CCP and be deducted from any entitlement to the payment of the difference referred to in Article 62.</i>	

Nr.	Ref.	COM	Council	EP
712.	Art. 27 - para. 5 - subpara. 2 a (new)		The <i>amount</i> of instruments ■ shall be based on the valuation conducted in accordance with Article 24(3).	
713.	Art. 27 - para. 6 - subpara. - 1 (new)		<i>6. Where one of the government stabilisation tools is used, the resolution authority shall exercise the power to write down and convert any instruments of ownership and debt instruments or other unsecured liabilities before or together with the use of the government stabilisation tool.</i>	
714.	Art. 27 - para. 6	6. Where the use of a resolution tool other than the write-down and conversion tool results in losses being borne by clearing members, the resolution authority shall exercise the power to write down and convert any instruments of ownership and debt instruments or other unsecured	■ Where the use of a resolution tool other than the write-down and conversion tool results in <i>financial</i> losses being borne by clearing members, the resolution authority shall exercise the power to write down and convert any instruments of ownership and debt instruments or other unsecured	6. Where the use of a resolution tool other than the write-down and conversion tool results in losses being borne by clearing members, the resolution authority shall exercise the power to write down and convert any instruments of ownership and

Nr.	Ref.	COM	Council	EP
		liabilities immediately before or together with the use of the resolution tool.	liabilities <i>in a sequence that minimises deviations from Article 60</i> .	debt instruments or other unsecured liabilities immediately before or together with the use of the resolution tool.
715.	Art. 27 - para. 7	7. Where only the resolution tools referred to in point (c) and (d) of paragraph 1 are used, and only part of the assets, rights, obligations or liabilities of the CCP under resolution are transferred in accordance with Articles 40 and 42, the residual part of that CCP shall be wound up in accordance with normal insolvency proceedings.	7. Where only the resolution tools referred to in point (c) and (d) of paragraph 1 are used, and only part of the assets, rights, obligations or liabilities of the CCP under resolution are transferred in accordance with Articles 40 and 42, the residual part of that CCP shall be wound up in accordance with normal insolvency proceedings.	7. Where only the resolution tools referred to in point (c) and (d) of paragraph 1 are used, and only part of the assets, rights, obligations or liabilities of the CCP under resolution are transferred in accordance with Articles 40 and 42, the residual part of that CCP shall be wound up in accordance with normal insolvency proceedings.
716.	Art. 27 - para. 8	8. National insolvency law rules relating to the voidability or unenforceability of legal acts detrimental to creditors shall not apply to transfers of assets, rights, obligations or liabilities from a CCP in	8. National insolvency law rules relating to the voidability or unenforceability of legal acts detrimental to creditors shall not apply to transfers of assets, rights, obligations or liabilities from a CCP in	8. National insolvency law rules relating to the voidability or unenforceability of legal acts detrimental to creditors shall not apply to transfers of assets, rights,

Nr.	Ref.	COM	Council	EP
		relation to which resolution tools or government financial stabilisation tools are used.	relation to which resolution tools or government financial stabilisation tools are used.	obligations or liabilities from a CCP in relation to which resolution tools or government financial stabilisation tools are used.
717.	Art. 27 - para. 9 - introd. part	9. The resolution authority may recover any reasonable expenses incurred in connection with the use of the resolution tools or powers or government financial stabilisation tools in any of the following ways:	9. <i>Member States shall recover over an appropriate period of time any public funds used as government financial stabilisation tool referred to in Section 7 of this Chapter and resolution authorities shall</i> recover any reasonable expenses incurred <i>by them</i> in connection with the use of the resolution tools or powers, <i>including but not limited to</i> any of the following ways:	9. The resolution authority <i>shall</i> recover <i>over an appropriate period of time</i> any reasonable expenses, <i>including an appropriate risk premium</i> , incurred in connection with the use of the resolution tools or powers or <i>in connection with the use of the</i> government financial stabilisation tools in any of the following ways:
718.	Art. 27 - para. 9 - point a	(a) from the CCP under resolution, as a preferred creditor;	(a) from the CCP under resolution, as a preferred creditor, <i>including any of its claims against defaulting clearing members or other creditors;</i>	(a) from the CCP under resolution, as a preferred creditor;

Nr.	Ref.	COM	Council	EP
719.	Art. 27 - para. 9 - point b	(b) from any consideration paid by the purchaser where the sale of business tool has been used;	(b) from any consideration paid by the purchaser <i>to the CCP</i> where the sale of business tool has been used ■ <i>as a preferred creditor prior to the application of Article 40(3a);</i>	(b) from any consideration paid by the purchaser where the sale of business tool has been used;
720.	Art. 27 - para. 9 - point c	(c) from any proceeds generated as a result of the termination of the bridge CCP, as a preferred creditor.	(c) from any proceeds generated as a result of the termination of the bridge CCP, as a preferred creditor <i>prior to the application of Article 42(4a);</i>	(c) from any proceeds generated as a result of the termination of the bridge CCP, as a preferred creditor.
721.	Art. 27 - para. 9 - point c a (new)			<i>(ca) from any clearing member, to the extent that a clearing member does not incur greater losses than it would have incurred if the resolution authority would not have taken resolution action in relation to the CCP and they would instead have been subject to possible outstanding obligations pursuant to the CCP's recovery plan or other</i>

Nr.	Ref.	COM	Council	EP
				<i>arrangements in its operating rules or the CCP had been wound up under normal insolvency proceedings;</i>
722.	Art. 27 - para. 9 - point c a (new)		<i>(d) from any proceeds generated by the use of the public equity support tool referred to in Article 46 and the temporary public ownership tool referred to in Article 47, including the proceeds generated from their sale.</i>	
723.	Art. 27 - para. 9 - point c b (new)			<i>(cb) from any revenues from the use of the government stabilisation tools, including the proceeds from the sale of the instruments of ownership referred to in Article 46 and from the sale of a CCP subject to temporary public ownership as referred to in Article 47.</i>

Nr.	Ref.	COM	Council	EP
724.	Art. 27 - para. 9 a (new)			<i>9a. In determining the amounts to be recouped pursuant to the previous paragraph, the resolution authority shall take into account the amount that the clients and members of the CCP would otherwise have been required to contribute, both under the CCP rules and arrangements and in resolution, had public support not been granted by the authorities.</i>
725.	Art. 27 - para. 10	10. When using the resolution tools, resolution authorities shall ensure, on the basis of a valuation that complies with Article 25, the full allocation of losses, the replenishment of the prefunded resources of the CCP or the bridge CCP, and the recapitalisation of the CCP or the bridge CCP.	10. When using the resolution tools, resolution authorities shall ensure, on the basis of a valuation that complies with Article 25, the restoration of a matched book , the full allocation of losses, the replenishment of the prefunded resources of the CCP or the bridge CCP, and the recapitalisation of the CCP or the bridge CCP.	10. When using the resolution tools, resolution authorities shall ensure, on the basis of a valuation that complies with Article 25, the full allocation of losses, the restoration of matched book , the replenishment of the prefunded resources of the CCP or the bridge CCP, and the

Nr.	Ref.	COM	Council	EP
			CCP.	recapitalisation of the CCP or the bridge CCP.
726.	Art. 27 - para. 10 - subpara. 1a (new)		<i>Resolution authorities shall ensure the replenishment of the prefunded resources and the recapitalisation of the CCP or the bridge CCP to an extent sufficient to restore the ability of the CCP or the bridge CCP to comply with the conditions for authorisation and to continue to carry out the critical functions of the CCP or the bridge CCP considering the operating rules of the CCP.</i>	
727.	Art. 27 - para. 10 - subpara. 1b (new)		<i>Resolution authorities may use the tool referred to in Articles 30 and 31 to recapitalise the CCP.</i>	
728.	Art. 27 - para. 11			11. The possibility to compensate CCP participants shall not apply to their contractually committed losses

Nr.	Ref.	COM	Council	EP
	(new)			<i>in the default management or recovery phases.</i>
729.	Section 2 - title	SECTION 2 POSITION ALLOCATION AND LOSS ALLOCATION TOOLS	SECTION 2 POSITION ALLOCATION AND LOSS ALLOCATION TOOLS	SECTION 2 POSITION ALLOCATION AND LOSS ALLOCATION TOOLS
730.	Art. 28 - title	Article 28 Objective and scope of the position and loss allocation tools	Article 28 Objective and scope of the position and loss allocation tools	Article 28 Objective and scope of the position and loss allocation tools
731.	Art. 28 - para. 1	1. Resolution authorities shall use the position allocation tool in accordance with Article 29 and the loss allocation tools in accordance with Articles 30 and 31.	1. Resolution authorities shall use the position allocation tool in accordance with Article 29 and the loss allocation tools in accordance with Articles 30 and 31.	1. Resolution authorities shall use the position allocation tool in accordance with Article 29 and the loss allocation tools in accordance with Articles 30 and 31.
732.	Art. 28 - para. 2	2. The tools referred to in paragraph 1 shall be used in respect of all contracts relating to clearing services and the collateral related to those services posted to the CCP.	2. The tools referred to in paragraph 1 shall be used in respect of all contracts relating to clearing services and the collateral related to those services posted to the CCP.	2. The tools referred to in paragraph 1 <i>may</i> be used in respect of all contracts relating to clearing services and the collateral related to those services posted to the CCP.

Nr.	Ref.	COM	Council	EP
733.	Art. 28 - para. 3 - subpara. 1	3. Resolution authorities shall use the position allocation tool referred to in Article 29 in order to rematch the book of the CCP or bridge CCP where relevant.	3. Resolution authorities shall use the position allocation tool referred to in Article 29 in order to rematch the book of the CCP or bridge CCP where relevant.	3. Resolution authorities shall use the position allocation tool referred to in Article 29 in order to rematch the book of the CCP or bridge CCP where relevant.
734.	Art. 28 - para. 3 - subpara. 2 - introd. part	Resolution authorities shall use the loss allocation tools referred to in Articles 30 and 31 for any of the following purposes:	Resolution authorities shall use the loss allocation tools referred to in Articles 30 and 31 for any of the following purposes:	Resolution authorities shall use the loss allocation tools referred to in Articles 30 and 31 for any of the following purposes:
735.	Art. 28 - para. 3 - subpara. 2 - point a	(a) to cover the losses of the CCP assessed in accordance with Article 27(10);	(a) to cover the losses of the CCP assessed in accordance with Article 25;	(a) to cover the losses of the CCP assessed in accordance with Article 27(10);
736.	Art. 28 - para. 3 - subpara. 2 - point b	(b) to restore the ability of the CCP to meet payment obligations as they fall due;	(b) to restore the ability of the CCP to meet payment obligations as they fall due;	(b) to restore the ability of the CCP to meet payment obligations as they fall due;

Nr.	Ref.	COM	Council	EP
737.	Art. 28 - para. 3 - subpara. 2 - point b a (new)			<i>(ba) to facilitate the restoration of a matched book;</i>
738.	Art. 28 - para. 3 - subpara. 2 - point c	(c) to recapitalise the CCP and replenish its pre-funded financial resources to an extent sufficient to restore its ability to comply with the conditions for authorisation and to continue to carry out its critical functions;	■	<i>(c) to facilitate restoration of a matched book by providing the CCP with funds to meet an auction bid which enables the CCP to allocate the defaulter's positions or to make payments on the contracts terminated pursuant to Article 29;</i>
739.	Art. 28 - para. 3 - subpara. 2 - point d	(d) to achieve the outcome referred to in points (a), (b) and (c) in relation to a bridge CCP;	(d) to achieve the outcome referred to in points (a) and (b) ■ in relation to a bridge CCP;	(d) to achieve the outcome referred to in points (a), (b) and (c) in relation to a bridge CCP;
740.	Art. 28 - para. 3 -	(e) to support the transfer of the CCP's business by way of the sale of business tool	(e) to support the transfer of the CCP's business by way of the sale of business	(e) to support the transfer of the CCP's business by way of the sale of

Nr.	Ref.	COM	Council	EP
	subpara. 2 - point e	to a solvent third party.	tool to a solvent third party.	business tool to a solvent third party.
741.	Art. 28 - para. 3 - subpara. 2 a (new)		<i>The loss allocation tool referred to in Article 30 shall only be used by the resolution authorities in relation to losses arising from the default of one or more clearing members.</i>	
742.	Art. 28 - para. 4 (new)		<i>4. Resolution authorities shall not use the loss allocation tools referred to in Articles 30 and 31 with regard to the entities referred to in Articles 1(4) and 1(5) of Regulation (EU) No 648/2012.</i>	
743.	Art. 29 - title	Article 29 Termination of contracts – partial or full	Article 29 Termination of contracts – partial or full	Article 29 Termination of contracts – partial or full
744.	Art. 29 - para. 1 - introd.	1. The resolution authority may terminate certain or all of the following contracts :	1. The resolution authority may terminate <i>some</i> or all of the following	1. The resolution authority may terminate certain or all of the

Nr.	Ref.	COM	Council	EP
	part		contracts <i>of the CCP in resolution</i> :	following contracts :
745.	Art. 29 - para. 1 - point a	(a) the contracts of the clearing member in default;	(a) the contracts <i>with</i> the clearing member in default;	(a) the contracts of the clearing member in default;
746.	Art. 29 - para. 1 - point b	(b) the contracts of the affected clearing service or asset class;	■	(b) the contracts of the affected clearing service or asset class;
747.	Art. 29 - para. 1 - point c	(c) the contracts of the CCP in resolution.	■	(c) the contracts of the CCP in resolution.
748.	Art. 29 - para. 1 a (new)			<i>1a. When using the power under paragraph 1, the resolution authority shall terminate contracts referred to under points (a), (b) and (c) of that paragraph in a similar way, without discriminating between counterparties to those contracts, with the exception of</i>

Nr.	Ref.	COM	Council	EP
				<i>those contractual obligations that cannot be enforced in a reasonable timeframe.</i>
749.	Art. 29 - para. 2	2. The resolution authority may only terminate the contracts referred to in point (a) of paragraph 1 where the transfer of the assets and positions resulting from those contracts has not taken place within the meaning of Article 48(5) and (6) of Regulation (EU) No 648/2012.	The resolution authority may only terminate <i>those</i> contracts ■ of <i>the defaulting clearing member</i> where the transfer of the assets and positions resulting from those contracts has not taken place within the meaning of Article 48(5) and (6) of Regulation (EU) No 648/2012;	2. The resolution authority may only terminate the contracts referred to in point (a) of paragraph 1 where the transfer of the assets and positions resulting from those contracts has not taken place within the meaning of Article 48(5) and (6) of Regulation (EU) No 648/2012.
750.	Art. 29 - para. 1 - subpara. 2 - point b (new)		<i>(b) the contracts of the affected clearing service or asset class;</i>	
751.	Art. 29 - para. 1 -		<i>(c) the other contracts of the CCP in resolution.</i>	

Nr.	Ref.	COM	Council	EP
	subpara. 2 - point c (new)			
752.	Art. 29 - para. 3	3. The resolution authority shall give notice to all relevant clearing members of the date on which any contract referred to in paragraph 1 is terminated.	3. The resolution authority shall give notice to all relevant clearing members of the date on which any contract referred to in paragraph 1 is terminated.	3. The resolution authority shall give notice to all relevant clearing members of the date on which any contract referred to in paragraph 1 is terminated.
753.	Art. 29 - para. 4 - introd. part	4. Prior to the termination of any of the contracts referred to in paragraph 1, the resolution authority shall take the following steps:	4. Prior to the termination of any of the contracts referred to in paragraph 1, the resolution authority shall take the following steps:	4. Prior to the termination of any of the contracts referred to in paragraph 1, the resolution authority shall take the following steps:
754.	Art. 29 - para. 4 - point a	(a) require the CCP under resolution to value each contract and update the account balances of each clearing member;	(a) require the CCP under resolution to value each contract and update the account balances of each clearing member;	(a) require the CCP under resolution to value each contract and update the account balances of each clearing member;
755.	Art. 29 - para. 4 -	(b) determine the net amount payable by or to each clearing member, taking account of	(b) determine the net amount payable by or to each clearing member, taking	(b) determine the net amount payable by or to each clearing

Nr.	Ref.	COM	Council	EP
	point b	any due but unpaid variation margin, including variation margin due as a result of the contract valuations referred to in point (a);	account of any due but unpaid variation margin, including variation margin due as a result of the contract valuations referred to in point (a);	member, taking account of any due but unpaid variation margin, including variation margin due as a result of the contract valuations referred to in point (a);
756.	Art. 29 - para. 4 - point c	(c) notify each clearing member of the determined net amounts and collect them accordingly.	(c) notify each clearing member of the determined net amounts and require the CCP to pay or collect them accordingly.	(c) notify each clearing member of the determined net amounts and collect them accordingly.
757.	Art. 29 - para. 4 - subpara. 2 (new)			Once the contract has been terminated, the resolution authority shall notify, in a timely manner, the competent authority of any client designated as an O-SII whose contract has been terminated.
758.	Art. 29 - para. 4 a (new)		4a. The valuation referred in paragraph 4 point (a) should be based, as far as possible, on a fair market price determined on the basis of the CCP's own	4a. The price of any termination of contracts by the resolution authority under this article shall be based upon a fair market price determined

Nr.	Ref.	COM	Council	EP
			<i>rules and arrangements or other appropriate price discovery method used by the resolution authority.</i>	<i>on the basis of the CCP's rules and arrangements, or, should the use of such alternative method be deemed necessary by the resolution authority, determined using any other appropriate price discovery method.</i>
759.	Art. 29 - para. 5	5. Where a non-defaulting clearing member is unable to pay the net amount determined in accordance with paragraph 4, the resolution authority may require the CCP to place the non-defaulting clearing member in default and use its initial margin and default fund contribution in accordance with Article 45 of Regulation (EU) No 648/2012.	5. Where a non-defaulting clearing member is unable to pay the net amount determined in accordance with paragraph 4, the resolution authority may require, <i>having regard to Article 21</i> , the CCP to place the non-defaulting clearing member in default and use its initial margin and default fund contribution in accordance with Article 45 of Regulation (EU) No 648/2012.	5. Where a non-defaulting clearing member is unable to pay the net amount determined in accordance with paragraph 4, the resolution authority may require the CCP to place the non-defaulting clearing member in default and use its initial margin and default fund contribution in accordance with Article 45 of Regulation (EU) No 648/2012.
760.	Art. 29 - para. 6 -	6. Where the resolution authority has terminated one or more contracts of the	6. Where the resolution authority has terminated one or more contracts of the	6. Where the resolution authority has terminated one or more contracts

Nr.	Ref.	COM	Council	EP
	subpara. 1	types referred to in points (a), (b) and (c) of paragraph 1, it shall prevent the CCP from clearing any new contract of the same type as the one terminated.	types referred to in points (a), (b) and (c) of paragraph 1, it <i>may temporarily</i> prevent the CCP from clearing any new contract of the same type as the one terminated.	of the types referred to in points (a), (b) and (c) of paragraph 1, it shall <i>temporarily</i> prevent the CCP from clearing any new contract of the same type as the one terminated.
761.	Art. 29 - para. 6 - subpara. 2 - introd. part	The resolution authority may allow the CCP to resume the clearing of those types of contracts only where the following conditions are met:	The resolution authority may allow the CCP to resume the clearing of those types of contracts only where the following conditions are met:	The resolution authority may allow the CCP to resume the clearing of those types of contracts only where the following conditions are met:
762.	Art. 29 - para. 6 - subpara. 2 - point a	(a) the CCP complies with the requirements of Regulation (EU) No 648/2012;	(a) the CCP complies with the requirements of Regulation (EU) No 648/2012;	(a) the CCP complies with the requirements of Regulation (EU) No 648/2012;
763.	Art. 29 - para. 6 - subpara. 2 - point b	(b) the resolution authority issues and publishes a notice to that effect using the means referred to in Article 70(3).	(b) the resolution authority issues and publishes a notice to that effect using the means referred to in Article 70(3).	(b) the resolution authority issues and publishes a notice to that effect using the means referred to in Article 70(3).

Nr.	Ref.	COM	Council	EP
764.	Art. 30 - title	Article 30 Reduction of the value of any gains payable by the CCP to non-defaulting clearing members	Article 30 Reduction of the value of any gains payable by the CCP to non-defaulting clearing members	Article 30 Reduction of the value of any gains payable by the CCP to non-defaulting clearing members <i>and their clients</i>
765.	Art. 30 - para. 1	1. The resolution authority may reduce the value of the CCP's payment obligations to non-defaulting clearing members where those obligations arise from gains due in accordance with the CCP's processes for paying variation margin or an economically identical payment.	1. The resolution authority may reduce the amount of the CCP's payment obligations to non-defaulting clearing members where those obligations arise from gains due in accordance with the CCP's processes for paying variation margin or a payment that has the same economic effect.	1. The resolution authority may reduce the value amount of the CCP's payment obligations to non-defaulting clearing members and their clients where those obligations arise from gains due in accordance with the CCP's processes for paying variation margin or an economically equivalent payment. Clearing members shall inform their clients without delay about the use of the resolution tool and the way in which such use affects them.

Nr.	Ref.	COM	Council	EP
766.	Art. 30 - para. 2	2. The resolution authority shall calculate any reduction in payment obligations referred to in paragraph 1 using an equitable allocation mechanism determined in the valuation conducted in accordance with Article 24(3) and communicated to the clearing members as soon as the resolution tool is used. The total net gains to be reduced for each clearing member shall be proportional to the amounts due from the CCP.	2. The resolution authority shall calculate any reduction in payment obligations referred to in paragraph 1 using an equitable allocation mechanism determined in the valuation conducted in accordance with Article 24(3) and communicated to the clearing members as soon as the resolution tool is used. <i>The clearing members should communicate the use of such tool to their clients as promptly as possible.</i> The total net gains to be reduced for each clearing member shall be proportional to the <i>net gains</i> due from the CCP.	2. The resolution authority shall calculate any reduction in payment obligations referred to in paragraph 1 using an equitable allocation mechanism determined in the valuation conducted in accordance with Article 24(3) and communicated to the clearing members as soon as the resolution tool is used. The total net gains to be reduced for each clearing member shall be proportional to the amounts due from the CCP.
767.	Art. 30 - para. 3	3. The reduction in the value of gains payable shall take effect and shall be immediately binding on the CCP and affected clearing members from the moment at which the resolution authority	3. The reduction in the value of gains payable shall take effect and shall be immediately binding on the CCP and affected clearing members from the moment at which the resolution authority	3. The reduction in the value of gains payable shall take effect and shall be immediately binding on the CCP and affected clearing members from the moment at which the

Nr.	Ref.	COM	Council	EP
		takes the resolution action.	takes the resolution action.	resolution authority takes the resolution action.
768.	Art. 30 - para. 3 a (new)			<i>3a. Any use of the powers referred to in this article that affect the positions of a client designated as an O-SII shall be notified to the competent authority of that client in a timely manner.</i>
769.	Art. 30 - para. 4	4. A non-defaulting clearing member shall not have any claim in any subsequent proceedings against the CCP, or its successor entity, arising from the reduction in payment obligations referred to in paragraph 1.	4. A non-defaulting clearing member shall not have any claim in any subsequent proceedings against the CCP, or its successor entity, arising from the reduction in payment obligations referred to in paragraph 1. <i>Nevertheless, the resolution authority shall be able to apply a write-up mechanism in accordance with the second subparagraph of Article 33(5),</i>	4. A non-defaulting clearing member shall not have any claim in any subsequent proceedings against the CCP, or its successor entity, arising from the reduction in payment obligations referred to in paragraph 1.

Nr.	Ref.	COM	Council	EP
770.	Art. 30 - para. 5	5. Where a resolution authority reduces only in part the value of gains payable, the residual outstanding payable amount shall still be owed to the non-defaulting clearing member.	5. Where a resolution authority reduces only in part the value of gains payable, the residual outstanding payable amount shall still be owed to the non-defaulting clearing member.	5. Where a resolution authority reduces only in part the value of gains payable, the residual outstanding payable amount shall still be owed to the non-defaulting clearing member.
771.	Art. 30 - para. 5 a (new)			<i>5a. The CCP shall include in its operating rules reference to the power to reduce payment obligations referred to in paragraph 1 in addition to any similar arrangements provided for in those operating rules at the recovery stage. The CCP shall ensure that contractual arrangements are concluded to allow the Resolution Authority to exercise its powers under this article.</i>
772.	Art. 31 -	Article 31	Article 31	Article 31

Nr.	Ref.	COM	Council	EP
	title	Resolution cash call	Resolution cash call	Resolution cash call
773.	Art. 31 - para. 1 - subpara. 1	1. The resolution authority may require non-defaulting clearing members to make a contribution in cash to the CCP up to an amount equivalent to their contribution to the CCP's default fund.	1. The resolution authority may require non-defaulting clearing members to make a contribution in cash to the CCP up to an amount equivalent to their contribution to the CCP's default fund. <i>This obligation to make a contribution in cash shall also be included in the CCP's rules and other contractual arrangements as a cash call reserved to the resolution authority in resolution.</i>	1. The resolution authority may require non-defaulting clearing members to make <i>contributions</i> in cash to the CCP. <i>The amount of those cash contributions shall be determined by the resolution authority so as to best achieve the resolution objectives referred to in Article 21(1).</i>
774.	Art. 31 - para. 1 - subpara. 2	Where the CCP operates multiple default funds, the amount of the contribution in cash referred to in the first subparagraph shall refer to the clearing member's contribution to the default fund or default funds of the affected clearing service or asset class.	Where the CCP operates multiple default funds, the amount of the contribution in cash referred to in the first subparagraph shall refer to the clearing member's contribution to the default fund or default funds of the affected clearing service or asset class.	Where the CCP operates multiple default funds, the amount of the contribution in cash referred to in the first subparagraph shall refer to the clearing member's contribution to the default fund or default funds of the affected clearing service or asset class.

Nr.	Ref.	COM	Council	EP
775.	Art. 31 - para. 1 - subpara. 3	The resolution authority may exercise the resolution cash call regardless of whether all contractual obligations requiring cash contributions from non-defaulting clearing members have been exhausted.	The resolution authority may exercise the resolution cash call regardless of whether all contractual obligations requiring cash contributions from non-defaulting clearing members have been exhausted.	The resolution authority may exercise the resolution cash call regardless of whether all contractual obligations requiring cash contributions from non-defaulting clearing members have been exhausted.
776.	Art. 31 - para. 1 - subpara. 4	The resolution authority shall determine the amount of each non-defaulting clearing member's cash contribution in proportion to the clearing member's contribution to the default fund.	The resolution authority shall determine the amount of each non-defaulting clearing member's cash contribution in proportion to the clearing member's contribution to the default fund <i>up to the limit referred in the first subparagraph.</i>	The resolution authority shall determine the amount of each non-defaulting clearing member's cash contribution in proportion to the clearing member's contribution to the default fund.
777.	Art. 31 - para. 1 - subpara. 4 a (new)		<i>The resolution authority may require the CCP to reimburse the clearing members the possible excess amount of a cash call where the level of the cash call based on a provisional valuation is found to exceed required amounts as assessed in the</i>	

Nr.	Ref.	COM	Council	EP
			<i>definitive valuation referred to in Article 26(2).</i>	
778.	Art. 31 - para. 2	2. If a non-defaulting clearing member does not pay the required amount, the resolution authority may require the CCP to place that clearing member in default and use the clearing member's initial margin and default fund contribution in accordance with Article 45 of Regulation (EU) No 648/2012.	2. If a non-defaulting clearing member does not pay the required amount, the resolution authority may require the CCP to place that clearing member in default and use the clearing member's initial margin and default fund contribution in accordance with Article 45 of Regulation (EU) No 648/2012 up to the required amount.	2. If a non-defaulting clearing member does not pay the required amount, the resolution authority may require the CCP to place that clearing member in default and use the clearing member's initial margin and default fund contribution in accordance with Article 45 of Regulation (EU) No 648/2012.
779.	Art. 31 - para. 2 a (new)			2a. The CCP shall include reference to the resolution cash call in addition to the recovery cash calls in its operating rules and ensure that contractual arrangements are concluded to allow the resolution authority to exercise its powers under this

Nr.	Ref.	COM	Council	EP
				<i>Article.</i>
780.	Art. 31 - para. 2 b (new)			<i>2b. The resolution authority shall define the amount of the resolution cash call to be included in the operating rules, which shall at the minimum be equivalent to the clearing member's contribution to the default fund.</i>
781.	Art. 31 - para. 2 c (new)			<i>2c. The resolution authority shall define the amount of the resolution cash call to be included in the operating rules.</i>
782.	Section 3 - title	SECTION 3 WRITE DOWN AND CONVERSION OF INSTRUMENTS OF OWNERSHIP AND DEBT INSTRUMENTS OR OTHER UNSECURED LIABILITIES	SECTION 3 WRITE DOWN AND CONVERSION OF INSTRUMENTS OF OWNERSHIP AND DEBT INSTRUMENTS OR OTHER UNSECURED LIABILITIES	SECTION 3 WRITE DOWN AND CONVERSION OF INSTRUMENTS OF OWNERSHIP AND DEBT INSTRUMENTS OR OTHER UNSECURED LIABILITIES

Nr.	Ref.	COM	Council	EP
783.	Art. 32 - title	Article 32 Requirement to write down and convert instruments of ownership and debt instruments or other unsecured liabilities	Article 32 Requirement to write down and convert instruments of ownership and debt instruments or other unsecured liabilities	Article 32 Requirement to write down and convert instruments of ownership and debt instruments or other unsecured liabilities
784.	Art. 32 - para. 1 - subpara. 1	1. The resolution authority shall use the write-down and conversion tool in accordance with Article 33 in respect of instruments of ownership and debt instruments issued by the CCP in resolution or other unsecured liabilities in order to absorb losses, recapitalise that CCP or a bridge CCP, or to support the use of the sale of business tool.	1. The resolution authority shall use the write-down and conversion tool in accordance with Article 33 in respect of instruments of ownership and debt instruments issued by the CCP in resolution or other unsecured liabilities in order to absorb losses, recapitalise that CCP or a bridge CCP, or to support the use of the sale of business tool.	1. The resolution authority shall use the write-down and conversion tool in accordance with Article 33 in respect of instruments of ownership and debt instruments issued by the CCP in resolution or other unsecured liabilities in order to absorb losses, recapitalise that CCP or a bridge CCP, or to support the use of the sale of business tool.
785.	Art. 32 - para. 1 - subpara. 2	The resolution authority shall also use the write-down and conversion tool in accordance with Article 33 in respect of instruments of ownership and debt		

Nr.	Ref.	COM	Council	EP
		instruments issued by the parent of the CCP in resolution where the instruments of ownership issued by the parent undertaking are used to fulfil the CCP's capital requirements in accordance with Article 16 of Regulation (EU) No 648/2012 or those instruments of ownership or debt instruments are issued for the purpose of funding the CCP and they fully absorb losses or constitute subordinate claims in normal insolvency proceedings.		
786.	Art. 32 - para. 2 - introd. part	2. Based on the valuation carried out in accordance with Article 24(3), the resolution authority shall determine the following:	2. Based on the valuation carried out in accordance with Article 24(3), the resolution authority shall determine the following:	2. Based on the valuation carried out in accordance with Article 24(3), the resolution authority shall determine the following:
787.	Art. 32 - para. 2 - point a	(a) the amount by which the instruments of ownership and debt instruments or other unsecured liabilities must be written down taking into account any losses that are to be	(a) the amount by which the instruments of ownership and debt instruments or other unsecured liabilities must be written down taking into account any losses that	(a) the amount by which the instruments of ownership and debt instruments or other unsecured liabilities must be written down

Nr.	Ref.	COM	Council	EP
		absorbed by the enforcement of any outstanding obligations of the clearing members or other third parties owed to the CCP;	are to be absorbed by the enforcement of any outstanding obligations of the clearing members or other third parties owed to the CCP;	taking into account any losses that are to be absorbed by the enforcement of any outstanding obligations of the clearing members or other third parties owed to the CCP;
788.	Art. 32 - para. 2 - point b	(b) the amount by which debt instruments or other unsecured liabilities must be converted into instruments of ownership in order to restore the prudential requirements of the CCP or the bridge CCP.	(b) the amount by which debt instruments or other unsecured liabilities must be converted into instruments of ownership in order to restore the <i>capital</i> requirements of the CCP or the bridge CCP.	(b) the amount by which debt instruments or other unsecured liabilities must be converted into instruments of ownership in order to restore the prudential requirements of the CCP or the bridge CCP.
789.	Art. 33 - title	Article 33 Provisions governing the write-down or conversion of instruments of ownership and debt instruments or other unsecured liabilities	Article 33 Provisions governing the write-down or conversion of instruments of ownership and debt instruments or other unsecured liabilities	Article 33 Provisions governing the write-down or conversion of instruments of ownership and debt instruments or other unsecured liabilities
790.	Art. 33 -	1. The resolution authority shall use the	1. The resolution authority shall use the	1. The resolution authority shall

Nr.	Ref.	COM	Council	EP
	para. 1	write-down and conversion tool in accordance with the priority of claims applicable under normal insolvency proceedings.	write-down and conversion tool in accordance with the priority of claims applicable under normal insolvency proceedings.	use the write-down and conversion tool in accordance with the priority of claims applicable under normal insolvency proceedings.
791.	Art. 33 - para. 2 - subpara. 1	2. Prior to reducing or converting the principal amount of debt instruments or other unsecured liabilities, the resolution authority shall reduce the notional amount of instruments of ownership in proportion to the losses and up to their full value, where necessary.	2. Prior to reducing or converting the principal amount of debt instruments or other unsecured liabilities, the resolution authority shall reduce the nominal amount of instruments of ownership in proportion to the losses and up to their full value, where necessary.	2. Prior to reducing or converting the principal amount of debt instruments or other unsecured liabilities, the resolution authority shall reduce the notional value of instruments of ownership in proportion to the losses and up to their full value, where necessary.
792.	Art. 33 - para. 2 - subpara. 2	Where, in accordance with the valuation carried out pursuant to Article 24(3), the CCP maintains a positive net value after the reduction of instruments of ownership, the resolution authority shall cancel or dilute, as the case may be, those instruments of ownership.	Where, in accordance with the valuation carried out pursuant to Article 24(3), the CCP maintains a positive net value after the reduction of the amount of instruments of ownership, the resolution authority shall cancel or dilute, as the case may be, those instruments of ownership.	Where, in accordance with the valuation carried out pursuant to Article 24(3), the CCP maintains a positive net value after the reduction of the value of instruments of ownership, the resolution authority shall cancel or dilute, as the case may be, those instruments of ownership.

Nr.	Ref.	COM	Council	EP
				may be, those instruments of ownership.
793.	Art. 33 - para. 3	3. The resolution authority shall reduce, convert, or both, the principal amount of debt instruments or other unsecured liabilities to the extent required to achieve the resolution objectives, and up to the full value of those instruments or liabilities, where necessary.	3. The resolution authority shall reduce, convert, or both, the principal amount of debt instruments or other unsecured liabilities to the extent required to achieve the resolution objectives, and up to the full value of those instruments or liabilities, where necessary.	3. The resolution authority shall reduce, convert, or both, the principal amount of debt instruments or other unsecured liabilities to the extent required to achieve the resolution objectives, and up to the full value of those instruments or liabilities, where necessary.
794.	Art. 33 - para. 4 - introd. part	4. The resolution authority shall not use the write-down and conversion tools in respect of the following liabilities:	4. The resolution authority shall not use the write-down and conversion tools in respect of the following liabilities:	4. The resolution authority shall not use the write-down and conversion tools in respect of the following liabilities:
795.	Art. 33 - para. 4 - point a	(a) liabilities to employees, in relation to accrued salary, pension benefits or other fixed remuneration, except for the variable component of remuneration that is not	(a) liabilities to employees, in relation to accrued salary, pension benefits or other fixed remuneration, except for any variable component of remuneration that	(a) liabilities to employees, in relation to accrued salary, pension benefits or other fixed remuneration, except for the variable component of

Nr.	Ref.	COM	Council	EP
		regulated by a collective bargaining agreement;	is not regulated by a collective bargaining agreement;	remuneration that is not regulated by a collective bargaining agreement;
796.	Art. 33 - para. 4 - point b	(b) liabilities to commercial or trade creditors arising from the provision to the CCP of goods or services that are critical to the daily functioning of its operations, including IT services, utilities and the rental, servicing and upkeep of premises;	(b) liabilities to commercial or trade creditors arising from the provision to the CCP of goods or services that are critical to the daily functioning of its operations, including IT services, utilities and the rental, servicing and upkeep of premises;	(b) liabilities to commercial or trade creditors arising from the provision to the CCP of goods or services that are critical to the daily functioning of its operations, including IT services, utilities and the rental, servicing and upkeep of premises;
797.	Art. 33 - para. 4 - point c	(c) liabilities to tax and social security authorities, provided that those liabilities are preferred liabilities under the applicable insolvency law;	(c) liabilities to tax and social security authorities, provided that those liabilities are preferred liabilities under the applicable insolvency law;	(c) liabilities to tax and social security authorities, provided that those liabilities are preferred liabilities under the applicable insolvency law;
798.	Art. 33 - para. 4 - point d	(d) liabilities owed to systems or operators of systems designated according to Directive 98/26/EC.	(d) liabilities owed to systems or operators of systems designated according to Directive 98/26/EC <i>or to their participants and arising from the</i>	(d) liabilities owed to systems or operators of systems designated according to Directive 98/26/EC.

Nr.	Ref.	COM	Council	EP
			<i>participation in such systems.</i>	
799.	Art. 33 - para. 4 - point e (new)		<i>(e) initial margins.</i>	
800.	Art. 33 - para. 5 - introd. part	5. Where the notional amount of an instrument of ownership or the principal amount of a debt instrument or other unsecured liabilities is reduced, the following conditions shall apply:	5. Where the nominal amount of an instrument of ownership or the principal amount of a debt instrument or other unsecured liabilities is reduced, the following conditions shall apply:	5. Where the notional amount of an instrument of ownership or the principal amount of a debt instrument or other unsecured liabilities is reduced, the following conditions shall apply:
801.	Art. 33 - para. 5 - point a	(a) that reduction shall be permanent;	(a) that reduction shall be permanent;	(a) that reduction shall be permanent;
802.	Art. 33 - para. 5 - point b	(b) the holder of the instrument shall have no claim in connection with that reduction, except for any liability already accrued, any liability for damages that may arise as a	(b) the holder of the instrument shall have no claim in connection with that reduction, except for any liability already accrued, any liability for damages that may arise as	(b) the holder of the instrument shall have no claim in connection with that reduction, except for any liability already accrued, any liability

Nr.	Ref.	COM	Council	EP
		result of an appeal challenging the legality of that reduction and any claim based on instruments of ownership issued or transferred pursuant to paragraph 6;	a result of an appeal challenging the legality of that reduction and any claim based on instruments of ownership issued or transferred pursuant to paragraph 6 <i>or any claim for payment in accordance with Article 60</i> ;	for damages that may arise as a result of an appeal challenging the legality of that reduction and any claim based on instruments of ownership issued or transferred pursuant to paragraph 6;
803.	Art. 33 - para. 5 - point c	(c) where that reduction is only partial, the agreement that created the original liability shall continue to apply in respect of the residual amount subject to any necessary amendments of the terms of that agreement due to the reduction.	(c) where that reduction is only partial, the agreement that created the original liability shall continue to apply in respect of the residual amount subject to any necessary amendments of the terms of that agreement due to the reduction.	(c) where that reduction is only partial, the agreement that created the original liability shall continue to apply in respect of the residual amount subject to any necessary amendments of the terms of that agreement due to the reduction.
804.	Art. 33 - para. 5 - subpara. 2	Point (a) shall not prevent resolution authorities from applying a write-up mechanism to reimburse holders of debt instruments or other unsecured liabilities and then holders of instruments of ownership, where the level of write-down	Point (a) shall not prevent resolution authorities from applying a write-up mechanism to reimburse holders of debt instruments or other unsecured liabilities and then holders of instruments of ownership, where the level of write-down	Point (a) shall not prevent resolution authorities from applying a write-up mechanism to reimburse holders of debt instruments or other unsecured liabilities and then holders of instruments of ownership, where the

Nr.	Ref.	COM	Council	EP
		based on the provisional valuation is found to exceed required amounts when assessed against the definitive valuation referred to in Article 26(2).	based on the provisional valuation is found to exceed required amounts when assessed against the definitive valuation referred to in Article 26(2).	level of write-down based on the provisional valuation is found to exceed required amounts when assessed against the definitive valuation referred to in Article 26(2).
805.	Art. 33 - para. 6	6. Where converting debt instruments or other unsecured liabilities pursuant to paragraph 3, the resolution authority may require <i>CCPs</i> or their parent undertakings to issue or to transfer instruments of the debt ownership to the holders of the debt instruments or other unsecured liabilities.	6. Where converting debt instruments or other unsecured liabilities pursuant to paragraph 3, the resolution authority may require <i>the CCP</i> to issue or to transfer instruments of ownership to the holders of the debt instruments or other unsecured liabilities.	6. Where converting debt instruments or other unsecured liabilities pursuant to paragraph 3, the resolution authority may require <i>the CCPs</i> or their parent undertakings to issue or to transfer instruments of ownership to the holders of the debt instruments or other unsecured liabilities.
806.	Art. 33 - para. 7 - introd. part	7. The resolution authority shall only convert debt instruments or other unsecured liabilities pursuant to paragraph 3 where the following conditions are met:	7. The resolution authority shall only convert debt instruments or other unsecured liabilities pursuant to paragraph 3 where the following conditions are met:	7. The resolution authority shall only convert debt instruments or other unsecured liabilities pursuant to paragraph 3 where the following conditions are met:

Nr.	Ref.	COM	Council	EP
807.	Art. 33 - para. 7 - point a	(a) the resolution authority has obtained the agreement of the competent authority of the parent undertaking where the parent undertaking is required to issue the instruments of ownership;		(a) the resolution authority has obtained the agreement of the competent authority of the parent undertaking where the parent undertaking is required to issue the instruments of ownership;
808.	Art. 33 - para. 7 - point b	(b) the instruments of ownership are issued prior to any issuance of instruments of ownership by the CCP for the purposes of provision of own funds by the State or a government entity;	(b) the instruments of ownership are issued prior to any issuance of instruments of ownership by the CCP for the purposes of provision of own funds by the State or a government entity;	(b) the instruments of ownership are issued prior to any issuance of instruments of ownership by the CCP for the purposes of provision of own funds by the State or a government entity;
809.	Art. 33 - para. 7 - point c	(c) the conversion rate represents appropriate compensation to the affected debt holders, in line with their treatment under normal insolvency proceedings.	(c) the conversion rate represents appropriate compensation to the affected debt holders <i>for any loss incurred by virtue of the exercise of the write down and conversion powers</i> , in line with their treatment under normal insolvency	(c) the conversion rate represents appropriate compensation to the affected debt holders, in line with their treatment under normal insolvency proceedings.

Nr.	Ref.	COM	Council	EP
			proceedings.	
810.	Art. 33 - para. 7 - subpara. 2	Following any conversion of debt instruments or other unsecured liabilities to instruments of ownership, the latter shall be subscribed or transferred without delay after the conversion.	Following any conversion of debt instruments or other unsecured liabilities to instruments of ownership, the latter shall be subscribed or transferred without delay after the conversion.	Following any conversion of debt instruments or other unsecured liabilities to instruments of ownership, the latter shall be subscribed or transferred without delay after the conversion.
811.	Art. 33 - para. 8	8. For the purposes of paragraph 7, the resolution authority shall ensure, in the context of the development and maintenance of the CCP's resolution plan and as part of the powers to remove impediments to the resolvability of the CCP, that the CCP may issue at all times the necessary number of instruments of ownership.	8. For the purposes of paragraph 7, the resolution authority shall ensure, in the context of <i>drawing up</i> and <i>maintaining</i> the CCP's resolution plan and as part of the powers to remove impediments to the resolvability of the CCP, that the CCP <i>is</i> at all times <i>able to issue</i> the necessary number of instruments of ownership.	8. For the purposes of paragraph 7, the resolution authority shall ensure, in the context of the development and maintenance of the CCP's resolution plan and as part of the powers to remove impediments to the resolvability of the CCP, that the CCP may issue at all times the necessary number of instruments of ownership.
812.	Art. 34 -	Article 34	Article 34	Article 34

Nr.	Ref.	COM	Council	EP
	title	Effect of write-down and conversion	Effect of write-down and conversion	Effect of write-down and conversion
813.	Art. 34 - para. 1 - introd. part	The resolution authority shall complete or require the completion of all the administrative and procedural tasks necessary to give effect to the use of the write-down and conversion tool, including:	The resolution authority shall complete or require the completion of all the administrative and procedural tasks necessary to give effect to the use of the write-down and conversion tool, including:	The resolution authority shall complete or require the completion of all the administrative and procedural tasks necessary to give effect to the use of the write-down and conversion tool, including:
814.	Art. 34 - para. 1 - point a	(a) the amendment of all relevant registers;	(a) the amendment of all relevant registers;	(a) the amendment of all relevant registers;
815.	Art. 34 - para. 1 - point b	(b) the delisting or removal from trading of instruments of ownership or debt instruments;	(b) the delisting or removal from trading of instruments of ownership or debt instruments;	(b) the delisting or removal from trading of instruments of ownership or debt instruments;
816.	Art. 34 - para. 1 - point c	(c) the listing or admission to trading of new instruments of ownership;	(c) the listing or admission to trading of new instruments of ownership;	(c) the listing or admission to trading of new instruments of ownership;
817.	Art. 34 -	(d) the relisting or readmission of any debt	(d) the relisting or readmission of any	(d) the relisting or readmission of

Nr.	Ref.	COM	Council	EP
	para. 1 - point d	instruments which have been written down, without the requirement for the issuing of a prospectus in accordance with Directive 2003/71/EC of the European Parliament and of the Council ¹ .	debt instruments which have been written down, without the requirement for the issuing of a prospectus in accordance with Directive 2003/71/EC of the European Parliament and of the Council ² .	any debt instruments which have been written down, without the requirement for the issuing of a prospectus in accordance with Directive 2003/71/EC of the European Parliament and of the Council ³ .
818.	Art. 35 - title	Article 35 Removal of procedural obstacles for write-down and conversion	Article 35 Removal of procedural obstacles for write-down and conversion	Article 35 Removal of procedural obstacles for write-down and conversion
819.	Art. 35 - para. 1 - subpara. 1	Where the second subparagraph of Article 32(1) is applied, the competent authority shall require CCPs, or their parent undertakings, to maintain at all times a sufficient amount of instruments of	Where ■ Article 32(1) is applied, the competent authority shall require the CCP , to maintain at all times a sufficient amount of instruments of ownership to ensure that the CCP may issue sufficient	Where the second subparagraph of Article 32(1) is applied, the competent authority shall require CCPs, or their parent undertakings, to maintain at all times a sufficient

¹ Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (OJ L 345, 31.12.2003, p. 64).

² Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (OJ L 345, 31.12.2003, p. 64).

³ Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (OJ L 345, 31.12.2003, p. 64).

Nr.	Ref.	COM	Council	EP
		ownership to ensure that those CCPs or their parent undertakings may issue sufficient new instruments of ownership and that the issuance of or conversion into instruments of ownership could be carried out effectively.	new instruments of ownership and that the issuance of or conversion into instruments of ownership could be carried out effectively.	amount of instruments of ownership to ensure that those CCPs or their parent undertakings may issue sufficient new instruments of ownership and that the issuance of or conversion into instruments of ownership could be carried out effectively.
820.	Art. 35 - para. 1 - subpara. 2	The resolution authority shall use the write down and conversion tool regardless of any provisions in the CCP's instruments of incorporation or statutes, including with respect to pre-emption rights for shareholders or requirements for the consent of shareholders to an increase of capital.	The resolution authority shall use the write down and conversion tool regardless of any provisions in the CCP's instruments of incorporation or statutes, including with respect to pre-emption rights for shareholders or requirements for the consent of shareholders to an increase of capital.	The resolution authority shall use the write down and conversion tool regardless of any provisions in the CCP's instruments of incorporation or statutes, including with respect to pre-emption rights for shareholders or requirements for the consent of shareholders to an increase of capital.
821.	Art. 36 - title	Article 36 Submission of a business reorganisation	Article 36 Submission of a business reorganisation	Article 36 Submission of a business

Nr.	Ref.	COM	Council	EP
		plan	plan	reorganisation plan
822.	Art. 36 - para. 1 - subpara. 1	1. CCPs shall, within one month after the use of the tools referred to in Article 32, draw up and submit to the resolution authority a business reorganisation plan in accordance with Article 37. Where the Union State aid framework is applicable, that plan shall be compatible with the restructuring plan that the CCP is required to submit to the Commission in accordance with that framework.	1. CCPs shall, within one month after the use of the tools referred to in Article 32, conduct a review of its failure and submit to the resolution authority a summary of that review and a business reorganisation plan in accordance with Article 37. Where the Union State aid framework is applicable, that plan shall be compatible with the restructuring plan that the CCP is required to submit to the Commission in accordance with that framework.	1. CCPs shall, within one month after the use of the tools referred to in Article 32, conduct a review of the causes of its failure and submit it to the resolution authority alongside a business reorganisation plan in accordance with Article 37. Where the Union State aid framework is applicable, that plan shall be compatible with the restructuring plan that the CCP is required to submit to the Commission in accordance with that framework.
823.	Art. 36 - para. 1 - subpara. 2	Where necessary for achieving the resolution objectives, the resolution authority may extend the period referred to in the first subparagraph up to a maximum of two months.	Where necessary for achieving the resolution objectives, the resolution authority may extend the period referred to in the first subparagraph up to a maximum of two months.	Where necessary for achieving the resolution objectives, the resolution authority may extend the period referred to in the first subparagraph up to a maximum of two months.

Nr.	Ref.	COM	Council	EP
824.	Art. 36 - para. 2	2. Where a restructuring plan is required to be notified within the Union State aid framework, the submission of the business reorganisation plan shall be without prejudice to the deadline laid down by the Union State aid framework for the submission of that restructuring plan.	2. Where a restructuring plan is required to be notified within the Union State aid framework, the submission of the business reorganisation plan shall be without prejudice to the deadline laid down by the Union State aid framework for the submission of that restructuring plan.	2. Where a restructuring plan is required to be notified within the Union State aid framework, the submission of the business reorganisation plan shall be without prejudice to the deadline laid down by the Union State aid framework for the submission of that restructuring plan.
825.	Art. 36 - para. 3	3. The resolution authority shall submit the business reorganisation plan, and any revision thereof in accordance with Article 38, to the competent authority and to the resolution college.	3. The resolution authority shall submit the business reorganisation plan, and any revision thereof in accordance with Article 38, to the competent authority and to the resolution college.	3. The resolution authority shall submit the <i>review and</i> business reorganisation plan, and any revision thereof in accordance with Article 38, to the competent authority and to the resolution college.
826.	Art. 37 - title	Article 37 Content of the business reorganisation plan	Article 37 Content of the business reorganisation plan	Article 37 Content of the business reorganisation plan

Nr.	Ref.	COM	Council	EP
827.	Art. 37 - para. 1 - subpara. 1	1. The business reorganisation plan referred to in Article 36 shall set out measures aiming to restore the long-term viability of the CCP or parts of its business within a reasonable timeframe. Those measures shall be based on realistic assumptions as to the economic and financial market conditions under which the CCP will operate.	1. The business reorganisation plan referred to in Article 36 shall set out measures aiming to restore the long-term viability of the CCP or parts of its business within a reasonable timeframe. Those measures shall be based on realistic assumptions as to the economic and financial market conditions under which the CCP will operate.	1. The business reorganisation plan referred to in Article 36 shall set out measures aiming to restore the long-term viability of the CCP or parts of its business within a reasonable timeframe. Those measures shall be based on realistic assumptions as to the economic and financial market conditions under which the CCP will operate.
828.	Art. 37 - para. 1 - subpara. 2	The business reorganisation plan shall take account of the current and potential states of the financial markets and reflect best-case and worst-case assumptions, including a combination of events to identify the CCP's main vulnerabilities. Assumptions shall be compared with appropriate sector-wide benchmarks.	The business reorganisation plan shall take account of the current and potential states of the financial markets and reflect best-case and worst-case assumptions, including a combination of events to identify the CCP's main vulnerabilities. Assumptions shall be compared with appropriate sector-wide benchmarks.	The business reorganisation plan shall take account of the current and potential states of the financial markets and reflect best-case and worst-case assumptions, including a combination of events to identify the CCP's main vulnerabilities. Assumptions shall be compared with appropriate sector-wide benchmarks.

Nr.	Ref.	COM	Council	EP
829.	Art. 37 - para. 2 - introd. part	2. The business reorganisation plan shall include at least the following elements:	2. The business reorganisation plan shall include at least the following elements:	2. The business reorganisation plan shall include at least the following elements:
830.	Art. 37 - para. 2 - point a	(a) a detailed analysis of the factors and circumstances that caused the CCP to fail or to be likely to fail;	(a) a detailed analysis of the factors and circumstances that caused the CCP to fail or to be likely to fail;	(a) a detailed analysis of the factors and circumstances that caused the CCP to fail or to be likely to fail;
831.	Art. 37 - para. 2 - point b	(b) a description of the measures to be adopted to restore the CCP's long-term viability;	(b) a description of the measures to be adopted to restore the CCP's long-term viability;	(b) a description of the measures to be adopted to restore the CCP's long-term viability;
832.	Art. 37 - para. 2 - point c	(c) a timetable for the implementation of those measures.	(c) a timetable for the implementation of those measures.	(c) a timetable for the implementation of those measures.
833.	Art. 37 - para. 3 - introd. part	3. Measures aiming to restore the long-term viability of a CCP may include:	3. Measures aiming to restore the long-term viability of a CCP may include:	3. Measures aiming to restore the long-term viability of a CCP may include:

Nr.	Ref.	COM	Council	EP
834.	Art. 37 - para. 3 - point a	(a) the reorganisation and restructuring of the activities of the CCP;	(a) the reorganisation and restructuring of the activities of the CCP;	(a) the reorganisation and restructuring of the activities of the CCP;
835.	Art. 37 - para. 3 - point b	(b) changes to the CCP's operational systems and infrastructure;	(b) changes to the CCP's operational systems and infrastructure;	(b) changes to the CCP's operational systems and infrastructure;
836.	Art. 37 - para. 3 - point c	(c) the sale of assets or of business lines.	(c) <i>changes to the CCP's risk management.</i>	(c) the sale of assets or of business lines.
837.	Art. 37 - para. 3 a (new)			<i>3a. In the case where the Union State Aid framework is applied in accordance with Article 36(1) and (2), the resolution authority, the competent authority and the Commission should coordinate the assessment of the measures provided to restore the CCP's long-term viability, any request for a</i>

Nr.	Ref.	COM	Council	EP
				<i>resubmission of an amended plan by the CCP and the final adoption of the business reorganisation or restructuring plan.</i>
838.	Art. 37 - para. 3 b (new)			<i>3b. ESMA shall by ... [18 months after the entry into force of this Regulation] issue guidelines in accordance with Article 16 of Regulation (EU) No 1095/2010 to specify further the minimum elements that should be included in a business reorganisation plan pursuant to paragraph 2.</i>
839.	Art. 37 - para. 3 c (new) - subpara. 1			<i>3c. Taking into account, where appropriate, experience acquired in the application of the guidelines referred to in paragraph 3a, ESMA may develop draft regulatory technical standards to specify</i>

Nr.	Ref.	COM	Council	EP
				<i>further the minimum elements that should be included in a business reorganisation plan pursuant to paragraph 2.</i>
840.	Art. 37 - para. 3 c (new) - subpara. 2			<i>Power is conferred on the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.</i>
841.	Art. 38 - title	Article 38 Assessment and adoption of the business reorganisation plan	Article 38 Assessment and adoption of the business reorganisation plan	Article 38 Assessment and adoption of the business reorganisation plan
842.	Art. 38 - para. 1 - subpara. 1	1. Within one month of the submission of the business reorganisation plan by the CCP pursuant to Article 36(1), the resolution authority and the competent authority shall assess whether the measures	1. Within one month of the submission of the business reorganisation plan by the CCP pursuant to Article 36(1), the resolution authority and the competent authority shall assess whether the	1. Within one month of the submission of the business reorganisation plan by the CCP pursuant to Article 36(1), the resolution authority and the

Nr.	Ref.	COM	Council	EP
		provided for in that plan would reliably restore the long-term viability of the CCP.	measures provided for in that plan would reliably restore the long-term viability of the CCP.	competent authority shall assess whether the measures provided for in that plan would reliably restore the long-term viability of the CCP.
843.	Art. 38 - para. 1 - subpara. 2	Where the resolution authority and the competent authority are satisfied that the plan would restore the CCP's long-term viability, the resolution authority shall approve the plan.	Where the resolution authority and the competent authority are satisfied that the plan would restore the CCP's long-term viability, the resolution authority shall approve the plan.	Where the resolution authority and the competent authority are satisfied that the plan would restore the CCP's long-term viability, the resolution authority shall approve the plan.
844.	Art. 38 - para. 2	2. Where the resolution authority and the competent authority are not satisfied that the measures provided for in the plan would restore the CCP's long-term viability, the resolution authority shall notify the CCP of their concerns and require it to resubmit an amended plan addressing those concerns within two weeks of the notification.	2. Where the resolution authority and the competent authority are not satisfied that the measures provided for in the plan would restore the CCP's long-term viability, the resolution authority shall notify the CCP of their concerns and require it to resubmit an amended plan addressing those concerns within two weeks of the notification.	2. Where the resolution authority and the competent authority are not satisfied that the measures provided for in the plan would restore the CCP's long-term viability, the resolution authority shall notify the CCP of their concerns and require it to resubmit an amended plan addressing those concerns within two weeks of the notification.

Nr.	Ref.	COM	Council	EP
845.	Art. 38 - para. 3	3. The resolution authority and the competent authority shall assess the resubmitted plan and shall notify the CCP within one week of the reception of that plan whether the concerns are appropriately addressed or whether further amendments are required.	3. The resolution authority and the competent authority shall assess the resubmitted plan and shall notify the CCP within one week of the reception of that plan whether the concerns are appropriately addressed or whether further amendments are required.	3. The resolution authority and the competent authority shall assess the resubmitted plan and shall notify the CCP within one week of the reception of that plan whether the concerns are appropriately addressed or whether further amendments are required.
846.	Art. 38 - para. 3 a (new)			<i>3a. ESMA shall by ... [18 months after the entry into force of this Regulation] issue guidelines in accordance with Article 16 of Regulation (EU) No 1095/2010 to specify further the minimum criteria that a business reorganisation plan is to fulfil for approval by the resolution authority pursuant to paragraph 1.</i>

Nr.	Ref.	COM	Council	EP
847.	Art. 38 - para. 3 b (new) - subpara. 1			<i>3b. Taking into account, where appropriate, experience acquired in the application of the guidelines referred to in paragraph 3a, ESMA may develop draft regulatory technical standards to specify further the minimum criteria that a business reorganisation plan is to fulfil for approval by the resolution authority pursuant to paragraph 1s.</i>
848.	Art. 38 - para. 3 b (new) - subpara. 2			<i>Power is conferred on the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.</i>
849.	Art. 39 - title	Article 39 Implementation and monitoring of the	Article 39 Implementation and monitoring of the	Article 39 Implementation and monitoring of

Nr.	Ref.	COM	Council	EP
		business reorganisation plan	business reorganisation plan	the business reorganisation plan
850.	Art. 39 - para. 1	1. The CCP shall implement the business reorganisation plan and shall submit a report to the resolution authority and the competent authority as requested and, at least, every six months on its progress in implementing the plan.	1. The CCP shall implement the business reorganisation plan and shall submit a report to the resolution authority and the competent authority as requested and, at least, every six months on its progress in implementing the plan.	1. The CCP shall implement the business reorganisation plan and shall submit a report to the resolution authority and the competent authority as requested and, at least, every six months on its progress in implementing the plan.
851.	Art. 39 - para. 2 - subpara. 1	2. The resolution authority, in agreement with the competent authority, may require the CCP to revise the plan where necessary to achieve the aim referred to in 37(1).	2. The resolution authority, in agreement with the competent authority, may require the CCP to revise the plan where necessary to achieve the aim referred to in 37(1).	2. The resolution authority, in agreement with the competent authority, may require the CCP to revise the plan where necessary to achieve the aim referred to in 37(1).
852.	Art. 39 - para. 2 - subpara. 2	The CCP shall submit the revision referred to in the first subparagraph to the resolution authority for assessment in accordance with Article 38(3).	The CCP shall submit the revision referred to in the first subparagraph to the resolution authority for assessment in accordance with Article 38(3).	The CCP shall submit the revision referred to in the first subparagraph to the resolution authority for assessment in accordance with Article 38(3). <i>The resolution</i>

Nr.	Ref.	COM	Council	EP
				<i>authority, in the event that the Union State aid framework applies, shall coordinate this assessment with the Commission.</i>
853.	Section 4 - title	SECTION 4 THE SALE OF BUSINESS TOOL	SECTION 4 THE SALE OF BUSINESS TOOL	SECTION 4 THE SALE OF BUSINESS TOOL
854.	Art. 40 - title	Article 40 The sale of business tool	Article 40 The sale of business tool	Article 40 The sale of business tool
855.	Art. 40 - para. 1 - introd. part	1. The resolution authority may transfer the following to a purchaser that is not a bridge CCP:	1. The resolution authority may transfer the following to a purchaser that is not a bridge CCP:	1. The resolution authority may transfer the following to a purchaser that is not a bridge CCP:
856.	Art. 40 - para. 1 - point a	(a) instruments of ownership issued by a CCP under resolution;	(a) instruments of ownership issued by a CCP under resolution;	(a) instruments of ownership issued by a CCP under resolution;
857.	Art. 40 - para. 1 -	(b) any assets, rights, obligations or liabilities of a CCP under resolution.	(b) any assets, rights, obligations or liabilities of a CCP under resolution.	(b) any assets, rights, obligations or liabilities of a CCP under resolution.

Nr.	Ref.	COM	Council	EP
	point b			
858.	Art. 40 - para. 1 - subpara. 2	The transfer referred to in the first subparagraph shall take place without obtaining the consent of the shareholders of the CCP or any third party other than the purchaser and without complying with any procedural requirements under company or securities law other than those provided for in Article 41.	The transfer referred to in the first subparagraph shall take place without obtaining the consent of the shareholders of the CCP or any third party other than the purchaser and without complying with any procedural requirements under company or securities law other than those provided for in Article 41.	The transfer referred to in the first subparagraph shall take place without obtaining the consent of the shareholders of the CCP or any third party other than the purchaser and without complying with any procedural requirements under company or securities law other than those provided for in Article 41.
859.	Art. 40 - para. 2 - subpara. 1	2. A transfer made pursuant to paragraph 1 shall be made on commercial terms, and in having regard to the circumstances, and in accordance with the Union State aid framework.	2. A transfer made pursuant to paragraph 1 shall be made on commercial terms, and in having regard to the circumstances, and in accordance with the Union State aid framework.	2. A transfer made pursuant to paragraph 1 shall be made on commercial terms, and in accordance with the circumstances, and in accordance with the Union State aid framework.
860.	Art. 40 - para. 2 - subpara. 2	For the purposes of the first subparagraph, the resolution authority shall take all reasonable steps to obtain commercial	For the purposes of the first subparagraph, the resolution authority shall take all reasonable steps to obtain commercial	For the purposes of the first subparagraph, the resolution authority shall take all reasonable

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		terms that conform to the valuation conducted under Article 24(3).	terms that conform to the valuation conducted under Article 24(3).	steps to obtain commercial terms that conform to the valuation conducted under Article 24(3).
861.	Art. 40 - para. 3 - introd. part	3. Unless otherwise provided for in this Regulation, any consideration paid by the purchaser shall benefit:	3. <i>Subject to Article 27(9)</i> , any consideration paid by the purchaser shall benefit:	3. Unless otherwise provided for in this Regulation, any consideration paid by the purchaser shall benefit:
862.	Art. 40 - para. 3 - point a	(a) the owners of the instruments of ownership where the sale of business has been effected by transferring instruments of ownership issued by the CCP from the holders of those instruments to the purchaser;	(a) the owners of the instruments of ownership where the sale of business has been effected by transferring instruments of ownership issued by the CCP from the holders of those instruments to the purchaser;	(a) the owners of the instruments of ownership where the sale of business has been effected by transferring instruments of ownership issued by the CCP from the holders of those instruments to the purchaser;
863.	Art. 40 - para. 3 - point b	(b) the CCP, where the sale of business has been effected by transferring some or all of the assets or liabilities of the CCP to the purchaser;	(b) the CCP, where the sale of business has been effected by transferring some or all of the assets or liabilities of the CCP to the purchaser;	(b) the CCP, where the sale of business has been effected by transferring some or all of the assets or liabilities of the CCP to the purchaser;

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864.	Art. 40 - para. 3 - point c	(c) any non-defaulting clearing members that have suffered losses prior to resolution.	(c) any non-defaulting clearing members that have suffered losses <i>in application of the resolution tools in</i> resolution.	(c) any non-defaulting clearing members that have suffered losses prior to resolution.
865.	Art. 40 - para. 3 - subpara. 2	The allocation of any consideration paid by the purchaser shall be carried out in accordance with the CCP's default waterfall as set out in Articles 43 and 45 of Regulation (EU) No 648/2012 and the priority of claims under normal insolvency proceedings.	3a. The allocation of any consideration paid by the purchaser <i>in accordance with paragraph 3</i> shall be carried out <i>as follows</i> :	The allocation of any consideration paid by the purchaser shall be carried out in accordance with the CCP's default waterfall as set out in Articles 43 and 45 of Regulation (EU) No 648/2012 and the priority of claims under normal insolvency proceedings.
866.	Art. 40 - para. 3 a - point a (new)		<i>(a) upon the occurrence of an event covered by the CCP's default waterfall as set out in Articles 43 and 45 of Regulation (EU) No 648/2012 ■ , in a reversal of the order in which the losses have been imposed by the CCP's default waterfall;</i>	
867.	Art. 40 -		<i>(b) upon the occurrence of an event not</i>	

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	para. 3 a - point b (new)		<i>covered by the CCP's default waterfall as set out in Articles 43 and 45 if Regulation (EU) No 648/2012, in a reversal of the order in which the losses were allocated in accordance with any applicable rules of the CCP and then the priority of claims under normal insolvency proceedings.</i>	
868.	Art. 40 - para. 4	4. The resolution authority may exercise the transfer power referred to in paragraph 1 more than once in order to make supplemental transfers of instruments of ownership issued by the CCP or, as the case may be, the CCP's assets, rights, obligations, or liabilities.	4. The resolution authority may exercise the transfer power referred to in paragraph 1 more than once in order to make supplemental transfers of instruments of ownership issued by the CCP or, as the case may be, the CCP's assets, rights, obligations, or liabilities.	4. The resolution authority may exercise the transfer power referred to in paragraph 1 more than once in order to make supplemental transfers of instruments of ownership issued by the CCP or, as the case may be, the CCP's assets, rights, obligations, or liabilities.
869.	Art. 40 - para. 5 - subpara. 1	5. The resolution authority may, with the consent of the purchaser, transfer the assets, rights, obligations or liabilities that had been transferred to the purchaser back to	5. The resolution authority may, with the consent of the purchaser, transfer the assets, rights, obligations or liabilities that had been transferred to the purchaser back	5. The resolution authority may, with the consent of the purchaser, transfer the assets, rights, obligations or liabilities that had been transferred

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		the CCP, or the instruments of ownership back to their original owners.	to the CCP, or the instruments of ownership back to their original owners.	to the purchaser back to the CCP, or the instruments of ownership back to their original owners.
870.	Art. 40 - para. 5 - subpara. 2	Where the resolution authority uses the transfer power referred to in the first subparagraph, the CCP or original owners shall take back any such assets, rights, obligations or liabilities, or instruments of ownership.	Where the resolution authority uses the transfer power referred to in the first subparagraph, the CCP or original owners shall take back any such assets, rights, obligations or liabilities, or instruments of ownership.	Where the resolution authority uses the transfer power referred to in the first subparagraph, the CCP or original owners shall take back any such assets, rights, obligations or liabilities, or instruments of ownership.
871.	Art. 40 - para. 6 - subpara. 1	6. Any transfer made pursuant to in paragraph 1 shall take place irrespective of whether the purchaser is authorised to provide the services and carry out the activities resulting from the acquisition.	6. Any transfer made pursuant to paragraph 1 shall take place irrespective of whether the purchaser is authorised to provide the services and carry out the activities resulting from the acquisition.	6. Any transfer made pursuant to in paragraph 1 shall take place irrespective of whether the purchaser is authorised to provide the services and carry out the activities resulting from the acquisition.
872.	Art. 40 - para. 6 -	Where the purchaser is not authorised to provide the services and carry out the	Where the purchaser is not authorised to provide the services and carry out the	Where the purchaser is not authorised to provide the services

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	subpara. 2	activities resulting from the acquisition, the resolution authority, in consultation with the competent authority, shall conduct an appropriate due diligence of the purchaser and ensure that the purchaser applies for authorisation as soon as practicable and, at the latest, within one month of the use of the sale of business tool. The competent authority shall ensure that any such application for authorisation is considered in an expedited manner.	activities resulting from the acquisition, the resolution authority, in consultation with the competent authority, shall conduct an appropriate due diligence of the purchaser and ensure that the purchaser <i>has the professional and technical capacity to perform the functions of the purchased CCP and that it</i> applies for authorisation as soon as practicable and, at the latest, within one month of the use of the sale of business tool. The competent authority shall ensure that any such application for authorisation is considered in an expedited manner.	and carry out the activities resulting from the acquisition, the resolution authority, in consultation with the competent authority, shall conduct an appropriate due diligence of the purchaser and ensure that the purchaser applies for authorisation as soon as practicable and, at the latest, within one month of the use of the sale of business tool. The competent authority shall ensure that any such application for authorisation is considered in an expedited manner.
873.	Art. 40 - para. 7	7. Where the transfer of instruments of ownership referred to in paragraph 1 results in the acquisition of or increase in a qualifying holding referred to in Article 31(2) of Regulation (EU) No 648/2012, the	7. Where the transfer of instruments of ownership referred to in paragraph 1 results in the acquisition of or increase in a qualifying holding referred to in Article 31(2) of Regulation (EU) No 648/2012,	7. Where the transfer of instruments of ownership referred to in paragraph 1 results in the acquisition of or increase in a qualifying holding referred to in

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		competent authority shall carry out the assessment referred to in that Article within a period of time that neither delays the application of the sale of business tool nor prevents the resolution action from achieving the relevant resolution objectives.	the competent authority shall carry out the assessment referred to in that Article within a period of time that neither delays the application of the sale of business tool nor prevents the resolution action from achieving the relevant resolution objectives.	Article 31(2) of Regulation (EU) No 648/2012, the competent authority shall carry out the assessment referred to in that Article within a period of time that neither delays the application of the sale of business tool nor prevents the resolution action from achieving the relevant resolution objectives.
874.	Art. 40 - para. 8 - introd. part	8. Where the competent authority has not completed the assessment referred to in paragraph 7 by the date on which the transfer of instruments of ownership takes effect, the following shall apply:	8. Where the competent authority has not completed the assessment referred to in paragraph 7 by the date on which the transfer of instruments of ownership takes effect, the following shall apply:	8. Where the competent authority has not completed the assessment referred to in paragraph 7 by the date on which the transfer of instruments of ownership takes effect, the following shall apply:
875.	Art. 40 - para. 8 - point a	(a) the transfer of instruments of ownership shall have immediate legal effect from the date on which they are transferred;	(a) the transfer of instruments of ownership shall have immediate legal effect from the date on which they are transferred;	(a) the transfer of instruments of ownership shall have immediate legal effect from the date on which they are transferred;

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876.	Art. 40 - para. 8 - point b	(b) during the assessment period and during any divestment period provided for in point (f), the purchaser's voting rights attached to those instruments of ownership shall be suspended and vested solely in the resolution authority, which shall have no obligation to exercise them and shall not be liable for exercising or refraining from exercising them;	(b) during the assessment period and during any divestment period provided for in point (f), the purchaser's voting rights attached to those instruments of ownership shall be suspended and vested solely in the resolution authority, which shall have no obligation to exercise them and shall not be liable for exercising or refraining from exercising them, <i>except in cases of intent or gross negligence</i> ;	(b) during the assessment period and during any divestment period provided for in point (f), the purchaser's voting rights attached to those instruments of ownership shall be suspended and vested solely in the resolution authority, which shall have no obligation to exercise them and shall not be liable for exercising or refraining from exercising them;
877.	Art. 40 - para. 8 - point c	(c) during the assessment period and during any divestment period provided for in point (f), any penalties or measures for infringing the requirements for acquisitions or disposals of qualifying holdings envisaged in Article 12 of Regulation (EU) No 648/2012 shall not apply to that transfer;	(c) during the assessment period and during any divestment period provided for in point (f), any penalties <i>envisaged in Article 22(3) of Regulation (EU) No 648/2012</i> or measures for infringing the requirements for acquisitions or disposals of qualifying holdings envisaged in Article 30 of Regulation (EU) No 648/2012 shall not apply to that transfer;	(c) during the assessment period and during any divestment period provided for in point (f), any penalties or measures for infringing the requirements for acquisitions or disposals of qualifying holdings envisaged in Article 12 of Regulation (EU) No 648/2012 shall not apply to that transfer;

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878.	Art. 40 - para. 8 - point d	(d) the competent authority shall notify the resolution authority and the purchaser in writing of the result of its assessment in accordance with Article 32 of Regulation (EU) No 648/2012 promptly after completing its assessment;	(d) the competent authority shall notify the resolution authority and the purchaser in writing of the result of its assessment in accordance with Article 32 of Regulation (EU) No 648/2012 promptly after completing its assessment;	(d) the competent authority shall notify the resolution authority and the purchaser in writing of the result of its assessment in accordance with Article 32 of Regulation (EU) No 648/2012 promptly after completing its assessment;
879.	Art. 40 - para. 8 - point e	(e) where the competent authority does not oppose the transfer, the voting rights attached to those instruments of ownership shall be deemed to be fully vested in the purchaser as from the notification referred to in point (d);	(e) where the competent authority does not oppose the transfer, the voting rights attached to those instruments of ownership shall be deemed to be fully vested in the purchaser as from the notification referred to in point (d);	(e) where the competent authority does not oppose the transfer, the voting rights attached to those instruments of ownership shall be deemed to be fully vested in the purchaser as from the notification referred to in point (d);
880.	Art. 40 - para. 8 - point f	(f) where the competent authority opposes the transfer of instruments of ownership, point (b) shall continue to apply and the resolution authority may, having taken into account market conditions, establish a	(f) where the competent authority opposes the transfer of instruments of ownership, point (b) shall continue to apply and the resolution authority may, having taken into account market	(f) where the competent authority opposes the transfer of instruments of ownership, point (b) shall continue to apply and the resolution authority may, having taken into

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		divestment period within which the purchaser shall divest such instruments of ownership.	conditions, establish a divestment period within which the purchaser shall divest such instruments of ownership.	account market conditions, establish a divestment period within which the purchaser shall divest such instruments of ownership.
881.	Art. 40 - para. 9	9. For the purposes of exercising its right to provide services in accordance with Regulation (EU) No 648/2012, the purchaser shall be considered to be a continuation of the CCP under resolution, and may continue to exercise any such right that was exercised by the CCP under resolution in respect of the assets, rights, obligations or liabilities transferred.	9. For the purposes of exercising its right to provide services in accordance with Regulation (EU) No 648/2012, the purchaser shall be considered to be a continuation of the CCP under resolution, and may continue to exercise any such right that was exercised by the CCP under resolution in respect of the assets, rights, obligations or liabilities transferred.	9. For the purposes of exercising its right to provide services in accordance with Regulation (EU) No 648/2012, the purchaser shall be considered to be a continuation of the CCP under resolution, and may continue to exercise any such right that was exercised by the CCP under resolution in respect of the assets, rights, obligations or liabilities transferred.
882.	Art. 40 - para. 10 - subpara. 1	10. The purchaser referred to in paragraph 1 shall not be prevented from exercising the CCP's rights of membership and accessing the payment and settlement systems or any	10. The purchaser referred to in paragraph 1 shall not be prevented from exercising the CCP's rights of membership and accessing the payment and settlement	10. The purchaser referred to in paragraph 1 shall not be prevented from exercising the CCP's rights of membership and accessing the

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		other financial market infrastructure provided that the purchaser meets the criteria for membership or participation in those systems or infrastructures.	systems <i>and</i> other <i>linked FMI</i> s <i>and trading venues</i> meets the criteria for membership or participation in those systems or infrastructures <i>or trading venues</i> .	payment and settlement systems or any other financial market infrastructure provided that the purchaser meets the criteria for membership or participation in those systems or infrastructures.
883.	Art. 40 - para. 10 - subpara. 2	Where the purchaser does not meet the criteria referred to in the first subparagraph, the purchaser may continue to exercise the CCP's rights of membership and accessing those systems and infrastructures for the period of time specified by the resolution authority. That period of time shall not exceed 12 months.	<i>Notwithstanding</i> the first subparagraph, the purchaser	Where the purchaser does not meet the criteria referred to in the first subparagraph, the purchaser may continue to exercise the CCP's rights of membership and accessing those systems and infrastructures <i>subject to approval</i> by the resolution authority. <i>Such approval shall be granted only for a period of time not exceeding</i> 12 months.
884.	Art. 40 - para. 11	11. The purchaser shall not be denied access to payment and settlement systems or any other financial market infrastructure	shall not be denied access to payment and settlement systems <i>and</i> other <i>linked FMI</i> s <i>and trading venues</i> on the ground	11. <i>For a period of 12 months</i> , the purchaser shall not be denied access to payment and settlement systems or

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		on the ground that the purchaser does not possess a rating from a credit rating agency, or that that rating is below the rating levels required to be granted access to those systems or infrastructures.	that the purchaser does not possess a rating from a credit rating agency, or that that rating is below the rating levels required to be granted access to those systems or infrastructures <i>or trading venues</i> .	any other financial market infrastructure on the ground that the purchaser does not possess a rating from a credit rating agency, or that that rating is below the rating levels required to be granted access to those systems or infrastructures.
885.	Art. 40 - para. 10 - subpara. 3 a (new)		<i>Where the purchaser does not meet the criteria referred to in the first subparagraph, the purchaser may continue to exercise the CCP's rights of membership and accessing those systems and other infrastructures and trading venues for the period of time specified by the resolution authority. That period of time shall not exceed 12 months.</i>	
886.	Art. 40 - para. 12	12. Unless otherwise provided for in this Regulation, shareholders, creditors, clearing members and clients of the CCP	12. Unless otherwise provided for in this Regulation, shareholders, creditors, clearing members and clients of the CCP	12. Unless otherwise provided for in this Regulation, shareholders, creditors, clearing members and

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		under resolution and other third parties whose assets, rights, obligations or liabilities are not transferred shall have no rights over, or in relation to, the assets, rights, obligations or liabilities transferred.	under resolution and other third parties whose assets, rights, obligations or liabilities are not transferred shall have no rights over, or in relation to, the assets, rights, obligations or liabilities transferred.	clients of the CCP under resolution and other third parties whose assets, rights, obligations or liabilities are not transferred shall have no rights over, or in relation to, the assets, rights, obligations or liabilities transferred.
887.	Art. 41 - title	Article 41 Sale of business tool: procedural requirements	Article 41 Sale of business tool: procedural requirements	Article 41 Sale of business tool: procedural requirements
888.	Art. 41 - para. 1	1. Where using the sale of business tool in relation to a CCP, the resolution authority shall advertise the availability, or make arrangements for the marketing, of the assets, rights, obligations, liabilities, or the instruments of ownership intended to be transferred. Pools of rights, assets, obligations and liabilities may be marketed separately.	1. Where using the sale of business tool in relation to a CCP, the resolution authority shall advertise the availability, or make arrangements for the marketing, of the assets, rights, obligations, liabilities, or the instruments of ownership intended to be transferred. Pools of rights, assets, obligations and liabilities may be marketed separately.	1. Where using the sale of business tool in relation to a CCP, the resolution authority shall advertise the availability, or make arrangements for the marketing, of the assets, rights, obligations, liabilities, or the instruments of ownership intended to be transferred. Pools of rights, assets, obligations

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				and liabilities may be marketed separately.
889.	Art. 41 - para. 2 - introd. part	2. Without prejudice to the Union State aid framework, where applicable, the marketing referred to in paragraph 1 shall be carried out in accordance with the following criteria:	2. Without prejudice to the Union State aid framework, where applicable, the marketing referred to in paragraph 1 shall be carried out in accordance with the following criteria:	2. Without prejudice to the Union State aid framework, where applicable, the marketing referred to in paragraph 1 shall be carried out in accordance with the following criteria:
890.	Art. 41 - para. 2 - point a	(a) it shall be as transparent as possible and shall not materially misrepresent the assets, rights, obligations, liabilities, or instruments of ownership of the CCP, having regard to the circumstances and in particular the need to maintain financial stability;	(a) it shall be as transparent as possible and shall not materially misrepresent the assets, rights, obligations, liabilities, or instruments of ownership of the CCP, having regard to the circumstances and in particular the need to maintain financial stability;	(a) it shall be as transparent as possible and shall not materially misrepresent the assets, rights, obligations, liabilities, or instruments of ownership of the CCP, having regard to the circumstances and in particular the need to maintain financial stability;
891.	Art. 41 - para. 2 -	(b) it shall not unduly favour or discriminate between potential purchasers;	(b) it shall not unduly favour or discriminate between potential purchasers;	(b) it shall not unduly favour or discriminate between potential purchasers;

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	point b			purchasers;
892.	Art. 41 - para. 2 - point c	(c) it shall be free from any conflict of interest;	(c) it shall be free from any conflict of interest;	(c) it shall be free from any conflict of interest;
893.	Art. 41 - para. 2 - point d	(d) it shall take account of the need to effect a rapid resolution action;	(d) it shall take account of the need to effect a rapid resolution action;	(d) it shall take account of the need to effect a rapid resolution action;
894.	Art. 41 - para. 2 - point e	(e) it shall aim at maximising, as far as possible, the sale price for the instruments of ownership, assets, rights, obligations or liabilities involved.	(e) it shall aim at maximising, as far as possible, the sale price for the instruments of ownership, assets, rights, obligations or liabilities involved.	(e) it shall aim at maximising, as far as possible, the sale price for the instruments of ownership, assets, rights, obligations or liabilities involved.
895.	Art. 41 - para. 2 - subpara. 2	The criteria referred to in the first subparagraph shall not prevent the resolution authority from soliciting particular potential purchasers.	The criteria referred to in the first subparagraph shall not prevent the resolution authority from soliciting particular potential purchasers.	The criteria referred to in the first subparagraph shall not prevent the resolution authority from soliciting particular potential purchasers.
896.	Art. 41 -	3. By way of derogation from paragraph	3. By way of derogation from paragraph	3. By way of derogation from

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	para. 3	1, the resolution authority may market the assets, rights, obligations, liabilities or the instruments of ownership without complying with the criteria referred to in paragraph 2 where compliance with those criteria would be likely to undermine one or more of the resolution objectives.	1, the resolution authority <i>may apply the sale of business tool without complying with the requirement to market, or</i> may market the assets, rights, obligations, liabilities or the instruments of ownership complying with the criteria referred to in paragraph 2 where compliance with those criteria would be likely to undermine one or more of the resolution objectives, <i>including by creating a material threat to financial stability.</i>	paragraph 1, the resolution authority may market the assets, rights, obligations, liabilities or the instruments of ownership without complying with the criteria referred to in paragraph 2 where compliance with those criteria would be likely to undermine one or more of the resolution objectives.
897.	Section 5 - title	SECTION 5 THE BRIDGE CCP TOOL	SECTION 5 THE BRIDGE CCP TOOL	SECTION 5 THE BRIDGE CCP TOOL
898.	Art. 42 - title	Article 42 Bridge CCP tool	Article 42 Bridge CCP tool	Article 42 Bridge CCP tool
899.	Art. 42 - para. 1 -	1. The resolution authority may transfer to a bridge CCP the following:	1. The resolution authority may transfer to a bridge CCP the following:	1. The resolution authority may transfer to a bridge CCP the

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	introd. part			following:
900.	Art. 42 - para. 1 - point a	(a) the instruments of ownership issued by a CCP under resolution;	(a) the instruments of ownership issued by a CCP under resolution;	(a) the instruments of ownership issued by a CCP under resolution;
901.	Art. 42 - para. 1 - point b	(b) any assets, rights, obligations or liabilities of the CCP under resolution.	(b) any assets, rights, obligations or liabilities of the CCP under resolution.	(b) any assets, rights, obligations or liabilities of the CCP under resolution.
902.	Art. 42 - para. 1 - subpara. 2	The transfer referred to in the first subparagraph may take place without obtaining the consent of the shareholders of the CCP under resolution or any third party other than the bridge CCP and without complying with any procedural requirements under company or securities law other than those provided for in Article 43.	The transfer referred to in the first subparagraph may take place without obtaining the consent of the shareholders of the CCP under resolution or any third party other than the bridge CCP and without complying with any procedural requirements under company or securities law other than those provided for in Article 43.	The transfer referred to in the first subparagraph may take place without obtaining the consent of the shareholders of the CCP under resolution or any third party other than the bridge CCP and without complying with any procedural requirements under company or securities law other than those provided for in Article 43.

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903.	Art. 42 - para. 2 - introd. part	2. The bridge CCP shall be a legal person that meets all of the following requirements:	2. The bridge CCP shall be a legal person that meets all of the following requirements:	2. The bridge CCP shall be a legal person that meets all of the following requirements:
904.	Art. 42 - para. 2 - point a	(a) it is controlled by the resolution authority and it is wholly or partially owned by one or more public authorities which may include the resolution authority;	(a) it is controlled by the resolution authority and it is wholly or partially owned by one or more public authorities which may include the resolution authority;	(a) it is controlled by the resolution authority and it is wholly or partially owned by one or more public authorities which may include the resolution authority;
905.	Art. 42 - para. 2 - point b	(b) it is created for the purpose of receiving and holding some or all of the instruments of ownership issued by a CCP under resolution or some or all of the assets, rights, obligations and liabilities of the CCP with a view to maintaining the critical functions of the CCP and subsequently selling the CCP.	(b) it is created <i>or used</i> for the purpose of receiving and holding some or all of the instruments of ownership issued by a CCP under resolution or some or all of the assets, rights, obligations and liabilities of the CCP with a view to maintaining the critical functions of the CCP and subsequently selling the CCP.	(b) it is created for the purpose of receiving and holding some or all of the instruments of ownership issued by a CCP under resolution or some or all of the assets, rights, obligations and liabilities of the CCP with a view to maintaining the critical functions of the CCP and subsequently selling the CCP.

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906.	Art. 42 - para. 3	3. When applying the bridge CCP tool, the resolution authority shall ensure that the total value of liabilities and obligations transferred to the bridge CCP does not exceed the total value of the rights and assets transferred from the CCP under resolution.	3. When applying the bridge CCP tool, the resolution authority shall ensure that the total value of liabilities and obligations transferred to the bridge CCP does not exceed the total value of the rights and assets transferred from the CCP under resolution.	3. When applying the bridge CCP tool, the resolution authority shall ensure that the total value of liabilities and obligations transferred to the bridge CCP does not exceed the total value of the rights and assets transferred from the CCP under resolution.
907.	Art. 42 - para. 4 - introd. part	4. Unless otherwise provided for in this Regulation, any consideration paid by the bridge CCP shall benefit:	4. <i>Subject to Article 27(9)</i> any consideration paid by the bridge CCP shall benefit:	4. Unless otherwise provided for in this Regulation, any consideration paid by the bridge CCP shall benefit:
908.	Art. 42 - para. 4 - point a	(a) the owners of the instruments of ownership, where the transfer to the bridge CCP has been effected by transferring instruments of ownership issued by the CCP under resolution from the holders of those instruments to the bridge CCP;	(a) the owners of the instruments of ownership, where the transfer to the bridge CCP has been effected by transferring instruments of ownership issued by the CCP under resolution from the holders of those instruments to the bridge CCP;	(a) the owners of the instruments of ownership, where the transfer to the bridge CCP has been effected by transferring instruments of ownership issued by the CCP under resolution from the holders of those instruments to the bridge CCP;

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				instruments to the bridge CCP;
909.	Art. 42 - para. 4 - point b	(b) the CCP under resolution, where the transfer to the bridge CCP has been effected by transferring some or all of the assets or liabilities of that CCP to the bridge CCP.	(b) the CCP under resolution, where the transfer to the bridge CCP has been effected by transferring some or all of the assets or liabilities of that CCP to the bridge CCP;	(b) the CCP under resolution, where the transfer to the bridge CCP has been effected by transferring some or all of the assets or liabilities of that CCP to the bridge CCP.
910.	Art. 42 - para. 4 - point c (new)		<i>(c) any non-defaulting clearing members that have suffered losses in application of the resolution tools in resolution.</i>	
911.	Art. 42 - para. 4 a (new)- introd. part		<i>4a. The allocation of any consideration paid by the bridge CCP in accordance with paragraph 4 shall be carried out in accordance with:</i>	
912.	Art. 42 - para. 4 a (new) -		<i>(a) upon the occurrence of an event covered by the CCPs waterfall as set out in Articles 43 and 45 of Regulation (EU)</i>	

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	point a		<i>No 648/2012, in a reversal of the order in which losses have been imposed by the CCPs default waterfall;</i>	
913.	Art. 42 - para. 4 a (new) - point b		<i>(b) upon the occurrence of an event not covered by the CCPs default waterfall as set out in Articles 43 and 45 of Regulation (EU) No 648/2012, in a reversal of the order in which losses were allocated in accordance with any applicable rules of the CCP and then the priority of claims under normal insolvency proceedings.</i>	
914.	Art. 42 - para. 5	5. The resolution authority may exercise the transfer power referred to in paragraph 1 more than once in order to make supplemental transfers of instruments of ownership issued by a CCP or of its assets, rights, obligations or liabilities.	5. The resolution authority may exercise the transfer power referred to in paragraph 1 more than once in order to make supplemental transfers of instruments of ownership issued by a CCP or of its assets, rights, obligations or liabilities.	5. The resolution authority may exercise the transfer power referred to in paragraph 1 more than once in order to make supplemental transfers of instruments of ownership issued by a CCP or of its assets, rights, obligations or liabilities.

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915.	Art. 42 - para. 6 - subpara. 1	6. The resolution authority may transfer the rights, obligations, assets or liabilities that had been transferred to the bridge CCP back to the CCP under resolution, or the instruments of ownership back to their original owners where that transfer is expressly provided for in the instrument by which the transfer referred to in paragraph 1 is made.	6. The resolution authority may transfer the rights, obligations, assets or liabilities that had been transferred to the bridge CCP back to the CCP under resolution, or the instruments of ownership back to their original owners where that transfer is expressly provided for in the instrument by which the transfer referred to in paragraph 1 is made.	6. The resolution authority may transfer the rights, obligations, assets or liabilities that had been transferred to the bridge CCP back to the CCP under resolution, or the instruments of ownership back to their original owners where that transfer is expressly provided for in the instrument by which the transfer referred to in paragraph 1 is made.
916.	Art. 42 - para. 6 - subpara. 2	Where the resolution authority uses the transfer power referred to in the first subparagraph, the CCP under resolution or original owners shall be obliged to take back any such assets, rights, obligations or liabilities, or instruments of ownership, provided that the conditions in the first subparagraph of this paragraph or in paragraph 7 are met.	Where the resolution authority uses the transfer power referred to in the first subparagraph, the CCP under resolution or original owners shall be obliged to take back any such assets, rights, obligations or liabilities, or instruments of ownership, provided that the conditions in the first subparagraph of this paragraph or in paragraph 7 are met.	Where the resolution authority uses the transfer power referred to in the first subparagraph, the CCP under resolution or original owners shall be obliged to take back any such assets, rights, obligations or liabilities, or instruments of ownership, provided that the conditions in the first subparagraph of this paragraph or in

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				paragraph 7 are met.
917.	Art. 42 - para. 7	7. Where the specific instruments of ownership, assets, rights, obligations or liabilities do not fall within the classes of, or meet the conditions for transfer of, instruments of ownership, assets, rights, obligations or liabilities specified in the instrument by which the transfer was made, the resolution authority may transfer them from the bridge CCP back to the CCP under resolution or the original owners.	7. Where the specific instruments of ownership, assets, rights, obligations or liabilities do not fall within the classes of, or meet the conditions for transfer of, instruments of ownership, assets, rights, obligations or liabilities specified in the instrument by which the transfer was made, the resolution authority may transfer them from the bridge CCP back to the CCP under resolution or the original owners.	7. Where the specific instruments of ownership, assets, rights, obligations or liabilities do not fall within the classes of, or meet the conditions for transfer of, instruments of ownership, assets, rights, obligations or liabilities specified in the instrument by which the transfer was made, the resolution authority may transfer them from the bridge CCP back to the CCP under resolution or the original owners.
918.	Art. 42 - para. 8	8. A transfer referred to in paragraphs 6 and 7 may be made at any time, and shall comply with any other conditions stated in the instrument by which the transfer was made for the relevant purpose.	8. A transfer referred to in paragraphs 6 and 7 may be made at any time, and shall comply with any other conditions stated in the instrument by which the transfer was made for the relevant purpose.	8. A transfer referred to in paragraphs 6 and 7 may be made at any time, and shall comply with any other conditions stated in the instrument by which the transfer was made for the relevant purpose.

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919.	Art. 42 - para. 9	9. The resolution authority may transfer instruments of ownership or assets, rights, obligations or liabilities from the bridge CCP to a third party.	9. The resolution authority may transfer instruments of ownership or assets, rights, obligations or liabilities from the bridge CCP to a third party.	9. The resolution authority may transfer instruments of ownership or assets, rights, obligations or liabilities from the bridge CCP to a third party.
920.	Art. 42 - para. 10 - subpara. 1	10. For the purposes of exercising its right to provide services in accordance with Regulation (EU) No 648/2012, a bridge CCP shall be considered to be a continuation of the CCP under resolution and may continue to exercise any such right that was exercised by the CCP under resolution in respect of the assets, rights, obligations or liabilities transferred.	10. For the purposes of exercising its right to provide services in accordance with Regulation (EU) No 648/2012, a bridge CCP shall be considered to be a continuation of the CCP under resolution and may continue to exercise any such right that was exercised by the CCP under resolution in respect of the assets, rights, obligations or liabilities transferred.	10. For the purposes of exercising its right to provide services in accordance with Regulation (EU) No 648/2012, a bridge CCP shall be considered to be a continuation of the CCP under resolution and may continue to exercise any such right that was exercised by the CCP under resolution in respect of the assets, rights, obligations or liabilities transferred.
921.	Art. 42 - para. 10 -	For any other purposes, resolution authorities may require that a bridge CCP be considered to be a continuation of the	For any other purposes, resolution authorities may require that a bridge CCP be considered to be a continuation of the	For any other purposes, resolution authorities may require that a bridge CCP be considered to be a

Nr.	Ref.	COM	Council	EP
	subpara. 2	CCP under resolution, and be able to continue to exercise any right that was exercised by the CCP under resolution in respect of the assets, rights, obligations or liabilities transferred.	CCP under resolution, and be able to continue to exercise any right that was exercised by the CCP under resolution in respect of the assets, rights, obligations or liabilities transferred.	continuation of the CCP under resolution, and be able to continue to exercise any right that was exercised by the CCP under resolution in respect of the assets, rights, obligations or liabilities transferred.
922.	Art. 42 - para. 11 - subpara. 1	11. The bridge CCP shall not be prevented from exercising the rights of membership and accessing payment and settlement systems and other FMIs of the CCP under resolution, provided that it meets the criteria for membership and participation in those systems and infrastructures.	11. The bridge CCP shall not be prevented from exercising the rights of membership and accessing payment and settlement systems and other <i>linked</i> FMIs <i>and trading venues</i> , provided that it meets the criteria for membership and participation in those systems <i>or FMIs or trading venues</i> .	11. The bridge CCP shall not be prevented from exercising the rights of membership and accessing payment and settlement systems and other FMIs of the CCP under resolution, provided that it meets the criteria for membership and participation in those systems and infrastructures.
923.	Art. 42 - para. 11 - subpara. 2	Where the bridge CCP does not meet the criteria referred to in the first subparagraph, the bridge CCP may continue to exercise the CCP's rights of membership and		Where the bridge CCP does not meet the criteria referred to in the first subparagraph, the bridge CCP may continue to exercise the CCP's rights

Nr.	Ref.	COM	Council	EP
		accessing those systems and infrastructures for a period of time specified by the resolution authority. That period of time shall not exceed 12 months.		of membership and accessing those systems and infrastructures for a period of time specified by the resolution authority. That period of time shall not exceed 12 months.
924.	Art. 42 - para. 12	12. The bridge CCP shall not be denied access to payment and settlement systems or any other FMI on the ground that the bridge CCP does not possess a rating from a credit rating agency, or that that rating is below the rating levels required to be granted access to those systems or infrastructures.	<i>Notwithstanding the first subparagraph,</i> the bridge CCP ■ shall not be denied access to payment and settlement systems <i>and other FMIs and trading venues</i> on the ground that the bridge CCP does not possess a rating from a credit rating agency, or that that rating is below the rating levels required to be granted access to those systems or infrastructures <i>or trading venues</i> .	12. The bridge CCP shall not be denied access to payment and settlement systems or any other FMI on the ground that the bridge CCP does not possess a rating from a credit rating agency, or that that rating is below the rating levels required to be granted access to those systems or infrastructures.
925.	Art. 42 - para. 11 - subpara. 1 b (new)		<i>Where the bridge CCP does not meet the criteria referred to in the first subparagraph, the bridge CCP may continue to exercise the CCP's rights of</i>	

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			<i>membership and accessing those systems and other infrastructures and trading venues for a period of time specified by the resolution authority. That period of time shall not exceed 12 months.</i>	
926.	Art. 42 - para. 13	13. Shareholders or creditors of the CCP under resolution and other third parties whose assets, rights, obligations or liabilities are not transferred to the bridge CCP, shall have no claims over or in relation to the assets, rights, obligations or liabilities transferred to the bridge CCP, or against its board or senior management.	13. Shareholders or creditors of the CCP under resolution and other third parties whose assets, rights, obligations or liabilities are not transferred to the bridge CCP, shall have no claims over or in relation to the assets, rights, obligations or liabilities transferred to the bridge CCP, or against its board or senior management.	13. Shareholders or creditors of the CCP under resolution and other third parties whose assets, rights, obligations or liabilities are not transferred to the bridge CCP, shall have no claims over or in relation to the assets, rights, obligations or liabilities transferred to the bridge CCP, or against its board or senior management.
927.	Art. 42 - para. 14	14. The bridge CCP shall have no duty or responsibility to shareholders or creditors of the CCP under resolution, and the board or senior management of the bridge CCP	14. The bridge CCP shall have no duty or responsibility to shareholders or creditors of the CCP under resolution, and the board or senior management of the bridge CCP	14. The bridge CCP shall have no duty or responsibility to shareholders or creditors of the CCP under resolution, and the board or senior

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		shall have no liability to those shareholders or creditors for acts and omissions in the discharge of their duties, unless the act or omission is due to gross negligence or serious misconduct in accordance with applicable national law.	shall have no liability to those shareholders or creditors for acts and omissions in the discharge of their duties, unless the act or omission is due to gross negligence or serious misconduct in accordance with applicable national law.	management of the bridge CCP shall have no liability to those shareholders or creditors for acts and omissions in the discharge of their duties, unless the act or omission is due to gross negligence or serious misconduct in accordance with applicable national law.
928.	Art. 43 - title	Article 43 Bridge CCP: procedural requirements	Article 43 Bridge CCP: procedural requirements	Article 43 Bridge CCP: procedural requirements
929.	Art. 43 - para. 1 - introd. part	1. The bridge CCP shall comply with all of the following requirements:	1. The bridge CCP shall comply with all of the following requirements:	1. The bridge CCP shall comply with all of the following requirements:
930.	Art. 43 - para. 1 - point a -	(a) the bridge CCP shall seek the approval of the resolution authority for all of the following:	(a) the bridge CCP shall seek the approval of the resolution authority for all of the following:	(a) the bridge CCP shall seek the approval of the resolution authority for all of the following:

Nr.	Ref.	COM	Council	EP
	introd. part			
931.	Art. 43 - para. 1 - point a - subpoint i	(i) the rules of incorporation of the bridge CCP;	(i) the rules of incorporation of the bridge CCP;	(i) the rules of incorporation of the bridge CCP;
932.	Art. 43 - para. 1 - point a - subpoint ii	(ii) the members of the bridge CCP's board, where those members are not directly appointed by the resolution authority;	(ii) the members of the bridge CCP's board, where those members are not directly appointed by the resolution authority;	(ii) the members of the bridge CCP's board, where those members are not directly appointed by the resolution authority;
933.	Art. 43 - para. 1 - point a - subpoint iii	(iii) the responsibilities and remuneration of the members of the bridge CCP's board, where the remuneration and the responsibilities are not determined by the resolution authority;	(iii) the responsibilities and remuneration of the members of the bridge CCP's board, where the remuneration and the responsibilities are not determined by the resolution authority;	(iii) the responsibilities and remuneration of the members of the bridge CCP's board, where the remuneration and the responsibilities are not determined by the resolution authority;
934.	Art. 43 - para. 1 -	(iv) the strategy and risk profile of the	(iv) the strategy and risk profile of the	(iv) the strategy and risk profile of

Nr.	Ref.	COM	Council	EP
	point a - subpoint iv	bridge CCP;	bridge CCP;	the bridge CCP;
935.	Art. 43 - para. 1 - point b	(b) the bridge CCP shall be authorised to provide the services or carry out the activities resulting from the transfer referred to in Article 42(1) in accordance with Regulation (EU) No 648/2012.	(b) the bridge CCP shall be authorised to provide the services or carry out the activities resulting from the transfer referred to in Article 42(1) in accordance with Regulation (EU) No 648/2012.	(b) the bridge CCP shall <i>take over the authorisations of the CCP under resolution</i> to provide the services or carry out the activities resulting from the transfer referred to in Article 42(1) in accordance with Regulation (EU) No 648/2012.
936.	Art. 43 - para. 1 - subpara. 2	Where the bridge CCP is not authorised as required pursuant to point (b) of paragraph 1, the resolution authority shall seek the approval of the competent authority for carrying out the transfer referred to in Article 42(1). Where the authority approves that transfer, it shall indicate the period for which the bridge CCP's obligation to comply with the	<i>Notwithstanding point (b) of the first subparagraph and where necessary to meet the resolution objectives</i> , the bridge CCP <i>may be established and authorised without complying with Regulation (EU) No 648/2012 for a short period of time at the beginning of its operation. To that end</i> , the resolution authority shall <i>submit a request in that sense to the competent</i>	Where the bridge CCP is not authorised as required pursuant to point (b) of paragraph 1, the resolution authority shall seek the approval of the competent authority for carrying out the transfer referred to in Article 42(1). Where the competent authority approves that transfer, it shall indicate the period

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		requirements of Regulation (EU) No 648/2012 is waived. That period shall be no longer than 12 months.	<i>authority. If the competent authority decides to grant such an authorisation, it shall indicate the period for which the bridge CCP's obligation to comply with the requirements of Regulation (EU) No 648/2012 is waived. That period shall be no longer than 12 months. During this period, the bridge CCP shall be considered as a qualifying CCP as defined in point (88) Article 4(1) for the purposes of Regulation (EU) No 575/2013.</i>	for which the bridge CCP's obligation to comply with the requirements of Regulation (EU) No 648/2012 is waived. ■
937.	Art. 43 - para. 1 - subpara. 2 a (new)			<i>The prudential requirements under Chapter 3 of Title IV of Regulation (EU) No 648/2012 shall only be waived for a period of a maximum of three months, while all other provisions of Regulation (EU) No 648/2012 can be waived for a period</i>

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				<i>of a maximum of 12 months.</i>
938.	Art. 43 - para. 2	2. Subject to any restrictions imposed in accordance with Union or national competition rules, the management of the bridge CCP shall operate the bridge CCP with the objective of maintaining access by stakeholders to the bridge CCP or any of its assets, rights, obligations and liabilities to one or more private sector purchasers. That sale shall take place when market conditions are appropriate, and within the period specified in paragraphs 5 and, where applicable, 6 of this Article.	2. Subject to any restrictions imposed in accordance with Union or national competition rules, the management of the bridge CCP shall operate the bridge CCP with the objective of maintaining continuity of the bridge CCP's critical functions and selling the bridge CCP or any of its assets, rights, obligations and liabilities to one or more private sector purchasers. That sale shall take place when market conditions are appropriate, and within the period specified in paragraphs 5 and, where applicable, 6 of this Article.	2. Subject to any restrictions imposed in accordance with Union or national competition rules, the management of the bridge CCP shall operate the bridge CCP with the objective of maintaining access by stakeholders to the bridge CCP's critical functions and selling the bridge CCP or any of its assets, rights, obligations and liabilities to one or more private sector purchasers. That sale shall take place when market conditions are appropriate, and within the period specified in paragraphs 5 and, where applicable, 6 of this Article.
939.	Art. 43 - para. 3 -	3. The resolution authority shall terminate the bridge CCP in any of the following	3. The resolution authority shall take a decision that the bridge CCP is no longer	3. The resolution authority shall terminate the bridge CCP in any of

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	introd. part	cases:	<i>a bridge CCP within the meaning of Article 42(2)</i> in any of the following cases:	the following cases:
940.	Art. 43 - para. 3 - point a	(a) the resolution objectives are fulfilled;	(a) the resolution objectives are fulfilled;	(a) the resolution objectives are fulfilled;
941.	Art. 43 - para. 3 - point b	(b) the bridge CCP merges with another entity;	(b) the bridge CCP merges with another entity;	(b) the bridge CCP merges with another entity;
942.	Art. 43 - para. 3 - point c	(c) the bridge CCP ceases to meet the requirements laid down in Article 42(2);	(c) the bridge CCP ceases to meet the requirements laid down in Article 42(2);	(c) the bridge CCP ceases to meet the requirements laid down in Article 42(2);
943.	Art. 43 - para. 3 - point d	(d) the bridge CCP or substantially all of its assets, rights, obligations or liabilities have been sold in accordance with paragraph 4;	(d) the bridge CCP or substantially all of its assets, rights, obligations or liabilities have been sold in accordance with <i>paragraphs 2 and 4</i> ;	(d) the bridge CCP or substantially all of its assets, rights, obligations or liabilities have been sold in accordance with paragraph 4;
944.	Art. 43 -	(e) the period specified in paragraph 5	(e) the period specified in paragraph 5 <i>or</i> ,	(e) the period specified in paragraph

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	para. 3 - point e	expires;	<i>where applicable, paragraph 6</i> expires;	5 expires;
945.	Art. 43 - para. 3 - point f	(f) the contracts cleared by the bridge CCP have been settled, have expired or have been closed out and the CCP's rights and obligations relating to those contracts are thereby completely discharged.	(f) the contracts cleared by the bridge CCP have been settled, have expired or have been closed out and the CCP's rights and obligations relating to those contracts are thereby completely discharged.	(f) the contracts cleared by the bridge CCP have been settled, have expired or have been closed out and the CCP's rights and obligations relating to those contracts are thereby completely discharged.
946.	Art. 43 - para. 4 - subpara. 1	4. Before selling the bridge CCP or its assets, rights, obligations or liabilities, the resolution authority shall advertise the availability of the elements intended to be sold, and shall ensure that they are marketed openly and transparently, and that they are not materially misrepresented.	4. Before selling the bridge CCP or its assets, rights, obligations or liabilities, the resolution authority shall advertise the availability of the elements intended to be sold, and shall ensure that they are marketed openly and transparently, and that they are not materially misrepresented.	4. Before selling the bridge CCP or its assets, rights, obligations or liabilities, the resolution authority shall advertise the availability of the elements intended to be sold, and shall ensure that they are marketed openly and transparently, and that they are not materially misrepresented.
947.	Art. 43 -	The resolution authority shall carry out the	The resolution authority shall carry out the	The resolution authority shall carry

Nr.	Ref.	COM	Council	EP
	para. 4 - subpara. 2	sale referred to in the first subparagraph on commercial terms and shall not unduly favour or discriminate between potential purchasers.	sale referred to in the first subparagraph on commercial terms and shall not unduly favour or discriminate between potential purchasers.	out the sale referred to in the first subparagraph on commercial terms and shall not unduly favour or discriminate between potential purchasers.
948.	Art. 43 - para. 5 - subpara. 1	5. The resolution authority shall terminate the operation of a bridge CCP two years after the date on which the last transfer from the CCP under resolution is made.	5. The resolution authority shall terminate the operation of a bridge CCP two years after the date on which the last transfer from the CCP under resolution is made.	5. The resolution authority shall terminate the operation of a bridge CCP two years after the date on which the last transfer from the CCP under resolution is made.
949.	Art. 43 - para. 5 - subpara. 2	Where the resolution authority terminates the operation of a bridge CCP, it shall request the competent authority to withdraw the bridge CCP's authorisation.	Where the resolution authority terminates the operation of a bridge CCP, it shall request the competent authority to withdraw the bridge CCP's authorisation.	Where the resolution authority terminates the operation of a bridge CCP, it shall request the competent authority to withdraw the bridge CCP's authorisation.
950.	Art. 43 - para. 6 - subpara. 1	6. The resolution authority may extend the period referred to in paragraph 5 for one or more additional one-year periods where	6. The resolution authority may extend the period referred to in paragraph 5 for one or more additional one-year periods	6. The resolution authority may extend the period referred to in paragraph 5 for one or more

Nr.	Ref.	COM	Council	EP
		the extension is necessary to terminate the bridge CCP as referred to in points (a) to (d) of paragraph 3.	where the extension is necessary to <i>achieve</i> the <i>outcomes</i> referred to in points (a) to (d) of paragraph 3.	additional one-year periods where the extension is necessary to terminate the bridge CCP as referred to in points (a) to (d) of paragraph 3.
951.	Art. 43 - para. 6 - subpara. 2	The decision to extend the period referred to in paragraph 5 shall be reasoned and shall contain a detailed assessment of the bridge CCP's situation in relation to relevant market conditions and market outlook.	The decision to extend the period referred to in paragraph 5 shall be reasoned and shall contain a detailed assessment of the bridge CCP's situation in relation to relevant market conditions and market outlook.	The decision to extend the period referred to in paragraph 5 shall be reasoned and shall contain a detailed assessment of the bridge CCP's situation in relation to relevant market conditions and market outlook.
952.	Art. 43 - para. 7 - subpara. 1	7. Where a bridge CCP is terminated in the circumstances referred to in point (d) or (e) of paragraph 3, the bridge CCP shall be wound up under normal insolvency proceedings.	7. Where a bridge CCP is terminated in the circumstances referred to in point (d) or (e) of paragraph 3, the bridge CCP shall be wound up under normal insolvency proceedings.	7. Where a bridge CCP is terminated in the circumstances referred to in point (d) or (e) of paragraph 3, the bridge CCP shall be wound up under normal insolvency proceedings.
953.	Art. 43 -	Unless otherwise provided for in this	Unless otherwise provided for in this	Unless otherwise provided for in this

Nr.	Ref.	COM	Council	EP
	para. 7 - subpara. 2	Regulation, any proceeds generated as a result of the termination of the bridge CCP shall benefit its shareholders.	Regulation, any proceeds generated as a result of the termination of the bridge CCP shall benefit its shareholders.	Regulation, any proceeds generated as a result of the termination of the bridge CCP shall benefit its shareholders.
954.	Art. 43 - para. 7 - subpara. 3	Where a bridge CCP is used for the purpose of transferring assets and liabilities of more than one CCP under resolution, the proceeds referred to in the second subparagraph shall be attributed by reference to the assets and liabilities transferred from each of the CCPs under resolution.	Where a bridge CCP is used for the purpose of transferring assets and liabilities of more than one CCP under resolution, the proceeds referred to in the second subparagraph shall be attributed by reference to the assets and liabilities transferred from each of the CCPs under resolution.	Where a bridge CCP is used for the purpose of transferring assets and liabilities of more than one CCP under resolution, the proceeds referred to in the second subparagraph shall be attributed by reference to the assets and liabilities transferred from each of the CCPs under resolution.
955.	Section 6 - title	SECTION 6 ADDITIONAL FINANCING ARRANGEMENTS	SECTION 6 ADDITIONAL FINANCING ARRANGEMENTS	SECTION 6 ADDITIONAL FINANCING ARRANGEMENTS
956.	Art. 44 - title	Article 44 Alternative funding means	Article 44 Alternative funding means	Article 44 Alternative funding means

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957.	Art. 44 - para. 1	The resolution authority may enter into contracts to borrow or obtain other forms of financial support, including from pre-funded resources available in any non-depleted default funds in the CCP under resolution, where necessary to ensure the effective use of the resolution tools.	The resolution authority may enter into contracts to borrow or obtain other forms of financial support, <i>where necessary to meet temporary liquidity needs</i> to ensure the effective use of the resolution tools.	The resolution authority may enter into contracts to borrow or obtain other forms of financial support, including from pre-funded resources available in any non-depleted default funds in the CCP under resolution, where necessary to ensure the effective use of the resolution tools.
958.	Section 7 - title	SECTION 7 GOVERNMENT STABILISATION TOOLS	SECTION 7 GOVERNMENT STABILISATION TOOLS	SECTION 7 GOVERNMENT STABILISATION TOOLS
959.	Art. 45 - title	Article 45 Government financial stabilisation tools	Article 45 Government financial stabilisation tools	Article 45 Government financial stabilisation tools
960.	Art. 45 - para. 1 - introd.	1. The resolution authority may use the government stabilisation tools in accordance with Articles 46 and 47 for the purpose of resolving a CCP where the	1. <i>In the very extraordinary situation of a systemic crisis, Member States</i> may use the government stabilisation tools in accordance with Articles 46 and 47 for the	1. The resolution authority may use the government stabilisation tools in accordance with Articles 46 and 47 for the purpose of resolving a CCP

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	part	following conditions are met:	purpose of resolving a CCP where the following conditions are met:	only where the following conditions are met:
961.	Art. 45 - para. 1 - point a	(a) the financial support is necessary to meet the resolution objectives;	(a) the financial support is necessary to meet the resolution objectives <i>referred to in Article 21, in particular to avoid a significant adverse effect on the financial system in the Union or in one or more of its Member States</i> ;	(a) the financial support is necessary to meet the resolution objectives;
962.	Art. 45 - para. 1 - point b	(b) the financial support is used as a last resort after having assessed and exploited the other resolution tools to the maximum extent practicable whilst maintaining financial stability, as determined by the competent ministry or the government after consulting the resolution authority;	(b) the financial support is used only as a last resort <i>in accordance with paragraph 3</i> after having assessed and exploited <i>all</i> resolution tools to the maximum extent practicable whilst maintaining financial stability	(b) the financial support is used as a last resort after having assessed and exploited the other resolution tools to the maximum extent practicable whilst maintaining financial stability, as determined by the competent ministry or the government after consulting the resolution authority;
963.	Art. 45 - para. 1 -		<i>(ba) the financial support is limited in time</i> ;	

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	point ba (new)			
964.	Art. 45 - para. 1 - point c	(c) the financial support complies with the Union State aid framework;	(c) the financial support complies with the Union State aid framework;	(c) the financial support complies with the Union State aid framework;
965.	Art. 45 - para. 1 - point c a (new)			<i>(ca) the financial support is used for a limited period of time;</i>
966.	Art. 45 - para. 1 - point d	(d) the competent authority requires the resolution authority to provide that financial support.	(d) <i>Funds can be recouped in accordance with Article 27(9) to the extent not retrieved in full through the sale to private purchasers in accordance with Article 46(3).</i>	
967.	Art. 45 - para. 1 - subpara. 2		<i>The use of government stabilisation tools shall be carried out in accordance with national law either under the leadership of the competent ministry or government</i>	

Nr.	Ref.	COM	Council	EP
	(new)		<i>in close cooperation with the resolution authority or under the leadership of the resolution authority.</i>	
968.	Art. 45 - para. 1 - point d a (new)			<i>(da) the resolution authority has, in advance, defined comprehensive and credible arrangements for recovering, over a suitable period of time, the public funds deployed from participants benefiting from the public support, unless such funds have been already recovered through the sale to a private purchaser pursuant to either Article 46(3) or Article 47(2).</i>
969.	Art. 45 - para. 2	2. To give effect to the government financial stabilisation tools, competent ministries or governments shall have the relevant resolution powers specified in Articles 48 to 59, and shall ensure that Articles 52, 54 and 70 are complied with.	2. To give effect to the government financial stabilisation tools, competent ministries or governments shall have the relevant resolution powers specified in Articles 48 to 59, and shall ensure that Articles 52, 54 and 70 are complied with.	2. To give effect to the government financial stabilisation tools, competent ministries or governments shall have the relevant resolution powers specified in Articles 48 to 59, and shall ensure that Articles 52, 54 and 70 are complied with.
970.	Art. 45 -	3. Government financial stabilisation	3. Government financial stabilisation	3. Government financial

Nr.	Ref.	COM	Council	EP
	para. 3 - introd. part	tools shall be deemed to be used as a last resort for the purposes of point (b) of paragraph 1, where, at least, any of the following conditions are met:	tools shall be deemed to be used as a last resort for the purposes of point (b) of paragraph 1, where, at least <i>one</i> of the following conditions <i>is</i> met:	stabilisation tools shall be deemed to be used as a last resort for the purposes of point (b) of paragraph 1, where, at least, any of the following conditions are met:
971.	Art. 45 - para. 3 - point a	(a) the competent ministry or government and the resolution authority, after consulting the central bank and the competent authority, determine that the use of the resolution tools would not suffice to avoid a significant adverse effect on the financial system;	(a) the competent ministry or government and the resolution authority, after consulting the central bank and the competent authority, determine that the use of <i>remaining</i> resolution tools would not suffice to avoid a significant adverse effect on the financial system;	(a) the competent ministry or government and the resolution authority, after consulting the central bank and the competent authority, determine that the use of the resolution tools would not suffice to avoid a significant adverse effect on the financial system;
972.	Art. 45 - para. 3 - point b	(b) the competent ministry or government and the resolution authority determine that the use of the resolution tools would not suffice to protect the public interest, where extraordinary liquidity assistance from the central bank has previously been given to	(b) the competent ministry or government and the resolution authority determine that the use of <i>remaining</i> resolution tools would not suffice to protect the public interest, where extraordinary liquidity assistance from the central bank has	(b) the competent ministry or government and the resolution authority determine that the use of the resolution tools would not suffice to protect the public interest, where extraordinary liquidity assistance

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		the CCP;	previously been given to the CCP;	from the central bank has previously been given to the CCP;
973.	Art. 45 - para. 3 - point c	(c) in respect of the temporary public ownership tool, the competent ministry or government, after consulting the competent authority and the resolution determines that the use of the resolution tools would not suffice to protect the public interest, where public equity support through the equity support tool has previously been given to the CCP.	(c) in respect of the temporary public ownership tool, the competent ministry or government, after consulting the competent authority and the resolution authority, determines that the use of remaining resolution tools would not suffice to protect the public interest, where public equity support through the equity support tool has previously been given to the CCP.	(c) in respect of the temporary public ownership tool, the competent ministry or government, after consulting the competent authority and the resolution authority, determines that the use of the resolution tools would not suffice to protect the public interest, where public equity support through the equity support tool has previously been given to the CCP.
974.	Art. 46 - title	Article 46 Public equity support tool	Article 46 Public equity support tool	Article 46 Public equity support tool
975.	Art. 46 - para. 1	1. Public financial support may be provided for the recapitalisation of a CCP	1. Public financial support may be provided for the recapitalisation of a CCP	1. Public financial support may be provided for the recapitalisation of a CCP in exchange for instruments of

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		in exchange for instruments of ownership.	in exchange for instruments of ownership.	ownership.
976.	Art. 46 - para. 2	2. CCPs subject to the public equity support tool shall be managed on a commercial and professional basis.	2. CCPs subject to the public equity support tool shall be managed on a commercial and professional basis.	2. CCPs subject to the public equity support tool shall be managed on a commercial and professional basis.
977.	Art. 46 - para. 3	3. The instruments of ownership referred to in paragraph 1 shall be sold to a private purchaser as soon as commercial and financial circumstances allow.	3. The instruments of ownership referred to in paragraph 1 shall be sold to a private purchaser as soon as commercial and financial circumstances allow.	3. The instruments of ownership referred to in paragraph 1 shall be sold to a private purchaser as soon as commercial and financial circumstances allow.
978.	Art. 47 - title	Article 47 Temporary public ownership tool	Article 47 Temporary public ownership tool	Article 47 Temporary public ownership tool
979.	Art. 47 - para. 1 - introd. part	1. A CCP may be taken into temporary public ownership by means of one or more transfer orders of instruments of ownership executed by a Member State to a transferee which is either of the following:	1. A CCP may be taken into temporary public ownership by means of one or more transfer orders of instruments of ownership executed by a Member State to a transferee which is either of the following:	1. A CCP may be taken into temporary public ownership by means of one or more transfer orders of instruments of ownership executed by a Member State to a transferee which is either of the

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				following:
980.	Art. 47 - para. 1 - point a	(a) a nominee of the Member State;	(a) a nominee of the Member State;	(a) a nominee of the Member State;
981.	Art. 47 - para. 1 - point b	(b) a company wholly owned by the Member State.	(b) a company wholly owned by the Member State.	(b) a company wholly owned by the Member State.
982.	Art. 47 - para. 2	2. CCPs subject to the temporary public ownership tool shall be managed on a commercial and professional basis and shall be sold to a private purchaser as soon as commercial and financial circumstances allow.	2. CCPs subject to the temporary public ownership tool shall be managed on a commercial and professional basis and shall be sold to a private purchaser as soon as commercial and financial circumstances allow.	2. CCPs subject to the temporary public ownership tool shall be managed on a commercial and professional basis and shall be sold to a private purchaser as soon as commercial and financial circumstances allow, <i>also considering the possibility to recover the cost of resolution.</i>
983.	Art. 47 - para. 2 a		<i>3. The period of temporary public ownership referred to in paragraph 1</i>	

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	(new)		<i>shall be limited in time in compliance with state-aid rules. In determining the timing of the sale of the CCP, the financial situation and relevant market conditions shall be taken into account.</i>	
984.	Chapter IV -title	CHAPTER IV Resolution powers	CHAPTER IV Resolution powers	CHAPTER IV Resolution powers
985.	Art. 48 - title	Article 48 General powers	Article 48 General powers	Article 48 General powers
986.	Art. 48 - para. 1 - introd. part	1. The resolution authority shall have all the powers necessary to use the resolution tools effectively, including all the following powers:	1. The resolution authority shall have all the powers necessary to use the resolution tools effectively, including all the following powers:	1. The resolution authority shall have all the powers necessary to use the resolution tools effectively, including all the following powers:
987.	Art. 48 - para. 1 - point a	(a) the power to require any person to provide the resolution authority with any information it requires to decide upon and prepare a resolution action, including updates and additional information to that	(a) to require any person to provide the resolution authority with any information it requires to decide upon and prepare a resolution action, including updates and additional information to that	(a) the power to require any person to provide the resolution authority with any information it requires to decide upon and prepare a resolution action, including updates and

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		provided in the resolution plan or required through on-site inspections;	provided in the resolution plan or required through on-site inspections;	additional information to that provided in the resolution plan or required through on-site inspections;
988.	Art. 48 - para. 1 - point b	(b) the power to take control of a CCP under resolution and exercise all the rights and powers conferred upon holders of instruments of ownership and the CCP's board;	(b) ■ to take control of a CCP under resolution and exercise all the rights and powers conferred upon holders of instruments of ownership and the CCP's board <i>including the rights and powers under the operating rules of the CCP;</i>	(b) the power to take control of a CCP under resolution and exercise all the rights and powers conferred upon holders of instruments of ownership and the CCP's board;
989.	Art. 48 - para. 1 - point b a (new)			<i>(ba) the power to modify or amend the operating rules of the CCP, including as regards its terms of participation, where such changes are necessary to remove impediments to resolvability;</i>
990.	Art. 48 - para. 1 - point b b			<i>(bb) the power to refrain from enforcing certain contractual obligations under the CCP's rules</i>

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	(new)			<i>and arrangements or otherwise depart from the CCP's rules and arrangements where necessary to achieve the resolution objectives and to avoid significant adverse effects on the financial system;</i>
991.	Art. 48 - para. 1 - point c	(c) the power to transfer instruments of ownership issued by a CCP under resolution;	(c) ■ to transfer instruments of ownership issued by a CCP under resolution;	(c) the power to transfer instruments of ownership issued by a CCP under resolution;
992.	Art. 48 - para. 1 - point d	(d) the power to transfer to another entity, with its consent, the CCP's rights, assets, obligations or liabilities;	(d) ■ to transfer to another entity, with its consent, the CCP's rights, assets, obligations or liabilities;	(d) the power to transfer to another entity, with its consent, the CCP's rights, assets, obligations or liabilities;
993.	Art. 48 - para. 1 - point e	(e) the power to reduce, including to reduce to zero, the principal amount of or outstanding amount due in respect of debt instruments or other unsecured liabilities of a CCP under resolution;	(e) ■ to reduce, including to reduce to zero, the principal amount of or outstanding amount due in respect of debt instruments or other unsecured liabilities of a CCP under- resolution;	(e) the power to reduce, including to reduce to zero, the principal amount of or outstanding amount due in respect of debt instruments or other unsecured liabilities of a CCP

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				under resolution;
994.	Art. 48 - para. 1 - point f	(f) the power to convert debt instruments or other unsecured liabilities of a CCP under resolution into instruments of ownership of that CCP or of a bridge CCP to which assets, rights, obligations or liabilities of the CCP under resolution have been transferred;	(f) ■ to convert debt instruments or other unsecured liabilities of a CCP under resolution into instruments of ownership of that CCP or of a bridge CCP to which assets, rights, obligations or liabilities of the CCP under resolution have been transferred;	(f) the power to convert debt instruments or other unsecured liabilities of a CCP under resolution into instruments of ownership of that CCP or of a bridge CCP to which assets, rights, obligations or liabilities of the CCP under resolution have been transferred;
995.	Art. 48 - para. 1 - point g	(g) the power to cancel debt instruments issued by a CCP under resolution;	(g) ■ to cancel debt instruments issued by a CCP under resolution;	(g) the power to cancel debt instruments issued by a CCP under resolution;
996.	Art. 48 - para. 1 - point h	(h) the power to reduce, including to reduce to zero, the nominal amount of instruments of ownership of a CCP under resolution and to cancel such instruments of ownership;	(h) ■ to reduce, including to reduce to zero, the nominal amount of instruments of ownership of a CCP under resolution and to cancel such instruments of ownership;	(h) the power to reduce, including to reduce to zero, the nominal amount of instruments of ownership of a CCP under resolution and to cancel such instruments of ownership;
997.	Art. 48 -	(i) the power to require a CCP under	(i) ■ to require a CCP under resolution ■	(i) the power to require a CCP

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	para. 1 - point i	resolution or its parent undertaking to issue new instruments of ownership, including preference shares and contingent convertible instruments;	to issue new instruments of ownership, including preference shares and contingent convertible instruments;	under resolution █ to issue new instruments of ownership, including preference shares and contingent convertible instruments;
998.	Art. 48 - para. 1 - point j	(j) with regards to debt instruments and other liabilities of the CCP, the power to amend or alter their maturity, amend the amount of interest payable, or amend the date on which interest becomes payable, including by suspending payment for a temporary period;	(j) with regards to debt instruments and other liabilities of the CCP, █ to amend or alter their maturity, amend the amount of interest payable, or amend the date on which interest becomes payable, including by suspending payment for a temporary period;	(j) with regards to debt instruments and other liabilities of the CCP, the power to amend or alter their maturity, amend the amount of interest payable, or amend the date on which interest becomes payable, including by suspending payment for a temporary period;
999.	Art. 48 - para. 1 - point k	(k) the power to close out and terminate financial contracts;	(k) █ to close out and terminate contracts;	(k) the power to close out and terminate financial contracts;
1000.	Art. 48 - para. 1 - point l	(l) the power to remove or replace the board and senior management of a CCP under resolution;	(l) █ to remove or replace the board and senior management of a CCP under resolution;	(l) the power to remove or replace the board and senior management of a CCP under resolution;

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1001.	Art. 48 - para. 1 - point m	(m) the power to require the competent authority to assess the buyer of a qualifying holding in a timely manner by way of derogation from the time-limits laid down in Article 31 of Regulation (EU) No 648/2012;	(m) to require the competent authority to assess the buyer of a qualifying holding in a timely manner by way of derogation from the time-limits laid down in Article 31 of Regulation (EU) No 648/2012;	(m) the power to require the competent authority to assess the buyer of a qualifying holding in a timely manner by way of derogation from the time-limits laid down in Article 31 of Regulation (EU) No 648/2012;
1002.	Art. 48 - para. 1 - point n	(n) the power to reduce, including to reduce to zero, the amount of variation margin due to a clearing participant of a CCP under resolution;	(n) to reduce, including to reduce to zero, the amount of variation margin due to a clearing member of a CCP under- resolution;	(n) the power to reduce, including to reduce to zero, the amount of variation margin due to a clearing member of a CCP under resolution, or to a client of that clearing member, subject to the conditions set out in Article 30;
1003.	Art. 48 - para. 1 - point o	(o) the power to transfer open positions and any related assets, including relevant title transfer and security financial collateral arrangements, set-off arrangements, and netting arrangements,	(o) to transfer open positions and any related assets, including relevant title transfer and security financial collateral arrangements, set-off arrangements, and netting arrangements, from the account of	(o) the power to transfer open positions and any related assets, including relevant title transfer and security financial collateral arrangements, set-off arrangements,

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		from the account of a defaulting clearing member to a non-defaulting clearing member in a manner consistent with Article 48 of Regulation (EU) No 648/2012;	a defaulting clearing member to a non-defaulting clearing member in a manner consistent with Article 48 of Regulation (EU) No 648/2012;	and netting arrangements, from the account of a defaulting clearing member to a non-defaulting clearing member in a manner consistent with Article 48 of Regulation (EU) No 648/2012;
1004.	Art. 48 - para. 1 - point p	(p) the power to enforce any existing and outstanding contractual obligations of the participants of the CCP under resolution;	(p) to enforce any existing and outstanding contractual obligations of the <i>clearing members</i> of the CCP under resolution <i>or, where necessary to achieve the resolution objectives, refrain from enforcing such contractual obligations or otherwise deviate from the CCP's operating rules;</i>	(p) the power to enforce any existing and outstanding contractual obligations of the participants of the CCP under resolution;
1005.	Art. 48 - para. 1 - point q	(q) the power to enforce any existing and outstanding obligations of the parent undertaking of the CCP under resolution including to provide the CCP with financial support by way of guarantees or credit	(q) to enforce any existing and outstanding obligations of the parent undertaking of the CCP under resolution including to provide the CCP with financial support by way of guarantees or	(q) the power to enforce any existing and outstanding obligations of the parent undertaking of the CCP under resolution including to provide the CCP with financial support by way

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		lines;	credit lines;	of guarantees or credit lines;
1006.	Art. 48 - para. 1 - point r	(r) the power to require clearing members to provide further contributions in cash.	(r) ■ to require clearing members to provide further contributions in cash <i>subject to the limit referred to in Article 31.</i>	(r) the power to require clearing members to provide further contributions in cash.
1007.	Art. 48 - para. 1 - subpara. 2	Resolution authorities may exercise the powers referred to in the first subparagraph individually or in any combination.	Resolution authorities may exercise the powers referred to in the first subparagraph individually or in any combination.	Resolution authorities may exercise the powers referred to in the first subparagraph individually or in any combination.
1008.	Art. 48 - para. 2 - introd. part	2. Unless otherwise provided for in this Regulation and the Union State aid framework, the resolution authority shall not be subject to any of the following requirements where it exercises the powers referred to in paragraph 1:	2. Unless otherwise provided for in this Regulation and the Union State aid framework, the resolution authority shall not be subject to any of the following requirements where it exercises the powers referred to in paragraph 1:	2. Unless otherwise provided for in this Regulation and the Union State aid framework, the resolution authority shall not be subject to any of the following requirements where it exercises the powers referred to in paragraph 1:
1009.	Art. 48 - para. 2 -	(a) requirement to obtain approval or	(a) requirement to obtain approval or	(a) requirement to obtain approval or consent from any public or private

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	point a	consent from any public or private person;	consent from any public or private person;	person;
1010.	Art. 48 - para. 2 - point b	(b) requirements relating to the transfer of financial instruments, rights, obligations, assets or liabilities of a CCP under resolution or a bridge CCP;	(b) requirements relating to the transfer of financial instruments, rights, obligations, assets or liabilities of a CCP under resolution or a bridge CCP;	(b) requirements relating to the transfer of financial instruments, rights, obligations, assets or liabilities of a CCP under resolution or a bridge CCP;
1011.	Art. 48 - para. 2 - point c	(c) requirement to notify any public or private person;	(c) requirement to notify any public or private person;	(c) requirement to notify any public or private person;
1012.	Art. 48 - para. 2 - point d	(d) requirement to publish any notice or prospectus;	(d) requirement to publish any notice or prospectus;	(d) requirement to publish any notice or prospectus;
1013.	Art. 48 - para. 2 - point e	(e) requirement to file or register any document with any other authority.	(e) requirement to file or register any document with any other authority.	(e) requirement to file or register any document with any other authority.
1014.	Art. 49 - title	Article 49 Ancillary powers	Article 49 Ancillary powers	Article 49 Ancillary powers

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1015.	Art. 49 - para. 1 - introd. part	1. Where a power referred to in Article 48(1) is exercised, the resolution authority may also exercise any of the following ancillary powers:	1. Where a power referred to in Article 48(1) is exercised, the resolution authority may also exercise any of the following ancillary powers:	1. Where a power referred to in Article 48(1) is exercised, the resolution authority may also exercise any of the following ancillary powers:
1016.	Art. 49 - para. 1 - point a	(a) subject to Article 65, provide for a transfer to take effect free from any liability or encumbrance affecting the financial instruments, rights, obligations, assets or liabilities transferred;	(a) subject to Article 65, provide for a transfer to take effect free from any liability or encumbrance affecting the financial instruments, rights, obligations, assets or liabilities transferred;	(a) subject to Article 65, provide for a transfer to take effect free from any liability or encumbrance affecting the financial instruments, rights, obligations, assets or liabilities transferred;
1017.	Art. 49 - para. 1 - point b	(b) remove rights to acquire further instruments of ownership;	(b) remove rights to acquire further instruments of ownership;	(b) remove rights to acquire further instruments of ownership;
1018.	Art. 49 - para. 1 - point c	(c) require the relevant authority to discontinue or suspend the admission to trading on a regulated market, or the official listing, of any financial instruments	(c) require the relevant authority to discontinue or suspend the admission to trading on a regulated market, or the official listing, of any financial	(c) require the relevant authority to discontinue or suspend the admission to trading on a regulated market, or the official listing, of any financial

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		issued by the CCP pursuant to Directive 2001/34/EC of the European Parliament and of the Council ⁴ ;	instruments issued by the CCP pursuant to Directive 2001/34/EC of the European Parliament and of the Council ⁵ ;	instruments issued by the CCP pursuant to Directive 2001/34/EC of the European Parliament and of the Council ⁶ ;
1019.	Art. 49 - para. 1 - point d	(d) provide for the purchaser or bridge CCP, pursuant to Articles 40 and 42 respectively, to be treated as if it were the CCP under resolution, for the purposes of any rights or obligations of, or actions taken by, the CCP under resolution, including any rights or obligations relating to participation in a market infrastructure;	(d) provide for the purchaser or bridge CCP, pursuant to Articles 40 and 42 respectively, to be treated as if it were the CCP under resolution, for the purposes of any rights or obligations of, or actions taken by, the CCP under resolution, including any rights or obligations relating to participation in a market infrastructure;	(d) provide for the purchaser or bridge CCP, pursuant to Articles 40 and 42 respectively, to be treated as if it were the CCP under resolution, for the purposes of any rights or obligations of, or actions taken by, the CCP under resolution, including any rights or obligations relating to participation in a market infrastructure;
1020.	Art. 49 -	(e) require the CCP under resolution or the	(e) require the CCP under resolution or	(e) require the CCP under resolution

⁴ Directive 2001/34/EC of the European Parliament and of the Council of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities (OJ L 184, 6.7.2001, p. 1).

⁵ Directive 2001/34/EC of the European Parliament and of the Council of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities (OJ L 184, 6.7.2001, p. 1).

⁶ Directive 2001/34/EC of the European Parliament and of the Council of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities (OJ L 184, 6.7.2001, p. 1).

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	para. 1 - point e	purchaser or bridge CCP, where relevant, to provide the other with information and assistance;	the purchaser or bridge CCP, where relevant, to provide the other with information and assistance;	or the purchaser or bridge CCP, where relevant, to provide the other with information and assistance;
1021.	Art. 49 - para. 1 - point f	(f) provide for the clearing member which is a recipient of any positions allocated to it by way of the powers in points (o) and (p) of Article 48(1) to assume any rights or obligations relating to participation in the CCP in relation to those positions;	(f) provide for <i>a</i> clearing member <i>that</i> is a recipient of any positions allocated to it by way of the powers in points (o) and (p) of Article 48(1) to assume any rights or obligations ■ in relation to those positions;	(f) provide for the clearing member which is a recipient of any positions allocated to it by way of the powers in points (o) and (p) of Article 48(1) to assume any rights or obligations relating to participation in the CCP in relation to those positions;
1022.	Art. 49 - para. 1 - point g	(g) cancel or modify the terms of a contract to which the CCP under resolution is a party or substitute the purchaser or bridge CCP, in place of the resolution, as a party;	(g) cancel or modify the terms of a contract to which the CCP under resolution is a party or substitute the purchaser or bridge CCP, in place of the CCP under resolution, as a party;	(g) cancel or modify the terms of a contract to which the CCP under resolution is a party or substitute the purchaser or bridge CCP, in place of the CCP under resolution, as a party;
1023.	Art. 49 - para. 1 - point h	(h) modify or amend the operating rules of the CCP under resolution, including as regards its terms of participation subject to	(h) modify or amend the operating rules of the CCP under resolution, including as regards its terms of <i>access to clearing</i>	(h) modify or amend the operating rules of the CCP under resolution ■ ;

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		Article 37;	<i>pursuant to Article 4(3) of Regulation (EU) No 648/2012;</i>	
1024.	Art. 49 - para. 1 - point i	(i) transfer the membership of a clearing member from the CCP under resolution to a purchaser of the CCP or a bridge CCP.	(i) transfer the membership of a clearing member from the CCP under resolution to a purchaser of the CCP or a bridge CCP.	(i) transfer the membership of a clearing member from the CCP under resolution to a purchaser of the CCP or a bridge CCP.
1025.	Art. 49 - para. 1 - subpara. 2	Any right of compensation provided for in this Regulation shall not be considered to be a liability or an encumbrance for the purposes of point (a) of the first subparagraph.	Any right of compensation provided for in this Regulation shall not be considered to be a liability or an encumbrance for the purposes of point (a) of the first subparagraph.	Any right of compensation provided for in this Regulation shall not be considered to be a liability or an encumbrance for the purposes of point (a) of the first subparagraph.
1026.	Art. 49 - para. 2 - introd. part	2. The resolution authority may provide for continuity arrangements necessary to ensure that the resolution action is effective and that the business transferred may be operated by the purchaser or bridge CCP. Those continuity arrangements may include:	2. The resolution authority may provide for continuity arrangements necessary to ensure that the resolution action is effective and that the business transferred may be operated by the purchaser or bridge CCP. Those continuity arrangements may include:	2. The resolution authority may provide for continuity arrangements necessary to ensure that the resolution action is effective and that the business transferred may be operated by the purchaser or bridge CCP. Those continuity arrangements

Nr.	Ref.	COM	Council	EP
				may include:
1027.	Art. 49 - para. 2 - point a	(a) the continuity of contracts entered into by the CCP under resolution, in order for the purchaser or bridge CCP to assume the rights and liabilities of the CCP under resolution relating to any financial instrument, right, obligation, asset or liability that has been transferred and to replace the CCP under resolution, expressly or implicitly, in all relevant contractual documents;	(a) the continuity of contracts entered into by the CCP under resolution, in order for the purchaser or bridge CCP to assume the rights and liabilities of the CCP under resolution relating to any financial instrument, right, obligation, asset or liability that has been transferred and to replace the CCP under resolution, expressly or implicitly, in all relevant contractual documents;	(a) the continuity of contracts entered into by the CCP under resolution, in order for the purchaser or bridge CCP to assume the rights and liabilities of the CCP under resolution relating to any financial instrument, right, obligation, asset or liability that has been transferred and to replace the CCP under resolution, expressly or implicitly, in all relevant contractual documents;
1028.	Art. 49 - para. 2 - point b	(b) the replacement of the CCP under resolution by the purchaser or bridge CCP in any legal proceedings relating to any financial instrument, right, obligation, asset or liability that has been transferred.	(b) the replacement of the CCP under resolution by the purchaser or bridge CCP in any legal proceedings relating to any financial instrument, right, obligation, asset or liability that has been transferred.	(b) the replacement of the CCP under resolution by the purchaser or bridge CCP in any legal proceedings relating to any financial instrument, right, obligation, asset or liability that has been transferred.

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1029.	Art. 49 - para. 3 - introd. part	3. The powers provided for in point (d) of paragraph 1 and point (b) of paragraph 2 shall not affect:	3. The powers provided for in point (d) of paragraph 1 and point (b) of paragraph 2 shall not affect:	3. The powers provided for in point (d) of paragraph 1 and point (b) of paragraph 2 shall not affect:
1030.	Art. 49 - para. 3 - point a	(a) the right of an employee of the CCP to terminate a contract of employment;	(a) the right of an employee of the CCP to terminate a contract of employment;	(a) the right of an employee of the CCP to terminate a contract of employment;
1031.	Art. 49 - para. 3 - point b	(b) subject to Articles 55, 56 and 57, the exercise of contractual rights of a party to a contract , including the right to terminate, where provided for in the terms of the contract, due to an act or omission by the CCP prior to the transfer, or by the purchaser or bridge CCP after the transfer.	(b) subject to Articles 55, 56 and 57, the exercise of contractual rights of a party to a contract , including the right to terminate, where provided for in the terms of the contract, due to an act or omission by the CCP prior to the transfer, or by the purchaser or bridge CCP after the transfer.	(b) subject to Articles 55, 56 and 57, the exercise of contractual rights of a party to a contract , including the right to terminate, where provided for in the terms of the contract, due to an act or omission by the CCP prior to the transfer, or by the purchaser or bridge CCP after the transfer.
1032.	Art. 50 - title	Article 50 Special management	Article 50 Special management	Article 50 Special management

Nr.	Ref.	COM	Council	EP
1033.	Art. 50 - para. 1	1. The resolution authority may appoint a special manager to replace the board of a CCP under resolution. The special manager shall be of sufficiently good reputation and shall have adequate expertise in financial services, risk management and clearing services in accordance with the second subparagraph of Article 27(2) of Regulation (EU) No 648/2012.	1. The resolution authority may appoint one or more special managers to replace the board of a CCP under resolution. The special manager shall be of sufficiently good reputation and shall have adequate expertise in financial services, risk management and clearing services in accordance with the second subparagraph of Article 27(2) of Regulation (EU) No 648/2012.	1. The resolution authority may appoint one or more special managers to replace the board of a CCP under resolution. The special manager shall be of sufficiently good reputation and shall have adequate expertise in financial services, risk management and clearing services in accordance with the second subparagraph of Article 27(2) of Regulation (EU) No 648/2012.
1034.	Art. 50 - para. 2 - subpara. 1	2. The special manager shall have all the powers of the shareholders and the board of the CCP. The special manager may only exercise those powers under the control of the resolution authority. The resolution authority may limit the actions of the special manager or require prior consent for certain acts.	2. The special manager shall have all the powers of the shareholders and the board of the CCP. The special manager may only exercise those powers under the control of the resolution authority. The resolution authority may limit the actions of the special manager or require prior consent for certain acts.	2. The special manager shall have all the powers of the shareholders and the board of the CCP. The special manager may only exercise those powers under the control of the resolution authority. The resolution authority may limit the actions of the special manager or require prior

Nr.	Ref.	COM	Council	EP
				consent for certain acts.
1035.	Art. 50 - para. 2 - subpara. 2	The resolution authority shall make public the appointment referred to in paragraph 1 and the terms and conditions attached to that appointment.	The resolution authority shall make public the appointment referred to in paragraph 1 and the terms and conditions attached to that appointment.	The resolution authority shall make public the appointment referred to in paragraph 1 and the terms and conditions attached to that appointment.
1036.	Art. 50 - para. 3	3. The special manager shall be appointed for no more than one year. The resolution authority may renew that period where necessary to achieve the resolution objectives.	3. The special manager shall be appointed for no more than one year. The resolution authority may renew that period where necessary to achieve the resolution objectives.	3. The special manager shall be appointed for no more than one year. The resolution authority may renew that period where necessary to achieve the resolution objectives.
1037.	Art. 50 - para. 4	4. The special manager shall take all the measures necessary to promote the resolution objectives and implement resolution actions taken by the resolution authority. In case of inconsistency or conflict, that statutory duty shall override any other duty of management in	4. The special manager shall take all the measures necessary to promote the resolution objectives and implement resolution actions taken by the resolution authority. In case of inconsistency or conflict, that statutory duty shall override any other duty of management in	4. The special manager shall take all the measures necessary to promote the resolution objectives and implement resolution actions taken by the resolution authority. In case of inconsistency or conflict, that statutory duty shall override any

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		accordance with the statutes of the CCP or national law.	accordance with the statutes of the CCP or national law.	other duty of management in accordance with the statutes of the CCP or national law.
1038.	Art. 50 - para. 5	5. The special manager shall draw up reports for the appointing resolution authority at regular intervals set by the resolution authority and at the beginning and the end of the mandate. Those reports shall describe in detail the financial situation of the CCP and state the reasons for the measures taken.	5. The special manager shall draw up reports for the appointing resolution authority at regular intervals set by the resolution authority and at the beginning and the end of the mandate. Those reports shall describe in detail the financial situation of the CCP and state the reasons for the measures taken.	5. The special manager shall draw up reports for the appointing resolution authority at regular intervals set by the resolution authority and at the beginning and the end of the mandate. Those reports shall describe in detail the financial situation of the CCP and state the reasons for the measures taken.
1039.	Art. 50 - para. 6 - introd. part	6. The resolution authority may remove the special manager at any time. It shall in any case remove the special manager in the following cases:	6. The resolution authority may remove the special manager at any time. It shall in any case remove the special manager in the following cases:	6. The resolution authority may remove the special manager at any time. It shall in any case remove the special manager in the following cases:

Nr.	Ref.	COM	Council	EP
1040.	Art. 50 - para. 6 - point a	(a) where the special manager is failing to perform its duties in accordance with the terms and conditions set out by the resolution authority;	(a) where the special manager is failing to perform its duties in accordance with the terms and conditions set out by the resolution authority;	(a) where the special manager is failing to perform its duties in accordance with the terms and conditions set out by the resolution authority;
1041.	Art. 50 - para. 6 - point b	(b) where the objectives of resolution would be better achieved by removing or replacing that special manager;	(b) where the objectives of resolution would be better achieved by removing or replacing that special manager;	(b) where the objectives of resolution would be better achieved by removing or replacing that special manager;
1042.	Art. 50 - para. 6 - point c	(c) where the conditions for the appointment are no longer fulfilled.	(c) where the conditions for the appointment are no longer fulfilled.	(c) where the conditions for the appointment are no longer fulfilled.
1043.	Art. 50 - para. 7	7. Where national insolvency law provides for the appointment of an insolvency management, the special manager appointed pursuant to paragraph 1 may also be appointed as insolvency manager.		7. Where national insolvency law provides for the appointment of an insolvency management, the special manager appointed pursuant to paragraph 1 may also be appointed as insolvency manager <i>or vice versa</i> .

Nr.	Ref.	COM	Council	EP
1044.	Art. 51 - title	Article 51 Power to require the provision of services and facilities	Article 51 Power to require the provision of services and facilities	Article 51 Power to require the provision of services and facilities
1045.	Art. 51 - para. 1 - subpara. 1	1. The resolution authority may require a CCP under resolution, or any of its group entities or clearing members, to provide any services or facilities that are necessary to enable a purchaser or bridge CCP to operate effectively the business transferred to it.	1. The resolution authority may require a CCP under resolution, or any <i>entity belonging to the same</i> group <i>as the CCP</i> or clearing members, to provide any services or facilities that are necessary to enable a purchaser or bridge CCP to operate effectively the business transferred to it.	1. The resolution authority may require a CCP under resolution, or any of its group entities or clearing members, to provide any services or facilities that are necessary to enable a purchaser or bridge CCP to operate effectively the business transferred to it.
1046.	Art. 51 - para. 1 - subpara. 2	The first subparagraph shall apply regardless of whether an entity in the same group as the CCP or one of the CCP's clearing members has entered into normal insolvency proceedings or is itself under resolution.	The first subparagraph shall apply regardless of whether an entity in the same group as the CCP or one of the CCP's clearing members has entered into normal insolvency proceedings or is itself under resolution.	The first subparagraph shall apply regardless of whether an entity in the same group as the CCP or one of the CCP's clearing members has entered into normal insolvency proceedings or is itself under resolution.
1047.	Art. 51 -	2. The resolution authority may enforce	2. The resolution authority may enforce	2. The resolution authority may

Nr.	Ref.	COM	Council	EP
	para. 2	obligations imposed, pursuant to paragraph 1, by resolution authorities in other Member States where those powers are exercised in relation to entities belonging to the same group as the CCP under resolution, or of the clearing members of that CCP.	obligations imposed, pursuant to paragraph 1, by resolution authorities in other Member States where those powers are exercised in relation to entities belonging to the same group as the CCP under resolution, or <i>in relation to</i> the clearing members of that CCP.	enforce obligations imposed, pursuant to paragraph 1, by resolution authorities in other Member States where those powers are exercised in relation to entities belonging to the same group as the CCP under resolution, or of the clearing members of that CCP.
1048.	Art. 51 - para. 3	3. The services and facilities referred to in paragraph 1 shall not include any form of financial support.	3. The services and facilities referred to in paragraph 1 shall not include any form of financial support.	3. The services and facilities referred to in paragraph 1 shall not include any form of financial support.
1049.	Art. 51 - para. 4 - introd. part	4. The services and facilities provided pursuant to paragraph 1 shall be provided:	4. The services and facilities provided pursuant to paragraph 1 shall be provided:	4. The services and facilities provided pursuant to paragraph 1 shall be provided:
1050.	Art. 51 - para. 4 -	(a) on the same commercial terms on which they were provided to the CCP	(a) on the same commercial terms on which they were provided to the CCP	(a) on the same commercial terms on which they were provided to the

Nr.	Ref.	COM	Council	EP
	point a	immediately before the resolution action was taken, where an agreement for those purposes exists;	immediately before the resolution action was taken, where an agreement for those purposes exists;	CCP immediately before the resolution action was taken, where an agreement for those purposes exists;
1051.	Art. 51 - para. 4 - point b	(b) on reasonable commercial terms, where there is no agreement for those purposes or where that agreement has expired.	(b) on reasonable commercial terms, where there is no agreement for those purposes or where that agreement has expired.	(b) on reasonable commercial terms, where there is no agreement for those purposes or where that agreement has expired.
1052.	Art. 52 - title	Article 52 Power to enforce resolution actions or crisis prevention measures by other Member States	Article 52 Power to enforce resolution actions or crisis prevention measures by other Member States	Article 52 Power to enforce resolution actions or crisis prevention measures by other Member States
1053.	Art. 52 - para. 1	1. Where instruments of ownership, assets, rights, obligations or liabilities of a CCP under resolution are located in, or governed by the law of a Member State other than the Member State of the resolution authority, any transfer of those	1. Where instruments of ownership, assets, rights, obligations or liabilities of a CCP under resolution are located in, or governed by the law of a Member State other than the Member State of the resolution authority, any transfer <i>or</i>	1. Where instruments of ownership, assets, rights, obligations or liabilities of a CCP under resolution are located in, or governed by the law of a Member State other than the Member State of the resolution

Nr.	Ref.	COM	Council	EP
		instruments, assets, rights, obligations or liabilities shall have effect in accordance with the law of that other Member State.	resolution action in respect of those instruments, assets, rights, obligations or liabilities shall have effect in accordance with the law of that other Member State.	authority, any transfer or resolution action in respect of those instruments, assets, rights, obligations or liabilities shall have effect in accordance with the law of that other Member State.
1054.	Art. 52 - para. 2	2. The resolution authority of a Member State shall be provided with all necessary assistance by the authorities of other relevant Member States to ensure that any instruments of ownership, assets, rights, obligations or liabilities are transferred to the purchaser or bridge CCP in accordance with the applicable national law.	2. The resolution authority of a Member State shall be provided with all necessary assistance by the authorities of other relevant Member States to ensure that any instruments of ownership, assets, rights, obligations or liabilities are transferred to the purchaser or bridge CCP or any other resolution action becomes effective in accordance with the applicable national law.	2. The resolution authority of a Member State shall be provided with all necessary assistance by the authorities of other relevant Member States to ensure that any instruments of ownership, assets, rights, obligations or liabilities are transferred to the purchaser or bridge CCP or any other resolution action becomes effective in accordance with the applicable national law.
1055.	Art. 52 - para. 3	3. Shareholders, creditors and third parties that are affected by the transfer of	3. Shareholders, creditors and third parties that are affected by the transfer of	3. Shareholders, creditors and third parties that are affected by the

Nr.	Ref.	COM	Council	EP
		instruments of ownership, assets, rights, obligations or liabilities referred to in paragraph 1 shall not be entitled to prevent, challenge, or set aside that transfer under the law of the Member State that governs that transfer.	instruments of ownership, assets, rights, obligations or liabilities referred to in paragraph 1 shall not be entitled to prevent, challenge, or set aside that transfer under the law of the Member State <i>where the assets are located or that governs the transfer of the instruments of ownership, assets, rights, obligations or liabilities.</i>	transfer of instruments of ownership, assets, rights, obligations or liabilities referred to in paragraph 1 shall not be entitled to prevent, challenge, or set aside that transfer under the law of the Member State that governs that transfer.
1056.	Art. 52 - para. 4 - subpara. 1	4. Where the resolution authority of a Member State uses the resolution tools referred to in Articles 28 or 32, and the contracts, liabilities, instruments of ownership or debt instruments of the CCP under resolution include instruments, contracts or liabilities that are governed by the law of another Member State, or liabilities owed to creditors and contracts in respect of clearing participants located in	4. Where the resolution authority of a Member State uses the resolution tools referred to in Articles 28 or 32, and the contracts, liabilities, instruments of ownership or debt instruments of the CCP under resolution include instruments, contracts or liabilities that are governed by the law of another Member State, or liabilities owed to creditors and contracts in respect of clearing <i>members and their</i>	4. Where the resolution authority of a Member State uses the resolution tools referred to in Articles 28 or 32, and the contracts, liabilities, instruments of ownership or debt instruments of the CCP under resolution include instruments, contracts or liabilities that are governed by the law of another Member State, or liabilities owed to

Nr.	Ref.	COM	Council	EP
		that other Member State, the relevant authorities in that other Member State shall ensure that any action resulting from those resolution tools takes effect.	<i>clients</i> located in that other Member State, the relevant authorities in that other Member State shall ensure that any action resulting from those resolution tools takes effect.	creditors and contracts in respect of clearing <i>members or their clients</i> located in that other Member State, the relevant authorities in that other Member State shall ensure that any action resulting from those resolution tools takes effect.
1057.	Art. 52 - para. 4 - subpara. 2	For the purposes of the first subparagraph, shareholders, creditors and clearing participants affected by those resolution tools shall not be entitled to challenge the reduction of the principal or payable amount of the instrument or liability or its conversion or restructuring.	For the purposes of the first subparagraph, shareholders, creditors and clearing <i>members and their clients</i> affected by those resolution tools shall <i>only</i> be entitled to challenge the reduction of the principal or payable amount of the instrument or liability or its conversion or restructuring, <i>as the case may be, under the law of the Member State of the resolution authority.</i>	For the purposes of the first subparagraph, shareholders, creditors and clearing <i>members or their clients</i> affected by those resolution tools shall not be entitled to challenge the reduction of the principal or payable amount of the instrument or liability or its conversion or restructuring.
1058.	Art. 52 - para. 5 - introd.	5. The following rights and safeguards shall be determined in accordance with the law of the Member State of the resolution	5. The following rights and safeguards shall be determined in accordance with the law of the Member State of the resolution	5. The following rights and safeguards shall be determined in accordance with the law of the

Nr.	Ref.	COM	Council	EP
	part	authority:	authority:	Member State of the resolution authority:
1059.	Art. 52 - para. 5 - point a	(a) the right for shareholders, creditors and third parties to appeal pursuant to Article 72 against the transfer of instruments of ownership, assets, rights, obligations or liabilities referred to in paragraph 1 of this Article;	(a) the right for shareholders, creditors and third parties to appeal pursuant to Article 72 against the transfer of instruments of ownership, assets, rights, obligations or liabilities referred to in paragraph 1 of this Article;	(a) the right for shareholders, creditors and third parties to appeal pursuant to Article 72 against the transfer of instruments of ownership, assets, rights, obligations or liabilities referred to in paragraph 1 of this Article;
1060.	Art. 52 - para. 5 - point b	(b) the right for affected creditors to appeal pursuant to Article 72 against the reduction of the principal or payable amount or the conversion or restructuring of an instrument, liability or contract covered by paragraph 4 of this Article;	(b) the right for affected creditors to appeal pursuant to Article 72 against the reduction of the principal or payable amount or the conversion or restructuring of an instrument, liability or contract covered by paragraph 4 of this Article;	(b) the right for affected creditors to appeal pursuant to Article 72 against the reduction of the principal or payable amount or the conversion or restructuring of an instrument, liability or contract covered by paragraph 4 of this Article;
1061.	Art. 52 - para. 5 -	(c) the safeguards for partial transfers, as referred to in Chapter V, in relation to	(c) the safeguards for partial transfers, as referred to in Chapter V, in relation to	(c) the safeguards for partial transfers, as referred to in Chapter V,

Nr.	Ref.	COM	Council	EP
	point c	assets, rights, obligations or liabilities referred to in paragraph 1 of this Article.	assets, rights, obligations or liabilities referred to in paragraph 1 of this Article.	in relation to assets, rights, obligations or liabilities referred to in paragraph 1 of this Article.
1062.	Art. 53 - title	Article 53 Power in respect of assets, contracts, liabilities, obligations and instruments of ownership of persons located in or governed by the law of third countries	Article 53 Power in respect of assets, contracts, rights, liabilities, obligations and instruments of ownership of persons located in or governed by the law of third countries	Article 53 Power in respect of assets, contracts, rights, liabilities, obligations and instruments of ownership of persons located in or governed by the law of third countries
1063.	Art. 53 - para. 1 - introd. part	1. Where a resolution action concerns assets or contracts of persons located in a third country or instruments of ownership, rights, obligations or liabilities governed by the law of a third country, the resolution authority may require that:	1. Where a resolution action concerns assets or contracts of persons located in a third country or instruments of ownership, rights, obligations or liabilities governed by the law of a third country, the resolution authority may require that:	1. Where a resolution action concerns assets or contracts of persons located in a third country or instruments of ownership, rights, obligations or liabilities governed by the law of a third country, the resolution authority may require that:
1064.	Art. 53 - para. 1 -	(a) the CCP under resolution and the recipient of those assets, contracts,	(a) the CCP under resolution and the recipient of those assets, contracts,	(a) the CCP under resolution and the recipient of those assets, contracts,

Nr.	Ref.	COM	Council	EP
	point a	instruments of ownership, rights, obligations or liabilities take all necessary steps to ensure that the action becomes effective;	instruments of ownership, rights, obligations or liabilities take all necessary steps to ensure that the action becomes effective;	instruments of ownership, rights, obligations or liabilities take all necessary steps to ensure that the action becomes effective;
1065.	Art. 53 - para. 1 - point b	(b) the CCP under resolution holds the instruments of ownership, assets or rights or discharges the liabilities or obligations on behalf of the recipient until the action becomes effective;	(b) the CCP under resolution holds the instruments of ownership, assets or rights or discharges the liabilities or obligations on behalf of the recipient until the action becomes effective;	(b) the CCP under resolution holds the instruments of ownership, assets or rights or discharges the liabilities or obligations on behalf of the recipient until the action becomes effective;
1066.	Art. 53 - para. 1 - point c	(c) the reasonable expenses of the recipient properly incurred in carrying out any action required under points (a) and (b) of this paragraph are reimbursed in any of the ways referred to in Article 27(9).	(c) the reasonable expenses of the recipient properly incurred in carrying out any action required under points (a) and (b) of this paragraph are reimbursed in any of the ways referred to in Article 27(9).	(c) the reasonable expenses of the recipient properly incurred in carrying out any action required under points (a) and (b) of this paragraph are reimbursed in any of the ways referred to in Article 27(9).
1067.	Art. 53 - para. 2	2. For the purposes of paragraph 1, the resolution authority may require the CCP to	2. For the purposes of paragraph 1, the resolution authority <i>shall</i> require the CCP	2. For the purposes of paragraph 1, the resolution authority may require

Nr.	Ref.	COM	Council	EP
		ensure the inclusion of a provision in its contracts and other agreements with clearing members and holders of instruments of ownership and debt instruments or other liabilities located in third countries by which they agree to be bound by any action in respect of their assets, contracts, rights, obligations and liabilities taken by the resolution authority, including the application of Articles 55, 56 and 57.	to ensure the inclusion of a provision in its contracts and other agreements with clearing members and holders of instruments of ownership and debt instruments or other liabilities located in <i>or governed by the law of</i> third countries by which they agree to be bound by any action in respect of their assets, contracts, rights, obligations and liabilities taken by the resolution authority, including the application of Articles 28, 32, 55, 56 and 57. <i>The resolution authority may require the CCP to provide it with a reasoned legal opinion by an independent legal expert confirming the legal enforceability and effectiveness of such provisions.</i>	the CCP to ensure the inclusion of a provision in its contracts and other agreements with clearing members and holders of instruments of ownership and debt instruments or other liabilities located in <i>or governed by the law of</i> third countries by which they agree to be bound by any action in respect of their assets, contracts, rights, obligations and liabilities taken by the resolution authority, including the application of Articles 55, 56 and 57. <i>The resolution authority may require the CCP to provide it with a legal opinion relating to the legal enforceability and effectiveness of such provisions.</i>
1068.	Art. 53 -	3. Where the resolution action referred to	3. Where the resolution action referred to	3. Where the resolution action

Nr.	Ref.	COM	Council	EP
	para. 3	in paragraph 1 does not become effective, that action shall be void in relation to the instruments of ownership, assets, rights, obligations or liabilities concerned.	in paragraph 1 does not become effective, that action shall be void in relation to the instruments of ownership, assets, rights, obligations or liabilities concerned.	referred to in paragraph 1 does not become effective, that action shall be void in relation to the instruments of ownership, assets, rights, obligations or liabilities concerned.
1069.	Art. 54 - title	Article 54 Exclusion of certain contractual terms in early intervention and resolution	Article 54 Exclusion of certain contractual terms in early intervention and resolution	Article 54 Exclusion of certain contractual terms in early intervention and resolution
1070.	Art. 54 - para. 1 - subpara. 1	1. A crisis prevention measure or a resolution action taken in accordance with this Regulation, or any event directly linked to the application of that action, shall not be deemed an enforcement or insolvency event within the meaning of Directive 2002/47/EC and Directive 98/26/EC provided that the substantive obligations under the contract, including payment and delivery obligations and the provision of	1. A crisis prevention measure or a resolution action taken in accordance with this Regulation, or any event directly linked to the application of that action, shall not be deemed an enforcement or insolvency event <i>or event of default</i> within the meaning of Directive 2002/47/EC and Directive 98/26/EC <i>and Regulation (EU) No. 575/2013</i> provided that the substantive obligations under the	1. A crisis prevention measure or a resolution action taken in accordance with this Regulation, or any event directly linked to the application of that action, shall not be deemed an enforcement or insolvency event within the meaning of Directive 2002/47/EC and Directive 98/26/EC provided that the substantive obligations under the

Nr.	Ref.	COM	Council	EP
		collateral, continue to be performed.	contract, including payment and delivery obligations and the provision of collateral, continue to be performed.	contract, including payment and delivery obligations and the provision of collateral, continue to be performed.
1071.	Art. 54 - para. 1 - subpara. 2	For the purposes of the first subparagraph, third-country resolution proceedings recognised pursuant to Article 75, or otherwise where the resolution authority so decides, shall be considered a resolution action taken in accordance with this Regulation.	For the purposes of the first subparagraph, third-country resolution proceedings recognised pursuant to Article 75, or otherwise where the resolution authority so decides, shall be considered a resolution action taken in accordance with this Regulation.	For the purposes of the first subparagraph, third-country resolution proceedings recognised pursuant to Article 75, or otherwise where the resolution authority so decides, shall be considered a resolution action taken in accordance with this Regulation.
1072.	Art. 54 - para. 2 - introd. part	2. A crisis prevention measure or a resolution action referred to in paragraph 1 shall not be used to:	2. A crisis prevention measure or a resolution action referred to in paragraph 1 shall not be used to:	2. A crisis prevention measure or a resolution action referred to in paragraph 1 shall not be used to:
1073.	Art. 54 - para. 2 -	(a) exercise any termination, suspension, modification, netting or set-off rights,	(a) exercise any termination, suspension, modification, netting or set-off rights,	(a) exercise any termination, suspension, modification, netting or

Nr.	Ref.	COM	Council	EP
	point a	including in relation to a contract entered into by any entity of the group to which the CCP belongs which includes cross-default provisions or obligations which are guaranteed or otherwise supported by any group entity;	including in relation to a contract entered into by any entity of the group to which the CCP belongs which includes cross-default provisions or obligations which are guaranteed or otherwise supported by any group entity;	set-off rights, including in relation to a contract entered into by any entity of the group to which the CCP belongs which includes cross-default provisions or obligations which are guaranteed or otherwise supported by any group entity;
1074.	Art. 54 - para. 2 - point b	(b) obtain possession, exercise control or enforce any security over any property of the CCP concerned or any group entity in relation to a contract which includes cross-default provisions;	(b) obtain possession, exercise control or enforce any security over any property of the CCP concerned or any group entity in relation to a contract which includes cross-default provisions;	(b) obtain possession, exercise control or enforce any security over any property of the CCP concerned or any group entity in relation to a contract which includes cross-default provisions;
1075.	Art. 54 - para. 2 - point c	(c) affect any contractual rights of the CCP concerned or any group entity in relation to a contract which includes cross-default provisions.	(c) affect any contractual rights of the CCP concerned or any group entity in relation to a contract which includes cross-default provisions.	(c) affect any contractual rights of the CCP concerned or any group entity in relation to a contract which includes cross-default provisions.
1076.	Art. 55 -	Article 55	Article 55	Article 55

Nr.	Ref.	COM	Council	EP
	title	Power to suspend certain obligations	Power to suspend certain obligations	Power to suspend certain obligations
1077.	Art. 55 - para. 1 - subpara. 1	1. The resolution authority may suspend any payment or delivery obligations of both counterparties to any contract entered into by a CCP under resolution from the publication of the notice of suspension in accordance with Article 70 until the end of the working day which follows that publication.	1. The resolution authority may suspend any payment or delivery obligations of both counterparties to any contract entered into by a CCP under resolution from the publication of the notice of suspension in accordance with Article 70 until the end of the working day which follows that publication.	1. The resolution authority may suspend any payment or delivery obligations of both counterparties to any contract entered into by a CCP under resolution from the publication of the notice of suspension in accordance with Article 70 until the end of the working day which follows that publication.
1078.	Art. 55 - para. 1 - subpara. 2	For the purposes of the first subparagraph, the end of the working day shall mean midnight in the Member State of the resolution authority.	For the purposes of the first subparagraph, the end of the working day shall mean midnight in the Member State of the resolution authority.	For the purposes of the first subparagraph, the end of the working day shall mean midnight in the Member State of the resolution authority.
1079.	Art. 55 - para. 2	2. Where a payment or delivery obligation would have been due during the suspension period, the payment or delivery	2. Where a payment or delivery obligation would have been due during the suspension period, the payment or	2. Where a payment or delivery obligation would have been due during the suspension period, the

Nr.	Ref.	COM	Council	EP
		obligation shall be due immediately upon expiry of the suspension period.	delivery obligation shall be due immediately upon expiry of the suspension- period.	payment or delivery obligation shall be due immediately upon expiry of the suspension period.
1080.	Art. 55 - para. 3	3. The resolution authority shall not exercise the power referred to in paragraph 1 to payment and delivery obligations owed to systems or operators of systems designated for the purposes of Directive 98/26/EC, including other central counterparties, and central banks.	3. The resolution authority shall not exercise the power referred to in paragraph 1 to payment and delivery obligations owed to systems or operators of systems designated for the purposes of Directive 98/26/EC, <i>or to the participants of such systems and arising from the participation in such systems,</i> other CCPs, and central banks.	3. The resolution authority shall not exercise the power referred to in paragraph 1 to payment and delivery obligations owed to systems or operators of systems designated for the purposes of Directive 98/26/EC, including other central counterparties, and central banks.
1081.	Art. 56 - title	Article 56 Power to restrict the enforcement of security interests	Article 56 Power to restrict the enforcement of security interests	Article 56 Power to restrict the enforcement of security interests
1082.	Art. 56 - para. 1 - subpara. 1	1. The resolution authority may prevent secured creditors of a CCP under resolution from enforcing security interests in relation	1. The resolution authority may prevent secured creditors of a CCP under resolution from enforcing security	1. The resolution authority may prevent secured creditors of a CCP under resolution from enforcing

Nr.	Ref.	COM	Council	EP
		to any assets of that CCP under resolution from the publication of the notice of the restriction in accordance with Article 70 until the end of the working day which follows that publication.	interests in relation to any assets of that CCP under resolution from the publication of the notice of the restriction in accordance with Article 70 until the end of the working day which follows that publication.	security interests in relation to any assets of that CCP under resolution from the publication of the notice of the restriction in accordance with Article 70 until the end of the working day which follows that publication.
1083.	Art. 56 - para. 1 - subpara. 2	For the purposes of the first subparagraph, the end of the working day shall mean midnight in the Member State of the resolution authority.	For the purposes of the first subparagraph, the end of the working day shall mean midnight in the Member State of the resolution authority.	For the purposes of the first subparagraph, the end of the working day shall mean midnight in the Member State of the resolution authority.
1084.	Art. 56 - para. 2	2. The resolution authority shall not exercise the power referred to in paragraph 1 in relation to any security interest of systems designated for the purposes of Directive 98/26/EC, including other central counterparties, and central banks over assets pledged or	2. The resolution authority shall not exercise the power referred to in paragraph 1 in relation to any security interest of systems designated for the purposes of Directive 98/26/EC, <i>or to their participants and arising from the participation in such</i>	2. The resolution authority shall not exercise the power referred to in paragraph 1 in relation to any security interest of systems or operators of systems designated for the purposes of Directive 98/26/EC, including other central

Nr.	Ref.	COM	Council	EP
		provided by way of margin or collateral by the CCP under resolution.	<i>systems, other CCPs</i> and central banks over assets pledged or provided by way of margin or collateral by the CCP under resolution.	counterparties, and central banks over assets pledged or provided by way of margin or collateral by the CCP under resolution.
1085.	Art. 57 - title	Article 57 Power to temporarily suspend termination rights	Article 57 Power to temporarily suspend termination rights	Article 57 Power to temporarily suspend termination rights
1086.	Art. 57 - para. 1 - subpara. 1	1. The resolution authority may suspend the termination rights of any party to a contract with a CCP under resolution from the publication of the notice of the termination in accordance with Article 70 until the end of the working day which follows that publication, provided that the payment and delivery obligations and the provision of collateral continue to be performed.	1. The resolution authority may suspend the termination rights of any party to a contract with a CCP under resolution from the publication of the notice of the termination in accordance with Article 70 until the end of the working day which follows that publication, provided that the payment and delivery obligations and the provision of collateral continue to be performed.	1. The resolution authority may suspend the termination rights of any party to a contract with a CCP under resolution from the publication of the notice of the termination in accordance with Article 70 until the end of the working day which follows that publication, provided that the payment and delivery obligations and the provision of collateral continue to be performed.

Nr.	Ref.	COM	Council	EP
1087.	Art. 57 - para. 1 - subpara. 2	For the purposes of the first subparagraph, the end of the working day shall mean midnight in the Member State of the resolution.	For the purposes of the first subparagraph, the end of the working day shall mean midnight in the Member State of the resolution.	For the purposes of the first subparagraph, the end of the working day shall mean midnight in the Member State of the resolution.
1088.	Art. 57 - para. 2	2. The resolution authority shall not exercise the power referred to in paragraph 1 in relation to systems or operators of systems designated for the purposes of Directive 98/26/EC, including other central counterparties and central banks.	2. The resolution authority shall not exercise the power referred to in paragraph 1 in relation to systems or operators of systems designated for the purposes of Directive 98/26/EC, <i>or to their participants and arising from the participation in such systems</i> , other CCPs and central banks.	2. The resolution authority shall not exercise the power referred to in paragraph 1 in relation to systems or operators of systems designated for the purposes of Directive 98/26/EC, including other central counterparties and central banks.
1089.	Art. 57 - para. 3 - introd. part	3. A party to a contract may exercise a termination right under that contract before the end of the period referred to in paragraph 1 where that party receives notice from the resolution authority that the rights and liabilities covered by the contract	3. A party to a contract may exercise a termination right under that contract before the end of the period referred to in paragraph 1 where that party receives notice from the resolution authority that the rights and liabilities covered by the	3. A party to a contract may exercise a termination right under that contract before the end of the period referred to in paragraph 1 where that party receives notice from the resolution authority that the rights and liabilities covered by the

Nr.	Ref.	COM	Council	EP
		shall not be:	contract shall not be:	contract shall not be:
1090.	Art. 57 - para. 3 - point a	(a) transferred to another entity;	(a) transferred to another entity;	(a) transferred to another entity;
1091.	Art. 57 - para. 3 - point b	(b) subject to write-down, conversion, or the use of a resolution tool to allocate losses or positions.	(b) subject to write-down, conversion, or the use of a resolution tool to allocate losses or positions.	(b) subject to write-down, conversion, or the use of a resolution tool to allocate losses or positions.
1092.	Art. 57 - para. 4 - introd. part	4. Where the notice referred to in paragraph 3 has not been given, termination rights may be exercised on the expiry of the period of suspension, subject to Article 54, as follows:	4. Where the notice referred to in paragraph 3 has not been given, termination rights may be exercised on the expiry of the period of suspension, subject to Article 54, as follows:	4. Where the notice referred to in paragraph 3 has not been given, termination rights may be exercised on the expiry of the period of suspension, subject to Article 54, as follows:
1093.	Art. 57 - para. 4 - point a	(a) where the rights and liabilities covered by the contract have been transferred to another entity, a counterparty may exercise termination rights in accordance with the terms of that contract	(a) where the rights and liabilities covered by the contract have been transferred to another entity, a counterparty may exercise termination rights in accordance with the terms of that contract only if the	(a) where the rights and liabilities covered by the contract have been transferred to another entity, a counterparty may exercise termination rights in accordance with

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		only if the recipient entity causes the enforcement event to occur or continue;	recipient entity causes the enforcement event to occur or continue;	the terms of that contract only if the recipient entity causes the enforcement event to occur or continue;
1094.	Art. 57 - para. 4 - point b	(b) where the rights and liabilities covered by the contract remain with the CCP and the resolution authority has used a resolution tool to allocate losses or positions to that contract, a counterparty may exercise termination rights in accordance with the terms of that contract on the expiry of a suspension under paragraph 1.	(b) where the rights and liabilities covered by the contract remain with the CCP and the resolution authority has used a resolution tool to allocate losses or positions to that contract, a counterparty may exercise termination rights in accordance with the terms of that contract on the expiry of a suspension under paragraph 1.	(b) where the rights and liabilities covered by the contract remain with the CCP, termination rights <i>apply</i> in accordance with the <i>conditions for termination as set out in the contract between the CCP and the relevant counterparty only if the enforcement event occurs or continues after the expiry of the suspension period.</i>
1095.	Art. 58 - title	Article 58 Power to exercise control over the CCP	Article 58 Power to exercise control over the CCP	Article 58 Power to exercise control over the CCP
1096.	Art. 58 -	1. The resolution authority may exercise	1. The resolution authority may exercise	1. The resolution authority may

Nr.	Ref.	COM	Council	EP
	para. 1 - introd. part	control over the CCP under resolution to:	control over the CCP under resolution to:	exercise control over the CCP under resolution to:
1097.	Art. 58 - para. 1 - point a	(a) manage the activities and services of the CCP, exercising the powers of its shareholders and board and to consult the risk committee;	(a) manage the activities and services of the CCP, exercising the powers of its shareholders and board and, <i>where necessary</i> , to consult the risk committee;	(a) manage the activities and services of the CCP, exercising the powers of its shareholders and board and to consult the risk committee;
1098.	Art. 58 - para. 1 - point b	(b) manage and dispose of the assets and property of the CCP under resolution.	(b) manage and dispose of the assets and property of the CCP under resolution.	(b) manage and dispose of the assets and property of the CCP under resolution.
1099.	Art. 58 - para. 1 - subpara. 2	The control referred to in the first subparagraph may be exercised directly by the resolution authority or indirectly by a person or persons appointed by the resolution authority.	The control referred to in the first subparagraph may be exercised directly by the resolution authority or indirectly by a <i>special manager</i> appointed by the resolution authority <i>in accordance with Article 50(1)</i> .	The control referred to in the first subparagraph may be exercised directly by the resolution authority or indirectly by a person or persons appointed by the resolution authority.
1100.	Art. 58 -	2. Where the resolution authority exercises control over the CCP, the	2. Where the resolution authority exercises control over the CCP, the	2. Where the resolution authority exercises control over the CCP, the

Nr.	Ref.	COM	Council	EP
	para. 2	resolution authority shall not be deemed to be a shadow director or de facto director under national law.	resolution authority shall not be deemed to be a shadow director or de facto director under national law.	resolution authority shall not be deemed to be a shadow director or de facto director under national law.
1101.	Art. 59 - title	Article 59 Exercise of powers by the resolution authorities	Article 59 Exercise of powers by the resolution authorities	Article 59 Exercise of powers by the resolution authorities
1102.	Art. 59 - para. 1	Subject to Article 72, resolution authorities shall take resolution actions through executive order in accordance with national administrative competences and procedures.	Subject to Article 72, resolution authorities shall take resolution actions through executive order in accordance with national administrative competences and procedures.	Subject to Article 72, resolution authorities shall take resolution actions through executive order in accordance with national administrative competences and procedures.
1103.	Chapter V - title	CHAPTER V Safeguards	CHAPTER V Safeguards	CHAPTER V Safeguards
1104.	Art. 60 - title	Article 60 No Creditor Worse Off principle	Article 60 No Creditor Worse Off principle	Article 60 No Creditor Worse Off principle
1105.	Art. 60 - para. 1 -	Where the resolution authority uses one or more resolution tools, it shall ensure that	Where the resolution authority uses one or more resolution tools, it shall ensure that	Where the resolution authority uses one or more resolution tools, it shall ensure that

Nr.	Ref.	COM	Council	EP
	introd. part	shareholders, creditors and clearing participants do not incur:	shareholders, <i>clearing members and other</i> creditors ■ do not incur ■ greater losses than they would have incurred had the resolution authority not taken resolution action in relation to the CCP at the time the resolution authority considered that the conditions for resolution pursuant to Article 22(1) were met and ■ <i>the CCP had instead been</i> wound up under normal insolvency proceedings ■, <i>following the full application of the applicable contractual obligations and other</i> arrangements in its operating rules.	<i>should aim to ensure that</i> shareholders, creditors, <i>clearing members and their clients</i> do not incur greater losses than they would have incurred had the resolution authority not taken resolution action in relation to the CCP at the time the resolution authority considered that the conditions for resolution pursuant to Article 22(1) were met and had instead been subject to all possible outstanding obligations pursuant to the CCP's recovery plan <i>and all</i> other contractual arrangements in its operating rules <i>for either a default or a non-default event and the CCP is a gone concern with no residual franchise value and</i> wound up under normal insolvency proceedings, <i>properly taking into account any</i>

Nr.	Ref.	COM	Council	EP
				<i>plausible adverse effects of systemic instability and market turmoil.</i>
1106.	Art. 60 - para. 1 - point a	(a) in the event of the default of a clearing member, greater losses than they would have incurred had the resolution authority not taken resolution action in relation to the CCP at the time the resolution authority considered that the conditions for resolution pursuant to Article 22(1) were met and had instead been subject to possible outstanding obligations pursuant to the CCP's recovery plan or other contractual arrangements in its operating rules;		
1107.	Art. 60 - para. 1 - point b	(b) in an event other than the default of a clearing member, greater losses than they would have incurred had the CCP been wound up under normal insolvency proceedings including by taking account of its contractual arrangements in its operating		

Nr.	Ref.	COM	Council	EP
		rules.		
1108.	Art. 60 - para. 1 - subpara. 1 a (new)			<i>Plausible adverse effects of systemic instability and market turmoil referred to in the first subparagraph shall not be taken into account as long as the regulatory technical standards referred to in paragraph 5 of Article 61 does not allow for their valuation.</i>
1109.	Art. 60 - para. 1 - subpara. 1 b (new)			<i>Once the regulatory technical standards referred to in paragraph 5 of Article 61 have entered into force, the resolution authorities shall take into account plausible adverse effects of systemic instability and market turmoil for the purpose of the first subparagraph.</i>
1110.	Art. 61 -	Article 61	Article 61	Article 61

Nr.	Ref.	COM	Council	EP
	title	Valuation for the application of the No Creditor Worse Off principle	Valuation for the application of the No Creditor Worse Off principle	Valuation for the application of the No Creditor Worse Off principle
1111.	Art. 61 - para. 1 - subpara. 1	1. For the purposes of assessing compliance with the no creditor worse off principle as laid down in Article 60, the resolution authority shall ensure that a valuation is carried out by an independent person as soon as possible after the resolution action has been effected.	1. For the purposes of assessing compliance with the no creditor worse off principle as laid down in Article 60, the resolution authority shall ensure that a valuation is carried out by an independent person as soon as possible after the resolution action has been effected.	1. For the <i>purpose of informing stakeholders exposed to the CCP, the CCP shall produce an estimate of how losses would affect each category of creditor under extreme but plausible scenarios for a default and non-default event leading to the insolvency of the CCP and shall be updated annually.</i>
1112.	Art. 61 - para. 1 - subpara. 1 a (new)			<i>This estimate shall fully reflect the contractual arrangements governing the CCP's loss waterfall and be consistent with the margining and stress testing methodology used to fulfil the CCP's obligations under Regulation (EU) No 648/2012.</i>

Nr.	Ref.	COM	Council	EP
1113.	Art. 61 - para. 1 a (new)			<i>1a. For the purposes of assessing compliance with the no creditor worse off principle as laid down in Article 60, the resolution authority shall ensure that a valuation is carried out by an independent person as soon as possible after the resolution actions have been effected.</i>
1114.	Art. 61 - para. 2 - introd. part	2. The valuation referred to in paragraph 1 shall include:	2. The valuation referred to in paragraph 1 shall include:	2. The valuation referred to in paragraph 1 shall include:
1115.	Art. 61 - para. 2 - point a	(a) the treatment that shareholders, creditors and clearing participants would have received had the resolution authority not taken resolution action in relation to the CCP the resolution authority considered that the conditions for resolution pursuant	(a) the treatment that shareholders, ■ clearing members and other creditors would have received had the resolution authority not taken resolution action in relation to the CCP at the time the resolution authority	(a) the treatment that shareholders, creditors and clearing members or their clients would have received had the resolution authority not taken resolution action in relation to the CCP the resolution authority

Nr.	Ref.	COM	Council	EP
		to Article 22(1) were met, and they had instead been subject to possible outstanding obligations pursuant to the CCP's recovery plan or other arrangements in its operating rules or the CCP had been wound up under normal insolvency proceedings;	considered that the conditions for resolution pursuant to Article 22(1) were met, and ■ the CCP had been wound up under normal insolvency proceedings; following the full application of the applicable contractual obligations and other arrangements in its operating rules ;	considered that the conditions for resolution pursuant to Article 22(1) were met, and they had instead been subject to the enforcement of possible outstanding obligations pursuant to the CCP's recovery plan and other arrangements in its operating rules and the CCP had been wound up under normal insolvency proceedings as a gone concern with no residual franchise value, properly taking into account any plausible adverse effects of systemic instability and market turmoil,
1116.	Art. 61 - para. 2 - point b	(b) the actual treatment that shareholders, creditors and clearing participants have received, in the resolution of the CCP;	(b) the actual treatment that shareholders, ■ clearing members and other creditors, have received; in the resolution of the CCP;	(b) the actual treatment that shareholders, creditors and clearing members or their clients have received, in the resolution of the CCP;

Nr.	Ref.	COM	Council	EP
1117.	Art. 61 - para. 2 - point c	(c) whether there is any difference between the treatment referred to in point (a) and the treatment referred to in point (b).	(c) whether there is any difference between the treatment referred to in point (a) and the treatment referred to in point (b).	(c) whether there is any difference between the treatment referred to in point (a) and the treatment referred to in point (b).
1118.	Art. 61 - para. 3	3. For the purposes of calculating the treatments referred to in paragraph 2, the valuation referred to in paragraph 1 shall disregard any provision of extraordinary public financial support to the CCP under resolution.	3. For the purposes of calculating the treatments referred to in paragraph 2, (a), the valuation referred to in paragraph 1 shall ■ :	3. For the purposes of calculating the treatments referred to in paragraph 2(a), the valuation referred to in paragraph 1 shall disregard any provision of extraordinary public financial support to the CCP under resolution and the CCP's own pricing methodology shall be disregarded should this methodology fail to reflect the effective market conditions.
1119.	Art. 61 - para. 3 - point a (new)		(a) disregard any provision of extraordinary public financial support to the CCP under resolution or central bank emergency liquidity assistance or any	

Nr.	Ref.	COM	Council	EP
			<i>central bank liquidity assistance provided under non-standard collateralisation, tenor and interest terms;</i>	
1120.	Art. 61 - para. 3 - point b (new)		<i>(b) be based on the losses that would have been realistically incurred by clearing members and other creditors, if the CCP had been put into liquidation.</i>	
1121.	Art. 61 - para. 3 - point c (new)		<i>(c) take into account a commercially reasonable estimate of the direct replacement costs, including any additional margin requirements, incurred by the clearing members to reopen within an appropriate period their comparable net positions in the market by considering effective market conditions, including market depth and ability of the market to transact the relevant volume of such net positions within that period.</i>	

Nr.	Ref.	COM	Council	EP
1122.	Art. 61 - para. 3 - point d (new)		<i>(d) be based on the CCP's own pricing methodology unless such methodology for price determination does not reflect the effective market conditions.</i>	
1123.	Art. 61 - para. 3 - subpara. 2 (new)		<i>The length of the period referred to in point (c) of the first subparagraph shall reflect the implications of the applicable insolvency law and the characteristics of the relevant net positions.</i>	
1124.	Art. 61 - para. 4	4. The valuation referred to in paragraph 1 shall be distinct from the valuation carried out under Article 24(3).	4. The valuation referred to in paragraph 1 shall be distinct from the valuation carried out under Article 24(3).	4. The valuation referred to in paragraph 1 shall be distinct from the valuation carried out under Article 24(3).
1125.	Art. 61 - para. 5 - subpara. 1	5. ESMA, taking into account any regulatory technical standards developed in accordance with Article 74(4) of Directive 2014/59/EU, shall develop draft regulatory technical standards specifying the methodology for carrying out the valuation	5. ESMA, taking into account any regulatory technical standards developed in accordance with Article 49(5) and Article 74(4) of Directive 2014/59/EU, shall develop draft regulatory technical standards specifying the methodology for	5. ESMA, taking into account any regulatory technical standards developed in accordance with Article 74(4) of Directive 2014/59/EU, shall develop draft regulatory technical standards specifying the

Nr.	Ref.	COM	Council	EP
		referred to in paragraph 1.	carrying out the valuation referred to in paragraph 1 <i>including the calculation of the losses following liquidation resulting from the costs referred to in point (c) of the first subparagraph of paragraph (3) if the CCP had been put into liquidation</i> .	methodology for carrying out the valuation referred to in paragraph 1, <i>including, if or when technically possible, the valuation of plausible adverse effects of systemic instability and market turmoil.</i>
1126.	Art. 61 - para. 5 - subpara. 2	ESMA shall submit those draft regulatory standards to the Commission by <i>[PO please insert the date 12 months from entry into force of the Regulation]</i> .	ESMA shall submit those draft regulatory standards to the Commission by <i>[PO please insert the date 12 months from entry into force of the Regulation]</i> .	ESMA shall submit those draft regulatory standards to the Commission by <i>[PO please insert the date 12 months from entry into force of the Regulation]</i> .
1127.	Art. 61 - para. 5 - subpara. 3	Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with the procedure laid down in Articles 10 to 14 of Regulation (EU) No 1095/2010.	Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with the procedure laid down in Articles 10 to 14 of Regulation (EU) No 1095/2010.	Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with the procedure laid down in Articles 10 to 14 of Regulation (EU) No 1095/2010.
1128.	Art. 62 -	Article 62	Article 62	Article 62

Nr.	Ref.	COM	Council	EP
	title	Safeguard for shareholders, creditors and clearing participants	Safeguard for shareholders, <i>clearing members and other creditors</i> ■	Safeguard for shareholders, creditors and clearing <i>members and clients of clearing members</i>
1129.	Art. 62 - para. 1	Where, in accordance with the valuation carried out under Article 61, any shareholder, creditor or clearing participant has incurred greater losses than it would have incurred if the resolution authority would not have taken resolution action in relation to the CCP and they would instead have been subject to possible outstanding obligations pursuant to the CCP's recovery plan or other arrangements in its operating rules or the CCP had been wound up under normal insolvency proceedings, that shareholder, creditor or clearing participant shall be entitled to the payment of the difference.	Where, in accordance with the valuation carried out under Article 61, any shareholder, ■ clearing <i>member or other creditor</i> has incurred greater losses than it would have incurred if the resolution authority would not have taken resolution action in relation to the CCP and ■ the CCP had been wound up under normal insolvency proceedings, <i>following the full application of the applicable contractual obligations or other arrangements in its operating rules</i> , that shareholder, ■ clearing <i>member or other creditor</i> shall be entitled to the payment of the difference.	Where, in accordance with the valuation carried out under Article 61, any shareholder, creditor, clearing <i>member or client of a clearing member</i> has incurred greater losses than it would have incurred if the resolution authority would not have taken resolution action in relation to the CCP and they would instead have been subject to possible outstanding obligations pursuant to the CCP's recovery plan or other arrangements in its operating rules or the CCP had been wound up under normal insolvency proceedings, that shareholder, creditor or clearing participant shall

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				be entitled to the payment of the difference.
1130.	Art. 62 a (new)			<i>Article 62a</i> <i>Recoupment of payments</i>
1131.	Art. 62 a (new) - para. 1 - introd. part			<i>The resolution authority shall recover any reasonable expenses incurred in connection with a payment as referred to in Article 62 in any of the following ways:</i>
1132.	Art. 62 a (new) - para. 1 - point a			<i>(a) from the CCP under resolution, as a preferred creditor;</i>
1133.	Art. 62 a (new) - para. 1 - point b			<i>(b) from any consideration paid by the purchaser where the sale of business tool has been used;</i>

Nr.	Ref.	COM	Council	EP
1134.	Art. 62 a (new) - para. 1 - point c			(c) <i>from any proceeds generated as a result of the termination of the bridge CCP, as a preferred creditor;</i>
1135.	Art. 62 a (new) - para. 1 - point d			(d) <i>from any clearing member, to the extent that a clearing member does not incur greater losses than it would have incurred if the resolution authority would not have taken resolution action in relation to the CCP and they would instead have been subject to possible outstanding obligations pursuant to the CCP's recovery plan or other arrangements in its operating rules or the CCP had been wound up under normal insolvency proceedings.</i>
1136.	Art. 63 -	Article 63	Article 63	Article 63

Nr.	Ref.	COM	Council	EP
	title	Safeguard for counterparties in partial transfers	Safeguard for counterparties in partial transfers	Safeguard for counterparties in partial transfers
1137.	Art. 63 - para. 1 - introd. part	The protections provided for in Articles 64, 65 and 66 shall apply in the following circumstances:	The protections provided for in Articles 64, 65 and 66 shall apply in the following circumstances:	The protections provided for in Articles 64, 65 and 66 shall apply in the following circumstances:
1138.	Art. 63 - para. 1 - point a	(a) where the resolution authority transfers some but not all of the assets, rights, obligations or liabilities of a CCP under resolution, or a bridge CCP, to a purchaser;	(a) where the resolution authority transfers some but not all of the assets, rights, obligations or liabilities of a CCP under resolution <i>to another entity or, in the exercise of a resolution tool, from a</i> bridge CCP ██████████ to a purchaser;	(a) where the resolution authority transfers some but not all of the assets, rights, obligations or liabilities of a CCP under resolution, or a bridge CCP, to a purchaser;
1139.	Art. 63 - para. 1 - point b	(b) where the resolution authority exercises the powers referred to in point (g) of Article 49(1).	(b) where the resolution authority exercises the powers referred to in point (g) of Article 49(1).	(b) where the resolution authority exercises the powers referred to in point (g) of Article 49(1).
1140.	Art. 64 - title	Article 64 Protection for financial collateral, set off and netting agreements	Article 64 Protection for financial collateral, set off	Article 64 Protection for financial collateral, set off and netting agreements

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			and netting agreements	
1141.	Art. 64 - para. 1	The resolution authority shall ensure that the use of a resolution tool does not result in transferring some, but not all, of the rights and liabilities under a title transfer financial collateral arrangement, a set-off arrangement or a netting arrangement between a CCP under resolution and other parties to the arrangements, or in modifying or terminating the rights and liabilities under those arrangements through the use of ancillary powers.	The resolution authority shall ensure that the use of a resolution tool, <i>other than the position allocation tool referred to in Article 29</i> , does not result in transferring some, but not all, of the rights and liabilities under a title transfer financial collateral arrangement, a set-off arrangement or a netting arrangement between a CCP under resolution and other parties to the arrangements, or in modifying or terminating the rights and liabilities under those arrangements through the use of ancillary powers.	The resolution authority shall ensure that the use of a resolution tool does not result in transferring some, but not all, of the rights and liabilities under a title transfer financial collateral arrangement, a set-off arrangement or a netting arrangement between a CCP under resolution and other parties to the arrangements, or in modifying or terminating the rights and liabilities under those arrangements through the use of ancillary powers.
1142.	Art. 64 - para. 2	The arrangements referred to in the first subparagraph shall include any arrangement to which the parties are entitled to set-off or net those rights and liabilities.	The arrangements referred to in the first subparagraph shall include any arrangement to which the parties are entitled to set-off or net those rights and liabilities.	The arrangements referred to in the first subparagraph shall include any arrangement to which the parties are entitled to set-off or net those rights and liabilities.

Nr.	Ref.	COM	Council	EP
1143.	Art. 65 - title	Article 65 Protection for security arrangements	Article 65 Protection for security arrangements	Article 65 Protection for security arrangements
1144.	Art. 65 - para. 1 - introd. part	The resolution authority shall ensure that the use of a resolution tool does not result in any of the following with respect to security arrangements between a CCP under resolution and other parties to those arrangements:	The resolution authority shall ensure that the use of a resolution tool does not result in any of the following with respect to security arrangements between a CCP under resolution and other parties to those arrangements:	<i>Without prejudice to the use of position allocation tools in Article 29</i> , the resolution authority shall ensure that the use of a resolution tool does not result in any of the following with respect to security arrangements between a CCP under resolution and other parties to those arrangements:
1145.	Art. 65 - para. 1 - point a	(a) the transfer of assets against which the liability is secured unless that liability and benefit of the security are also transferred;	(a) the transfer of assets against which the liability is secured unless that liability and benefit of the security are also transferred;	(a) the transfer of assets against which the liability is secured unless that liability and benefit of the security are also transferred;
1146.	Art. 65 - para. 1 - point b	(b) the transfer of a secured liability unless the benefit of the security is also transferred;	(b) the transfer of a secured liability unless the benefit of the security is also transferred;	(b) the transfer of a secured liability unless the benefit of the security is also transferred;

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1147.	Art. 65 - para. 1 - point c	(c) the transfer of the benefit of the security unless the secured liability is also transferred;	(c) the transfer of the benefit of the security unless the secured liability is also transferred;	(c) the transfer of the benefit of the security unless the secured liability is also transferred;
1148.	Art. 65 - para. 1 - point d	(d) the modification or termination of a security arrangement through the use of ancillary powers, if the effect of that modification or termination is that the liability ceases to be secured.	(d) the modification or termination of a security arrangement through the use of ancillary powers, if the effect of that modification or termination is that the liability ceases to be secured.	(d) the modification or termination of a security arrangement through the use of ancillary powers, if the effect of that modification or termination is that the liability ceases to be secured.
1149.	Art. 66 - title	Article 66 Protection for structured finance arrangements and covered bonds	Article 66 Protection for structured finance arrangements and covered bonds	Article 66 Protection for structured finance arrangements and covered bonds
1150.	Art. 66 - para. 1 - introd. part	The resolution authority shall ensure that the use of a resolution tool does not result in any of the following with respect to structured finance arrangements, including covered bonds:	The resolution authority shall ensure that the use of a resolution tool does not result in any of the following with respect to structured finance arrangements, including covered bonds:	The resolution authority shall ensure that the use of a resolution tool does not result in any of the following with respect to structured finance arrangements, including covered bonds:
1151.	Art. 66 -	(a) the transfer of some, but not all, of	(a) the transfer of some, but not all, of the	(a) the transfer of some, but not

Nr.	Ref.	COM	Council	EP
	para. 1 - point a	the assets, rights and liabilities which constitute or form part of a structured finance arrangement to which the institution under resolution is a party;	assets, rights and liabilities which constitute or form part of a structured finance arrangement to which the CCP under resolution is a party;	all, of the assets, rights and liabilities which constitute or form part of a structured finance arrangement to which the CCP under resolution is a party;
1152.	Art. 66 - para. 1 - point b	(b) the termination or modification through the use of ancillary powers of the assets, rights and liabilities which constitute or form part of a structured finance arrangement to which the institution under resolution is a party.	(b) the termination or modification through the use of ancillary powers of the assets, rights and liabilities which constitute or form part of a structured finance arrangement to which the CCP under resolution is a party.	(b) the termination or modification through the use of ancillary powers of the assets, rights and liabilities which constitute or form part of a structured finance arrangement to which the CCP under resolution is a party.
1153.	Art. 66 - para. 1 - subpara. 2	For the purposes of the first subparagraph, structured finance arrangements shall include securitisations and instruments used for hedging purposes which form an integral part of the cover pool and which according to national law are secured in a way similar to the covered bonds, which involve the granting and holding of security	For the purposes of the first subparagraph, structured finance arrangements shall include securitisations and instruments used for hedging purposes which form an integral part of the cover pool and which according to national law are secured in a way similar to the covered bonds, which involve the granting and holding of	For the purposes of the first subparagraph, structured finance arrangements shall include securitisations and instruments used for hedging purposes which form an integral part of the cover pool and which according to national law are secured in a way similar to the

Nr.	Ref.	COM	Council	EP
		by a party to the arrangement or a trustee, agent or nominee.	security by a party to the arrangement or a trustee, agent or nominee.	covered bonds, which involve the granting and holding of security by a party to the arrangement or a trustee, agent or nominee.
1154.	Art. 67 - title	Article 67 Partial transfers: protection of trading, clearing and settlement systems	Article 67 Partial transfers: protection of trading, clearing and settlement systems	Article 67 Partial transfers: protection of trading, clearing and settlement systems
1155.	Art. 67 - para. 1 - introd. part	1. The resolution authority shall ensure that the use of a resolution tool does not affect the operation of systems and rules of systems covered by Directive 98/26/EC, where the resolution authority:	1. The resolution authority shall ensure that the use of a resolution tool does not affect the operation of systems and rules of systems covered by Directive 98/26/EC, where the resolution authority:	1. The resolution authority shall ensure that the use of a resolution tool does not affect the operation of systems and rules of systems covered by Directive 98/26/EC, where the resolution authority:
1156.	Art. 67 - para. 1 - point a	(a) transfers some but not all of the assets, rights, obligations or liabilities of a CCP under resolution to a purchaser;	(a) transfers some but not all of the assets, rights, obligations or liabilities of a CCP under resolution to another entity ;	(a) transfers some but not all of the assets, rights, obligations or liabilities of a CCP under resolution to a purchaser;
1157.	Art. 67 -	(b) cancels or amends the terms of a	(b) cancels or amends the terms of a	(b) cancels or amends the terms of

Nr.	Ref.	COM	Council	EP
	para. 1 - point b	contract to which the CCP under resolution is a party or to substitute a purchaser or bridge CCP as a party.	contract to which the CCP under resolution is a party or to substitute a purchaser or bridge CCP as a party.	a contract to which the CCP under resolution is a party or to substitute a purchaser or bridge CCP as a party.
1158.	Art. 67 - para. 2 - introd. part	2. For the purposes of paragraph 1, the resolution authority shall ensure that the use of a resolution tools does not result in any of the following outcomes:	2. For the purposes of paragraph 1, the resolution authority shall ensure that the use of a resolution tools does not result in any of the following outcomes:	2. For the purposes of paragraph 1, the resolution authority shall ensure that the use of a resolution tools does not result in any of the following outcomes:
1159.	Art. 67 - para. 2 - point a	(a) revoking a transfer order in accordance with Article 5 of Directive 98/26/EC;	(a) revoking a transfer order in accordance with Article 5 of Directive 98/26/EC;	(a) revoking a transfer order in accordance with Article 5 of Directive 98/26/EC;
1160.	Art. 67 - para. 2 - point b	(b) affecting the enforceability of transfer orders and netting as required by Articles 3 and 5 of Directive 98/26/EC;	(b) affecting the enforceability of transfer orders and netting as required by Articles 3 and 5 of Directive 98/26/EC;	(b) affecting the enforceability of transfer orders and netting as required by Articles 3 and 5 of Directive 98/26/EC;
1161.	Art. 67 - para. 2 - point c	(c) affecting the use of funds, securities or credit facilities as required by Article 4 of Directive 98/26/EC;	(c) affecting the use of funds, securities or credit facilities as required by Article 4 of Directive 98/26/EC;	(c) affecting the use of funds, securities or credit facilities as required by Article 4 of Directive 98/26/EC;

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1162.	Art. 67 - para. 2 - point d	(d) affecting the protection of collateral security as required by Article 9 of Directive 98/26/EC.	(d) affecting the protection of collateral security as required by Article 9 of Directive 98/26/EC.	(d) affecting the protection of collateral security as required by Article 9 of Directive 98/26/EC.
1163.	Chapter VI - title	CHAPTER VI Procedural obligations	CHAPTER VI Procedural obligations	CHAPTER VI Procedural obligations
1164.	Art. 68 - title	Article 68 Notification requirements	Article 68 Notification requirements	Article 68 Notification requirements
1165.	Art. 68 - para. 1	1. The CCP shall notify the competent authority where it considers that it is failing or likely to fail as referred to in Article 22(2).	1. The CCP shall notify the competent authority where it considers that it is failing or likely to fail as referred to in Article 22(2).	1. The CCP shall notify the competent authority where it considers that it is failing or likely to fail as referred to in Article 22(2).
1166.	Art. 68 - para. 2 - subpara. 1	2. The competent authority shall inform the resolution authority of any notifications received under paragraph 1, and of any recovery or other measures in accordance with Title IV that the competent authority requires the CCP to take.	2. The competent authority shall inform the resolution authority of any notifications received under paragraph 1, and of any recovery or other measures in accordance with Title IV that the competent authority requires the CCP to take.	2. The competent authority shall inform the resolution authority of any notifications received under paragraph 1, and of any recovery or other measures in accordance with Title IV that the competent authority requires the CCP to take.

Nr.	Ref.	COM	Council	EP
			take.	
1167.	Art. 68 - para. 2 - subpara. 2	The competent authority shall inform the resolution authority of any emergency situation referred to in Article 24 of Regulation (EU) No 648/2012 relating to a CCP and of any notification received in accordance with Article 48 of that Regulation.	The competent authority shall inform the resolution authority of any emergency situation referred to in Article 24 of Regulation (EU) No 648/2012 relating to a CCP and of any notification received in accordance with Article 48 of that Regulation.	The competent authority shall inform the resolution authority of any emergency situation referred to in Article 24 of Regulation (EU) No 648/2012 relating to a CCP and of any notification received in accordance with Article 48 of that Regulation.
1168.	Art. 68 - para. 3 - introd. part	3. Where a competent authority or resolution authority determines that the conditions referred to in points (a) and (b) of Article 22(1) are met in relation to a CCP, it shall notify without delay the following authorities:	3. Where a competent authority or resolution authority determines that the conditions referred to in points (a) and (b) of Article 22(1) or Article 22 (3) are met in relation to a CCP, it shall notify without delay the following bodies :	3. Where a competent authority or resolution authority determines that the conditions referred to in points (a) and (b) of Article 22(1) are met in relation to a CCP, it shall notify the following authorities in a timely manner :
1169.	Art. 68 - para. 3 - point a	(a) the competent authority or resolution authority for that CCP;	(a) the competent authority or resolution authority for that CCP;	(a) the competent authority or resolution authority for that CCP;

Nr.	Ref.	COM	Council	EP
1170.	Art. 68 - para. 3 - point b	(b) the competent authority for the parent undertaking of the CCP;	(b) the competent authority for the parent undertaking of the CCP;	(b) the competent authority for the parent undertaking of the CCP;
1171.	Art. 68 - para. 3 - point b a (new)			<i>(ba) the supervisory college for that CCP;</i>
1172.	Art. 68 - para. 3 - point b b (new)			<i>(bb) the resolution college for that CCP;</i>
1173.	Art. 68 - para. 3 - point c	(c) the central bank;	(c) the central bank;	(c) the central bank;
1174.	Art. 68 - para. 3 - point d	(d) the competent ministry;	(d) the competent ministry;	(d) the competent ministry;

Nr.	Ref.	COM	Council	EP
1175.	Art. 68 - para. 3 - point e	(e) the ESRB and the designated national macro-prudential authority.	(e) the ESRB and the designated national macro-prudential authority;	(e) the ESRB and the designated national macro-prudential authority.
1176.	Art. 68 - para. 3 - point f (new)		<i>(f) the supervisory college and resolution college.</i>	
1177.	Art. 69 - title	Article 69 Decision of the resolution authority	Article 69 Decision of the resolution authority	Article 69 Decision of the resolution authority
1178.	Art. 69 - para. 1	1. After a notification from the competent authority pursuant to Article 68(3), the resolution authority shall determine whether any resolution action is needed.	1. After a notification from the competent authority pursuant to Article 68(3), the resolution authority shall determine whether any resolution action is needed.	1. After a notification from the competent authority pursuant to Article 68(3), the resolution authority shall determine whether any resolution action is needed.
1179.	Art. 69 - para. 2 - introd.	2. The decision whether or not to take resolution action in relation to a CCP shall contain information on the following:	2. The decision whether or not to take resolution action in relation to a CCP shall contain information on the following:	2. The decision whether or not to take resolution action in relation to a CCP shall contain information on the following:

Nr.	Ref.	COM	Council	EP
	part			
1180.	Art. 69 - para. 2 - point a	(a) the resolution authority's assessment of whether the CCP meets the conditions for resolution;	(a) the resolution authority's assessment of whether the CCP meets the conditions for resolution;	(a) the resolution authority's assessment of whether the CCP meets the conditions for resolution;
1181.	Art. 69 - para. 2 - point b	(b) any action that the resolution authority intends to take, including the decision to apply for winding up, the appointment of an administrator or any other measure under applicable normal insolvency proceedings or, subject to point (e) of Article 27(1), under national law.	(b) any action that the resolution authority intends to take, including the decision to apply for winding up, the appointment of an <i>administrator or</i> any other measure under applicable normal insolvency proceedings or, subject to point (e) of Article 27(1), under national law.	(b) any action that the resolution authority intends to take, including the decision to apply for winding up, the appointment of an administrator or any other measure under applicable normal insolvency proceedings or, subject to point (e) of Article 27(1), under national law.
1182.	Art. 70 - title	Article 70 Procedural obligations of resolution authorities	Article 70 Procedural obligations of resolution authorities	Article 70 Procedural obligations of resolution authorities
1183.	Art. 70 - para. 1		<i>1. The resolution authority shall notify the resolution college of the resolution actions it intends to take. The notification</i>	

Nr.	Ref.	COM	Council	EP
			<i>to the resolution college shall also indicate whether the resolution actions deviate from the resolution plan.</i>	
1184.	Art. 70 - para. 1 - introd. part	1. As soon as practicable after taking a resolution action, the resolution authority shall notify all of the following:	■ As soon as practicable after taking a resolution action, the resolution authority shall notify all of the following:	1. As soon as practicable after taking a resolution action, the resolution authority shall notify all of the following:
1185.	Art. 70 - para. 1 - point a	(a) the CCP under resolution;	(a) the CCP under resolution;	(a) the CCP under resolution;
1186.	Art. 70 - para. 1 - point b	(b) the resolution college;	(b) the resolution college;	(b) the resolution college;
1187.	Art. 70 - para. 1 - point c	(c) the designated national macroprudential authority and the ESRB;	(c) the designated national macroprudential authority and the ESRB;	(c) the designated national macroprudential authority and the ESRB;
1188.	Art. 70 -	(d) the Commission, the European	(d) the Commission, the European Central	(d) the Commission, the European

Nr.	Ref.	COM	Council	EP
	para. 1 - point d	Central Bank, and EIOPA;	Bank, and EIOPA;	Central Bank, and EIOPA;
1189.	Art. 70 - para. 1 - point e	(e) the operators of the systems covered by Directive 98/26/EC in which the CCP under resolution participates.	(e) the operators of the systems covered by Directive 98/26/EC in which the CCP under resolution participates.	(e) the operators of the systems covered by Directive 98/26/EC in which the CCP under resolution participates.
1190.	Art. 70 - para. 2 - subpara. 1	2. The notification referred to in paragraph 1 shall include a copy of any order or instrument by which the relevant action is taken and indicate the date from which the resolution action is effective.	2. The notification referred to in <i>the second subparagraph</i> of paragraph 1 shall include a copy of any order or instrument by which the relevant action is taken and indicate the date from which the resolution action is effective.	2. The notification referred to in paragraph 1 shall include a copy of any order or instrument by which the relevant action is taken and indicate the date from which the resolution action is effective.
1191.	Art. 70 - para. 2 - subpara. 2	The notification to the resolution college pursuant to point (b) of paragraph (1) shall also indicate whether the resolution action deviates from the resolution plan and provide reasons for any such deviation.	The notification to the resolution college pursuant to <i>second subparagraph</i> of paragraph 1 shall provide reasons for any <i>—deviation from the resolution plan.</i>	The notification to the resolution college pursuant to point (b) of paragraph (1) shall also indicate whether the resolution action deviates from the resolution plan and provide reasons for any such deviation.

Nr.	Ref.	COM	Council	EP
1192.	Art. 70 - para. 3 - introd. part	3. A copy of the order or instrument by which the resolution action is taken, or a notice summarising the effects of the resolution action and, if applicable, the terms and period of suspension or restriction referred to in Articles 55, 56 and 57, shall be published at all of the following:	3. A copy of the order or instrument by which the resolution action is taken, or a notice summarising the effects of the resolution action and, if applicable, the terms and period of suspension or restriction referred to in Articles 55, 56 and 57, shall be published at all of the following:	3. A copy of the order or instrument by which the resolution action is taken, or a notice summarising the effects of the resolution action and, if applicable, the terms and period of suspension or restriction referred to in Articles 55, 56 and 57, shall be published at all of the following:
1193.	Art. 70 - para. 3 - point a	(a) the website of the resolution authority;	(a) the website of the resolution authority;	(a) the website of the resolution authority;
1194.	Art. 70 - para. 2 - point b	(b) the website of the competent authority, if different from the resolution authority, and the website of ESMA;	(b) the website of the competent authority, if different from the resolution authority, and the website of ESMA;	(b) the website of the competent authority, if different from the resolution authority, and the website of ESMA;
1195.	Art. 70 - para. 3 - point c	(c) the website of the CCP under resolution;	(c) the website of the CCP under resolution;	(c) the website of the CCP under resolution;

Nr.	Ref.	COM	Council	EP
1196.	Art. 70 - para. 3 - point d	(d) where the instruments of ownership or debt instruments of the CCP under resolution are admitted to trading on a regulated market, the means used for the disclosure of regulated information concerning the CCP under resolution in accordance with Article 21(1) of Directive 2004/109/EC of the European Parliament and of the Council ⁷ .	(d) where the instruments of ownership or debt instruments of the CCP under resolution are admitted to trading on a regulated market, the means used for the disclosure of regulated information concerning the CCP under resolution in accordance with Article 21(1) of Directive 2004/109/EC of the European Parliament and of the Council ⁸ .	(d) where the instruments of ownership or debt instruments of the CCP under resolution are admitted to trading on a regulated market, the means used for the disclosure of regulated information concerning the CCP under resolution in accordance with Article 21(1) of Directive 2004/109/EC of the European Parliament and of the Council ⁹ .
1197.	Art. 70 - para. 4 -	4. Where the instruments of ownership or debt instruments are not admitted to trading on a regulated market, the resolution authority shall ensure that the documents providing proof of the order referred to in paragraph 3 are sent to the	4. Where the instruments of ownership or debt instruments are not admitted to trading on a regulated market, the resolution authority shall ensure that the documents providing proof of the order referred to in paragraph 3 are sent to the	4. Where the instruments of ownership or debt instruments are not admitted to trading on a regulated market, the resolution authority shall ensure that the documents providing proof of the

⁷ Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 390, 31.12.2004, p. 38).

⁸ Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 390, 31.12.2004, p. 38).

⁹ Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 390, 31.12.2004, p. 38).

Nr.	Ref.	COM	Council	EP
		holders of the instruments of ownership and creditors of the CCP under resolution that are known through the registers or databases of the CCP under resolution which are available to the resolution authority.	holders of the instruments of ownership and creditors of the CCP under resolution that are known through the registers or databases of the CCP under resolution which are available to the resolution authority.	order referred to in paragraph 3 are sent to the holders of the instruments of ownership and creditors of the CCP under resolution that are known through the registers or databases of the CCP under resolution which are available to the resolution authority.
1198.	Art. 71 - title	Article 71 Confidentiality	Article 71 Confidentiality	Article 71 Confidentiality
1199.	Art. 71 - para. 1 - introd. part	1. The requirements of professional secrecy shall be binding in respect of the following persons:	1. The requirements of professional secrecy shall be binding in respect of the following persons:	1. The requirements of professional secrecy shall be binding in respect of the following persons:
1200.	Art. 71 - para. 1 - point a	(a) resolution authorities;	(a) resolution authorities;	(a) resolution authorities;
1201.	Art. 71 - para. 1 -	(b) competent authorities, ESMA and EBA;	(b) competent authorities, ESMA and EBA;	(b) competent authorities, ESMA and EBA;

Nr.	Ref.	COM	Council	EP
	point b			
1202.	Art. 71 - para. 1 - point c	(c) competent ministries;	(c) competent ministries;	(c) competent ministries;
1203.	Art. 71 - para. 1 - point d	(d) special managers or temporary administrators appointed under this Regulation;	(d) special managers or temporary administrators appointed under this Regulation;	(d) special managers or temporary administrators appointed under this Regulation;
1204.	Art. 71 - para. 1 - point e	(e) potential acquirers that are contacted by the competent authorities or solicited by the resolution authorities, irrespective of whether that contact or solicitation was made as preparation for the use of the sale of business tool, and irrespective of whether the solicitation resulted in an acquisition;	(e) potential acquirers that are contacted by the competent authorities or solicited by the resolution authorities, irrespective of whether that contact or solicitation was made as preparation for the use of the sale of business tool, and irrespective of whether the solicitation resulted in an acquisition;	(e) potential acquirers that are contacted by the competent authorities or solicited by the resolution authorities, irrespective of whether that contact or solicitation was made as preparation for the use of the sale of business tool, and irrespective of whether the solicitation resulted in an acquisition;
1205.	Art. 71 - para. 1 -	(f) auditors, accountants, legal and professional advisors, valuers and other	(f) auditors, accountants, legal and professional advisors, valuers and other	(f) auditors, accountants, legal and professional advisors, valuers and

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	point f	experts directly or indirectly engaged by the resolution authorities, competent authorities, competent ministries or by the potential acquirers referred to in point (e);	experts directly or indirectly engaged by the resolution authorities, competent authorities, competent ministries or by the potential acquirers referred to in point (e);	other experts directly or indirectly engaged by the resolution authorities, competent authorities, competent ministries or by the potential acquirers referred to in point (e);
1206.	Art. 71 - para. 1 - point g	(g) central banks and other authorities involved in the resolution process;	(g) central banks and other authorities involved in the resolution process;	(g) central banks and other authorities involved in the resolution process;
1207.	Art. 71 - para. 1 - point h	(h) a bridge CCP;	(h) a bridge CCP;	(h) a bridge CCP;
1208.	Art. 71 - para. 1 - point i	(i) any other persons who provide or have provided services directly or indirectly, permanently or occasionally, to persons referred to in points (a) to (k);		(i) any other persons who provide or have provided services directly or indirectly, permanently or occasionally, to persons referred to in points (a) to (k);
1209.	Art. 71 - para. 1 -	(j) the senior management and members of the board of the CCP, and employees of the bodies or entities referred to in points	(j) the senior management and members of the board of the CCP, and employees of	(j) the senior management and members of the board of the CCP, and employees of the bodies or

Nr.	Ref.	COM	Council	EP
	point j	(a) to (k) before, during and after their appointment;	the bodies or entities referred to in points (a) to (k) before, during and after their appointment;	entities referred to in points (a) to (k) before, during and after their appointment;
1210.	Art. 71 - para. 1 - point k	(k) all other members of the resolution college not referred to in points (a), (b), (c) and (g).	(k) all other members of the resolution college not referred to in points (a), (b), (c) and (g);	(k) all other members of the resolution college not referred to in points (a), (b), (c) and (g).
1211.	Art. 71 - para. 1 - point k a (new)		<i>(l) any other persons who provide or have provided services directly or indirectly, permanently or occasionally, to persons referred to in points (a) to (k).</i>	
1212.	Art. 71 - para. 2	2. With a view to ensuring that the confidentiality requirements laid down in paragraphs 1 and 3 are complied with, the persons referred to in points (a), (b), (c), (g), (h) and (k) of paragraph 1 shall ensure that there are internal rules in place, including rules to secure secrecy of information between persons directly involved in the resolution process.	2. With a view to ensuring that the confidentiality requirements laid down in paragraphs 1 and 3 are complied with, the persons referred to in points (a), (b), (c), (g), (h) and (k) of paragraph 1 shall ensure that there are internal rules in place, including rules to secure secrecy of information between persons directly	2. With a view to ensuring that the confidentiality requirements laid down in paragraphs 1 and 3 are complied with, the persons referred to in points (a), (b), (c), (g), (h) and (k) of paragraph 1 shall ensure that there are internal rules in place, including rules to secure secrecy of information between persons directly

Nr.	Ref.	COM	Council	EP
1213.	Art. 71 - para. 3 - subpara. 1	3. The persons referred to in paragraph 1 shall be prohibited from disclosing confidential information received during the course of their professional activities or from a competent authority or resolution authority in connection with their functions under this Regulation, to any person or authority unless it is in the exercise of their functions under this Regulation or in summary or aggregate form such that individual CCPs cannot be identified or with the express and prior consent of the authority or the CCP which provided the information.	3. The persons referred to in paragraph 1 shall be prohibited from disclosing confidential information received during the course of their professional activities or from a competent authority or resolution authority in connection with their functions under this Regulation, to any person or authority unless it is in the exercise of their functions under this Regulation or in summary or aggregate form such that individual CCPs cannot be identified or with the express and prior consent of the authority or the CCP which provided the information.	involved in the resolution process. 3. The persons referred to in paragraph 1 shall be prohibited from disclosing confidential information received during the course of their professional activities or from a competent authority or resolution authority in connection with their functions under this Regulation, to any person or authority unless it is in the exercise of their functions under this Regulation or in summary or aggregate form such that individual CCPs cannot be identified or with the express and prior consent of the authority or the CCP which provided the information.
1214.	Art. 71 - para. 3 -	Before disclosing any type of information, the persons referred to in paragraph 1 shall assess the effects that the disclosure may	Before disclosing any type of information, the persons referred to in paragraph 1 shall	Before disclosing any type of information, the persons referred to in paragraph 1 shall assess the effects

Nr.	Ref.	COM	Council	EP
	subpara. 2	have on the public interest as regards financial, monetary or economic policy, on the commercial interests of natural and legal persons, on the purpose of inspections, on investigations and on audits.	assess the effects that the disclosure may have on the public interest as regards financial, monetary or economic policy, on the commercial interests of natural and legal persons, on the purpose of inspections, on investigations and on audits.	that the disclosure may have on the public interest as regards financial, monetary or economic policy, on the commercial interests of natural and legal persons, on the purpose of inspections, on investigations and on audits.
1215.	Art. 71 - para. 3 - subpara. 3	The procedure for checking the effects of disclosing information shall include a specific assessment of the effects of any disclosure of the contents and details of recovery and resolution plans as referred to in Articles 9 and 13 and the result of any assessment carried out under Articles 10 and 16.	The procedure for checking the effects of disclosing information shall include a specific assessment of the effects of any disclosure of the contents and details of recovery and resolution plans as referred to in Articles 9 and 13 and the result of any assessment carried out under Articles 10 and 16.	The procedure for checking the effects of disclosing information shall include a specific assessment of the effects of any disclosure of the contents and details of recovery and resolution plans as referred to in Articles 9 and 13 and the result of any assessment carried out under Articles 10 and 16.
1216.	Art. 71 - para. 3 - subpara. 4	Any person or entity referred to in paragraph 1 shall be subject to civil liability in the event of an infringement of this Article, in accordance with national law.	Any person or entity referred to in paragraph 1 shall be subject to civil liability in the event of an infringement of	Any person or entity referred to in paragraph 1 shall be subject to civil liability in the event of an infringement of this Article, in

Nr.	Ref.	COM	Council	EP
			this Article, in accordance with national law.	accordance with national law.
1217.	Art. 71 - para. 4 - introd. part	4. By way of derogation from paragraph 3, the persons referred to in paragraph 1 may exchange confidential information with any of the following provided that confidentiality agreements are in place for the purposes of that exchange:	4. By way of derogation from paragraph 3, the persons referred to in paragraph 1 may exchange confidential information with any of the following provided that <i>the recipient is subject to requirements of confidentiality—</i> for the purposes of that exchange:	4. By way of derogation from paragraph 3, the persons referred to in paragraph 1 may exchange confidential information with any of the following provided that confidentiality agreements are in place for the purposes of that exchange:
1218.	Art. 71 - para. 4 - point a	(a) any other person where necessary for the purposes of planning or carrying out a resolution action;	(a) any other person where necessary for the purposes of planning or carrying out a resolution action;	(a) any other person where necessary for the purposes of planning or carrying out a resolution action;
1219.	Art. 71 - para. 4 - point b	(b) parliamentary enquiry committees in their Member State, courts of auditors in their Member State and other entities in charge of enquiries in their Member State;	(b) parliamentary enquiry committees in their Member State, courts of auditors in their Member State and other entities in charge of enquiries in their Member State;	(b) parliamentary enquiry committees in their Member State, courts of auditors in their Member State and other entities in charge of enquiries in their Member State;

Nr.	Ref.	COM	Council	EP
1220.	Art. 71 - para. 4 - point c	(c) national authorities responsible for overseeing payment systems, the authorities responsible for normal insolvency proceedings, the authorities entrusted with the public duty of supervising other financial sector entities, the authorities responsible for the supervision of financial markets and insurance undertakings and inspectors acting on their behalf, the authorities responsible for maintaining the stability of the financial system in Member States through the use of macroprudential rules, the authorities responsible for protecting the stability of the financial system, and persons charged carrying out statutory audits.	(c) national authorities responsible for overseeing payment systems, the authorities responsible for normal insolvency proceedings, the authorities entrusted with the public duty of supervising other financial sector entities, the authorities responsible for the supervision of financial markets and insurance undertakings and inspectors acting on their behalf, the authorities responsible for maintaining the stability of the financial system in Member States through the use of macroprudential rules, the authorities responsible for protecting the stability of the financial system, and persons charged carrying out statutory audits.	(c) national authorities responsible for overseeing payment systems, the authorities responsible for normal insolvency proceedings, the authorities entrusted with the public duty of supervising other financial sector entities, the authorities responsible for the supervision of financial markets and insurance undertakings and inspectors acting on their behalf, the authorities responsible for maintaining the stability of the financial system in Member States through the use of macroprudential rules, the authorities responsible for protecting the stability of the financial system, and persons charged carrying out statutory audits.

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1221.	Art. 71 - para. 5 - introd. part	5. This Article shall not prevent:	5. This Article shall not prevent:	5. This Article shall not prevent:
1222.	Art. 71 - para. 5 - point a	(a) employees and experts of the bodies or entities referred to in points (a) to (g) and in point (k) of paragraph 1 from sharing information among themselves within each body or entity;	(a) employees and experts of the bodies or entities referred to in points (a) to (g) and in point (k) of paragraph 1 from sharing information among themselves within each body or entity;	(a) employees and experts of the bodies or entities referred to in points (a) to (g) and in point (k) of paragraph 1 from sharing information among themselves within each body or entity;
1223.	Art. 71 - para. 5 - point b	(b) resolution authorities and competent authorities, including their employees and experts, from sharing information with each other and with other Union resolution authorities, other Union competent authorities, competent ministries, central banks, authorities responsible for normal insolvency proceedings, authorities responsible for maintaining the stability of	(b) resolution authorities and competent authorities, including their employees and experts, from sharing information with each other and with other Union resolution authorities, other Union competent authorities, competent ministries, central banks, authorities responsible for normal insolvency proceedings, authorities responsible for maintaining the stability of	(b) resolution authorities and competent authorities, including their employees and experts, from sharing information with each other and with other Union resolution authorities, other Union competent authorities, competent ministries, central banks, authorities responsible for normal insolvency proceedings, authorities

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		the financial system in Member States through the use of macroprudential rules, persons charged with carrying out statutory audits of accounts, EBA, ESMA, or, subject to Article 78, third-country authorities that carry out equivalent functions to resolution authorities, or, subject to strict confidentiality requirements, to a potential acquirer for the purposes of planning or carrying out a resolution action.	the financial system in Member States through the use of macroprudential rules, persons charged with carrying out statutory audits of accounts, EBA, ESMA, or, subject to Article 78, third-country authorities that carry out equivalent functions to resolution authorities, or, subject to strict confidentiality requirements, to a potential acquirer for the purposes of planning or carrying out a resolution action.	responsible for maintaining the stability of the financial system in Member States through the use of macroprudential rules, persons charged with carrying out statutory audits of accounts, EBA, ESMA, or, subject to Article 78, third-country authorities that carry out equivalent functions to resolution authorities, or, subject to strict confidentiality requirements, to a potential acquirer for the purposes of planning or carrying out a resolution action.
1224.	Art. 71 - para. 6	6. This Article shall be without prejudice to national law concerning the disclosure of information for the purpose of legal proceedings in criminal or civil cases.	6. This Article shall be without prejudice to national law concerning the disclosure of information for the purpose of legal proceedings in criminal or civil cases.	6. This Article shall be without prejudice to national law concerning the disclosure of information for the purpose of legal proceedings in criminal or civil cases.
1225.	Chapter	CHAPTER VII Right of appeal and exclusion of other	CHAPTER VII Right of appeal and exclusion of other	CHAPTER VII Right of appeal and exclusion of

Nr.	Ref.	COM	Council	EP
	VII - title	actions	actions	other actions
1226.	Art. 72 - title	Article 72 Ex-ante judicial approval and rights of appeal	Article 72 Ex-ante judicial approval and rights of appeal	Article 72 Ex-ante judicial approval and rights of appeal
1227.	Art. 72 - para. 1	1. A decision to take a crisis prevention measure or resolution action may be subject to ex-ante judicial approval and the procedure relating to that approval and the court's consideration are expeditious.	1. A decision to take a crisis prevention measure or resolution action may be subject to ex-ante judicial approval where provided in national law, where the procedure relating to that approval and the court's consideration are expeditious.	
1228.	Art. 72 - para. 2	2. All persons affected by a decision to take a crisis prevention measure or a decision to exercise any power, other than a resolution action, shall have the right of appeal against that decision.	2. All persons affected by a decision to take a crisis prevention measure or a decision to exercise any power, other than a resolution action, shall have the right of appeal against that decision.	2. All persons affected by a decision to take a crisis prevention measure or a decision to exercise any power, other than a resolution action, shall have the right of appeal against that decision.
1229.	Art. 72 - para. 3	3. All persons affected by a decision to take a resolution action shall have the right of appeal against that decision.	3. All persons affected by a decision to take a resolution action shall have the right of appeal against that decision.	3. All persons affected by a decision to take a resolution action shall have the right of appeal against that decision.

Nr.	Ref.	COM	Council	EP
			of appeal against that decision.	that decision.
1230.	Art. 72 - para. 4 - introd. part	4. The right of appeal referred to in paragraph 3 shall be subject to the following conditions:	4. The right of appeal referred to in paragraph 3 shall be subject to the following conditions:	4. The right of appeal referred to in paragraph 3 shall be subject to the following conditions:
1231.	Art. 72 - para. 4 - point -a (new)		<i>(aa) the lodging of an appeal shall not entail any automatic suspension of the effects of the challenged decision;</i>	
1232.	Art. 72 - para. 4 - point a	(a) the decision of the resolution authority shall be immediately enforceable and it shall give rise to a rebuttable presumption that a suspension of its enforcement would be against the public interest;	(a) the decision of the resolution authority shall be immediately enforceable and it shall give rise to a rebuttable presumption that a suspension of its enforcement would be against the public interest;	(a) the decision of the resolution authority shall be immediately enforceable and it shall give rise to a rebuttable presumption that a suspension of its enforcement would be against the public interest;
1233.	Art. 72 - para. 4 - point b	(b) the procedure relating to the appeal shall be expeditious;	(b) the procedure relating to the appeal shall be expeditious;	(b) the procedure relating to the appeal shall be expeditious;

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1234.	Art. 72 - para. 4 - point c	(c) the court shall use the economic assessments of the facts carried out by the resolution authority as a basis for its own assessment.		(c) the court shall use the economic assessments of the facts carried out by the resolution authority as a basis for its own assessment.
1235.	Art. 72 - para. 4 a (new)			4a. A decision of the Resolution Authority to take a Resolution action, a crisis prevention measure or a decision to exercise any power, other than a Resolution action, shall be annulled on substantive grounds only if it was arbitrary and unreasonable at the time of the decision, based on the information then readily available.
1236.	Art. 72 - para. 4 b (new)			4b. The lodging of an appeal shall not entail any automatic suspension of the effects of the challenged decision.
1237.	Art. 72 -	5. Where necessary to protect the	5. Where necessary to protect the	5. Where necessary to protect the

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	para. 5 - subpara. 1	interests of third parties acting in good faith who have acquired instruments of ownership, assets, rights, obligations or liabilities of a CCP under resolution by virtue of a resolution action, the annulment of a decision of a resolution authority shall not affect any subsequent administrative acts or transactions concluded by the resolution authority concerned which were based on the annulled decision.	interests of third parties acting in good faith who have acquired instruments of ownership, assets, rights, obligations or liabilities of a CCP under resolution by virtue of a resolution action, the annulment of a decision of a resolution authority shall not affect any subsequent administrative acts or transactions concluded by the resolution authority concerned which were based on the annulled decision.	interests of third parties acting in good faith who have acquired instruments of ownership, assets, rights, obligations or liabilities of a CCP under resolution by virtue of a resolution action, the annulment of a decision of a resolution authority shall not affect any subsequent administrative acts or transactions concluded by the resolution authority concerned which were based on the annulled decision.
1238.	Art. 72 - para. 5 - subpara. 2	For the purposes of the first subparagraph, the remedies available to the applicant where a decision of the resolution authority is annulled shall be limited to compensation for the loss suffered as a result of that decision.	For the purposes of the first subparagraph, the remedies available to the applicant where a decision of the resolution authority is annulled shall be limited to compensation for the loss suffered as a result of that decision.	For the purposes of the first subparagraph, the remedies available to the applicant where a decision of the resolution authority is annulled shall be limited to compensation for the loss suffered as a result of that decision.
1239.	Art. 73 -	Article 73	Article 73	Article 73

Nr.	Ref.	COM	Council	EP
	title	Restrictions on other proceedings	Restrictions on other proceedings	Restrictions on other proceedings
1240.	Art. 73 - para. 1	1. Normal insolvency proceedings shall not be commenced in relation to a CCP except at the initiative of the resolution authority or with its consent in accordance with paragraph 3.	1. Normal insolvency proceedings shall not be commenced in relation to a CCP except at the initiative of the resolution authority or with its consent in accordance with paragraph 3.	1. Normal insolvency proceedings shall not be commenced in relation to a CCP except at the initiative of the resolution authority or with its consent in accordance with paragraph 3.
1241.	Art. 73 - para. 2	2. Competent authorities and resolution authorities shall be notified without delay of any application for the opening of normal insolvency proceedings in relation to a CCP, irrespective of whether the CCP is under resolution or a decision has been made public in accordance with Article 70(3).	2. Competent authorities and resolution authorities shall be notified without delay of any application for the opening of normal insolvency proceedings in relation to a CCP, irrespective of whether the CCP is under resolution or a decision has been made public in accordance with Article 70(3).	2. Competent authorities and resolution authorities shall be notified without delay of any application for the opening of normal insolvency proceedings in relation to a CCP, irrespective of whether the CCP is under resolution or a decision has been made public in accordance with Article 70(3).
1242.	Art. 73 - para. 3 - subpara. 1	3. The authorities responsible for normal insolvency proceedings may only commence those proceedings after the resolution authority has notified them of its	3. The authorities responsible for normal insolvency proceedings may only commence those proceedings after the	3. The authorities responsible for normal insolvency proceedings may only commence those proceedings after the resolution authority has

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		decision not to take any resolution action in relation to the CCP or where no notification has been received within seven days of the notification referred to in paragraph 2.	resolution authority has notified them of its decision not to take any resolution action in relation to the CCP or where no notification has been received within seven days of the notification referred to in paragraph 2.	notified them of its decision not to take any resolution action in relation to the CCP or where no notification has been received within seven days of the notification referred to in paragraph 2.
1243.	Art. 73 - para. 3 - subpara. 2	Where necessary for the effective use of the resolution tools and powers, resolution authorities may request the court to apply a stay for an appropriate period of time in accordance with the objective pursued, on any judicial action or proceeding in which a CCP under resolution is or may become a party.	Where necessary for the effective use of the resolution tools and powers, resolution authorities may request the court to apply a stay on any judicial action or proceeding in which a CCP under resolution is or may become a party <i>for an appropriate period of time in accordance with the resolution objectives.</i>	Where necessary for the effective use of the resolution tools and powers, resolution authorities may request the court to apply a stay for an appropriate period of time in accordance with the objective pursued, on any judicial action or proceeding in which a CCP under resolution is or may become a party.
1244.	Title VI - title	TITLE VI RELATIONS WITH THIRD COUNTRIES	TITLE VI RELATIONS WITH THIRD COUNTRIES	TITLE VI RELATIONS WITH THIRD COUNTRIES
1245.	Art. 74 -	Article 74	Article 74	Article 74

Nr.	Ref.	COM	Council	EP
	title	Agreements with third countries	Agreements with third countries	Agreements with third countries
1246.	Art. 74 - para. 1 - introd. part	1. In accordance with Article 218 TFEU, the Commission may submit to the Council recommendations for the negotiation of agreements with one or more third countries regarding the means of cooperation between the resolution authorities and the relevant third country authorities in connection with recovery and resolution planning in relation to CCPs and third country CCPs, with regard to the following situations:	1. In accordance with Article 218 TFEU, the Commission may submit to the Council recommendations for the negotiation of agreements with one or more third countries regarding the means of cooperation between the resolution authorities and the relevant third country authorities in connection with recovery and resolution planning in relation to CCPs and third country CCPs, with regard to the following situations:	1. In accordance with Article 218 TFEU, the Commission may submit to the Council recommendations for the negotiation of agreements with one or more third countries regarding the means of cooperation between the resolution authorities and the relevant third country authorities in connection with recovery and resolution planning in relation to CCPs and third country CCPs, with regard to the following situations:
1247.	Art. 74 - para. 1 - point a	(a) where a third country CCP provides services or has subsidiaries in one or more Member States;	(a) where a third country CCP provides services or has subsidiaries in one or more Member States;	(a) where a third country CCP provides services or has subsidiaries in one or more Member States;
1248.	Art. 74 - para. 1 - point b	(b) where a CCP established in a Member State provides services or has one or more subsidiaries in a third country.	(b) where a CCP established in a Member State provides services or has one or more subsidiaries in a third country.	(b) where a CCP established in a Member State provides services or has one or more subsidiaries in a third country.

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				third country.
1249.	Art. 74 - para. 1 - point b a (new)			<i>(ba) where a significant number of clearing members of a CCP are established in that third country;</i>
1250.	Art. 74 - para. 1 - point b b (new)			<i>(bb) where a third country CCP has a significant number of clearing members that are established in the Union.</i>
1251.	Art. 74 - para. 2	2. The agreements referred to in paragraph 1 shall, in particular, seek to ensure the establishment of processes and arrangements for cooperation in carrying out the tasks and exercising the powers indicated in Article 77, including the exchange of information necessary for those purposes.	2. The agreements referred to in paragraph 1 shall, in particular, seek to ensure the establishment of processes and arrangements for cooperation in carrying out the tasks and exercising the powers indicated in Article 77, including the exchange of information necessary for those purposes.	2. The agreements referred to in paragraph 1 shall, in particular, seek to ensure the establishment of processes and arrangements for cooperation in carrying out the tasks and exercising the powers indicated in Article 77, including the exchange of information necessary for those purposes.

Nr.	Ref.	COM	Council	EP
1252.	Art. 75 - title	Article 75 Recognition and enforcement of third-country resolution proceedings	Article 75 Recognition and enforcement of third-country resolution proceedings	Article 75 Recognition and enforcement of third-country resolution proceedings
1253.	Art. 75 - para. 1	1. This Article shall apply in respect of third-country resolution proceedings unless and until an international agreement as referred to in Article 74(1) enters into force with the relevant third country. It shall also apply following the entry into force of an international agreement as referred to in Article 74(1) with the relevant third country to the extent that recognition and enforcement of third-country resolution proceedings is not governed by that agreement.	1. This Article shall apply in respect of third-country resolution proceedings unless and until an international agreement as referred to in Article 74(1) enters into force with the relevant third country. It shall also apply following the entry into force of an international agreement as referred to in Article 74(1) with the relevant third country to the extent that recognition and enforcement of third-country resolution proceedings is not governed by that agreement.	1. This Article shall apply in respect of third-country resolution proceedings unless and until an international agreement as referred to in Article 74(1) enters into force with the relevant third country. It shall also apply following the entry into force of an international agreement as referred to in Article 74(1) with the relevant third country to the extent that recognition and enforcement of third-country resolution proceedings is not governed by that agreement.
1254.	Art. 75 - para. 2 -	2. Relevant national authorities shall recognise third-country resolution	2. Relevant national authorities shall recognise third-country resolution	2. Relevant national authorities shall recognise third-country

Nr.	Ref.	COM	Council	EP
	introd. part	proceedings relating to a third-country CCP in any of the following cases:	proceedings relating to a third-country CCP in any of the following cases:	resolution proceedings relating to a third-country CCP in any of the following cases:
1255.	Art. 75 - para. 2 - point a	(a) the third-country CCP provides services in or has subsidiaries established in one or more Member States;	(a) the third-country CCP provides services in or has subsidiaries established in one or more Member States;	(a) the third-country CCP provides services in or has subsidiaries established in one or more Member States;
1256.	Art. 75 - para. 2 - point b	(b) the third-country CCP has assets, rights, obligations or liabilities located in one or more Member States or are governed by the law of those Member States.	(b) the third-country CCP has assets, rights, obligations or liabilities located in one or more Member States or are governed by the law of those Member States.	(b) the third-country CCP has assets, rights, obligations or liabilities located in one or more Member States or are governed by the law of those Member States.
1257.	Art. 75 - para. 2 - subpara. 2	Relevant national authorities shall ensure the enforcement of the recognised third-country resolution proceedings in accordance with their national law.	Relevant national authorities shall ensure the enforcement of the recognised third-country resolution proceedings in accordance with their national law.	Relevant national authorities shall ensure the enforcement of the recognised third-country resolution proceedings in accordance with their national law.
1258.	Art. 75 - para. 3 -	3. The relevant national authorities shall at least have the power to do the following:	3. The relevant national authorities shall at least have the power to do the	3. The relevant national authorities shall at least have the

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	introd. part		following:	power to do the following:
1259.	Art. 75 - para. 3 - point a - introd. part	(a) exercise the resolution powers in relation to the following:	(a) exercise the resolution powers in relation to the following:	(a) exercise the resolution powers in relation to the following:
1260.	Art. 75 - para. 3 - point a - subpoint i	(i) assets of a third-country CCP that are located in their Member State or governed by the law of their Member State;	(i) assets of a third-country CCP that are located in their Member State or governed by the law of their Member State;	(i) assets of a third-country CCP that are located in their Member State or governed by the law of their Member State;
1261.	Art. 75 - para. 3 - point a - subpoint ii	(ii) rights or liabilities of a third-country CCP that are booked in their Member State or governed by the law of their Member State, or where claims in relation to such rights and liabilities are enforceable in their Member State;	(ii) rights or liabilities of a third-country CCP that are booked in their Member State or governed by the law of their Member State, or where claims in relation to such rights and liabilities are enforceable in their Member State;	(ii) rights or liabilities of a third-country CCP that are booked in their Member State or governed by the law of their Member State, or where claims in relation to such rights and liabilities are enforceable in their Member State;

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1262.	Art. 75 - para. 3 - point b	(b) perfect, including to require another person to take action to perfect, a transfer of instruments of ownership in a subsidiary established in the designating Member State;	(b) perfect, including to require another person to take action to perfect, a transfer of instruments of ownership in a subsidiary established in the designating Member State;	(b) perfect, including to require another person to take action to perfect, a transfer of instruments of ownership in a subsidiary established in the designating Member State;
1263.	Art. 75 - para. 3 - point c	(c) exercise the powers in Article 55, 56 and 57 in relation to the rights of any party to a contract with an entity referred to in paragraph 2 of this Article, where such powers are necessary in order to enforce third-country resolution proceedings;	(c) exercise the powers in Article 55, 56 and 57 in relation to the rights of any party to a contract with an entity referred to in paragraph 2 of this Article, where such powers are necessary in order to enforce third-country resolution proceedings;	(c) exercise the powers in Article 55, 56 and 57 in relation to the rights of any party to a contract with an entity referred to in paragraph 2 of this Article, where such powers are necessary in order to enforce third-country resolution proceedings;
1264.	Art. 75 - para. 3 - point d	(d) render unenforceable any right to terminate, liquidate or accelerate contracts, or affect the contractual rights, of entities referred to in paragraph 2 and other group entities, where such a right arises from resolution action taken in respect of the third-country CCP, whether	(d) render unenforceable any right to terminate, liquidate or accelerate contracts, or affect the contractual rights, of entities referred to in paragraph 2 and other group entities, where such a right arises from resolution action taken in respect of the third-country CCP, whether	(d) render unenforceable any right to terminate, liquidate or accelerate contracts, or affect the contractual rights, of entities referred to in paragraph 2 and other group entities, where such a right arises from resolution action taken in respect of

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		country resolution authority itself or otherwise pursuant to legal or regulatory requirements as to resolution arrangements in that country, provided that the substantive obligations under the contract, including payment and delivery obligations, and provision of collateral, continue to be performed.	by the third-country resolution authority itself or otherwise pursuant to legal or regulatory requirements as to resolution arrangements in that country, provided that the substantive obligations under the contract, including payment and delivery obligations, and provision of collateral, continue to be performed.	the third-country CCP, whether by the third-country resolution authority itself or otherwise pursuant to legal or regulatory requirements as to resolution arrangements in that country, provided that the substantive obligations under the contract, including payment and delivery obligations, and provision of collateral, continue to be performed.
1265.	Art. 75 - para. 4	4. The recognition and enforcement of third-country resolution proceedings shall be without prejudice to any normal insolvency proceedings under national law applicable.	4. The recognition and enforcement of third-country resolution proceedings shall be without prejudice to any normal insolvency proceedings under national law applicable.	4. The recognition and enforcement of third-country resolution proceedings shall be without prejudice to any normal insolvency proceedings under national law applicable.
1266.	Art. 76 - title	Article 76 Right to refuse recognition or enforcement of third-country resolution proceedings	Article 76 Right to refuse recognition or enforcement of third-country resolution proceedings	Article 76 Right to refuse recognition or enforcement of third-country resolution proceedings

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1267.	Art. 76 - para. 1 - introd. part	By way of derogation from Article 75(2), the relevant national authorities may refuse to recognise or to enforce third-country resolution proceedings in any of the following cases:	By way of derogation from Article 75(2), the relevant national authorities may refuse to recognise or to enforce third-country resolution proceedings in any of the following cases:	By way of derogation from Article 75(2), the relevant national authorities may refuse to recognise or to enforce third-country resolution proceedings in any of the following cases:
1268.	Art. 76 - para. 1 - point a	(a) the third-country resolution proceedings would have adverse effects on financial stability in their Member State;	(a) the third-country resolution proceedings would have adverse effects on financial stability in their Member State;	(a) the third-country resolution proceedings would have adverse effects on financial stability in their Member State;
1269.	Art. 76 - para. 1 - point b	(b) creditors or clearing participants located in their Member State would not receive the same treatment as third-country creditors or clearing participants with similar legal rights under the third-country home resolution proceedings;	(b) creditors ■, clearing <i>members and clients</i> located in their Member State would not receive the same treatment as third-country creditors ■, clearing <i>members and clients</i> with similar legal rights under the third-country home resolution proceedings;	(b) creditors or clearing <i>members or their clients of those clearing members</i> located in their Member State would not receive the same treatment as third-country creditors or clearing <i>members or their clients of those clearing members</i> with similar legal rights under the third-country home resolution proceedings;

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1270.	Art. 76 - para. 1 - point c	(c) recognition or enforcement of the third-country resolution proceedings would have material fiscal implications for their Member State;	(c) recognition or enforcement of the third-country resolution proceedings would have material fiscal implications for their Member State;	(c) recognition or enforcement of the third-country resolution proceedings would have material fiscal implications for their Member State;
1271.	Art. 76 - para. 1 - point d	(d) the recognition or enforcement would be contrary to national law.	(d) the recognition or enforcement would be contrary to national law.	(d) the recognition or enforcement would be contrary to national law.
1272.	Art. 77 - title	Article 77 Cooperation with third-country authorities	Article 77 Cooperation with third-country authorities	Article 77 Cooperation with third-country authorities
1273.	Art. 77 - para. 1	1. This Article shall apply in respect of cooperation with a third country unless and until an international agreement as referred to in Article 74(1) enters into force with the relevant third country. It shall also apply following the entry into force of an international agreement provided for in Article 74(1) with the relevant third country	1. This Article shall apply in respect of cooperation with a third country unless and until an international agreement as referred to in Article 74(1) enters into force with the relevant third country. It shall also apply following the entry into force of an international agreement provided for in Article 74(1) with the	1. This Article shall apply in respect of cooperation with a third country unless and until an international agreement as referred to in Article 74(1) enters into force with the relevant third country. It shall also apply following the entry into force of an international agreement

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		to the extent that the subject matter of this Article is not governed by that agreement.	relevant third country to the extent that the subject matter of this Article is not governed by that agreement.	provided for in Article 74(1) with the relevant third country to the extent that the subject matter of this Article is not governed by that agreement.
1274.	Art. 77 - para. 2 - introd. part	2. Competent authorities or resolution authorities, where appropriate, shall conclude cooperation arrangements with the following relevant third-country authorities, taking into account existing cooperation arrangements established pursuant to Article 25(7) of Regulation (EU) No 648/2012:	2. Competent authorities or resolution authorities, where appropriate, shall conclude cooperation arrangements with the following relevant third-country authorities, taking into account existing cooperation arrangements established pursuant to Article 25(7) of Regulation (EU) No 648/2012:	2. Competent authorities or resolution authorities, where appropriate, shall conclude cooperation arrangements with the following relevant third-country authorities, taking into account existing cooperation arrangements established pursuant to Article 25(7) of Regulation (EU) No 648/2012:
1275.	Art. 77 - para. 2 - point a	(a) where a third country CCP provides services or has subsidiaries in one or more Member States, the relevant authorities of the third country where the CCP is established;	(a) where a third country CCP provides services or has subsidiaries in one or more Member States, the relevant authorities of the third country where the CCP is established;	(a) where a third country CCP provides services or has subsidiaries in one or more Member States, the relevant authorities of the third country where the CCP is established;
1276.	Art. 77 -	(b) where a CCP provides services in or	(b) where a CCP provides services in or	(b) where a CCP provides services

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	para. 2 - point b	has one or more third-country subsidiaries, the relevant authorities of the third countries where those services are provided or where the subsidiaries are established.	has one or more third-country subsidiaries, the relevant authorities of the third countries where those services are provided or where the subsidiaries are established.	in or has one or more third-country subsidiaries, the relevant authorities of the third countries where those services are provided or where the subsidiaries are established.
1277.	Art. 77 - para. 3 - introd. part	3. The cooperation arrangements referred to in paragraph 2 shall establish processes and arrangements between the participating authorities for sharing the necessary information for and cooperating in carrying out the following tasks and exercising the following powers in relation to CCPs referred to in points (a) and (b) of paragraph 2 or groups including such CCPs:	3. The cooperation arrangements referred to in paragraph 2 shall establish processes and arrangements between the participating authorities for sharing the necessary information for and cooperating in carrying out the following tasks and exercising the following powers in relation to CCPs referred to in points (a) and (b) of paragraph 2 or groups including such CCPs:	3. The cooperation arrangements referred to in paragraph 2 shall establish processes and arrangements between the participating authorities for sharing the necessary information for and cooperating in carrying out the following tasks and exercising the following powers in relation to CCPs referred to in points (a) and (b) of paragraph 2 or groups including such CCPs:
1278.	Art. 77 - para. 3 - point a	(a) the development of resolution plans in accordance with Article 13 and similar requirements under the law of the relevant third countries;	(a) <i>drawing up</i> resolution plans in accordance with Article 13 and similar requirements under the law of the relevant requirements under the law of the relevant	(a) the development of resolution plans in accordance with Article 13 and similar requirements under the law of the relevant third countries;

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1279.	Art. 77 - para. 3 - point b	(b) the assessment of the resolvability of such institutions and groups, in accordance with Article 16 and similar requirements under the law of the relevant third countries;	third countries; (b) the assessment of the resolvability of such institutions and groups, in accordance with Article 16 and similar requirements under the law of the relevant third countries;	(b) the assessment of the resolvability of such institutions and groups, in accordance with Article 16 and similar requirements under the law of the relevant third countries;
1280.	Art. 77 - para. 3 - point c	(c) the application of powers to address or remove impediments to resolvability pursuant to Article 17 and any similar powers under the law of the relevant third countries;	(c) the application of powers to address or remove impediments to resolvability pursuant to Article 17 and any similar powers under the law of the relevant third countries;	(c) the application of powers to address or remove impediments to resolvability pursuant to Article 17 and any similar powers under the law of the relevant third countries;
1281.	Art. 77 - para. 3 - point d	(d) the application of early intervention measures pursuant to Article 19 and similar powers under the law of the relevant third countries;	(d) the application of early intervention measures pursuant to Article 19 and similar powers under the law of the relevant third countries;	(d) the application of early intervention measures pursuant to Article 19 and similar powers under the law of the relevant third countries;
1282.	Art. 77 - para. 3 -	(e) the use of resolution tools and exercise of resolution powers and similar	(e) the use of resolution tools and exercise of resolution powers and similar	(e) the use of resolution tools and exercise of resolution powers and

Nr.	Ref.	COM	Council	EP
	point e	powers conferred upon the relevant third-country authorities.	powers conferred upon the relevant third-country authorities.	similar powers conferred upon the relevant third-country authorities.
1283.	Art. 77 - para. 4 - introd. part	4. Cooperation arrangements concluded between resolution authorities and competent authorities of Member States and third countries pursuant to paragraph 2 may include provisions on the following matters:	4. Cooperation arrangements concluded between resolution authorities and competent authorities of Member States and third countries pursuant to paragraph 2 may include provisions on the following matters:	4. Cooperation arrangements concluded between resolution authorities and competent authorities of Member States and third countries pursuant to paragraph 2 may include provisions on the following matters:
1284.	Art. 77 - para. 4 - point a	(a) the exchange of information necessary for the preparation and maintenance of resolution plans;	(a) the exchange of information necessary for the preparation and maintenance of resolution plans;	(a) the exchange of information necessary for the preparation and maintenance of resolution plans;
1285.	Art. 77 - para. 4 - point b	(b) consultation and cooperation in the development of resolution plans, including principles for the exercise of powers under Article 75 and similar powers under the law of the relevant third countries;	(b) consultation and cooperation in <i>drawing up</i> resolution plans, including principles for the exercise of powers under Article 75 and similar powers under the law of the relevant third countries;	(b) consultation and cooperation in the development of resolution plans, including principles for the exercise of powers under Article 75 and similar powers under the law of the relevant third countries;
1286.	Art. 77 -	(c) the exchange of information	(c) the exchange of information necessary	(c) the exchange of information

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	para. 4 - point c	necessary for the use of resolution tools and exercise of resolution powers and similar powers under the law of the relevant third countries;	for the use of resolution tools and exercise of resolution powers and similar powers under the law of the relevant third countries;	necessary for the use of resolution tools and exercise of resolution powers and similar powers under the law of the relevant third countries;
1287.	Art. 77 - para. 4 - point d	(d) early warning to or consultation of parties to the cooperation arrangement before taking any significant action under this Regulation or relevant third-country law affecting the CCP or group to which the arrangement relates;	(d) early warning to or consultation of parties to the cooperation arrangement before taking any significant action under this Regulation or relevant third-country law affecting the CCP or group to which the arrangement relates;	(d) early warning to or consultation of parties to the cooperation arrangement before taking any significant action under this Regulation or relevant third-country law affecting the CCP or group to which the arrangement relates;
1288.	Art. 77 - para. 4 - point e	(e) the coordination of public communication in the case of joint resolution actions;	(e) the coordination of public communication in the case of joint resolution actions;	(e) the coordination of public communication in the case of joint resolution actions;
1289.	Art. 77 - para. 4 - point f	(f) procedures and arrangements for the exchange of information and cooperation under points (a) to (e), including, where appropriate, through the establishment and	(f) procedures and arrangements for the exchange of information and cooperation under points (a) to (e), including, where appropriate, through the establishment and	(f) procedures and arrangements for the exchange of information and cooperation under points (a) to (e), including, where appropriate,

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		operation of crisis management groups.	operation of crisis management groups.	through the establishment and operation of crisis management groups.
1290.	Art. 77 - para. 4 - subpara. 2	In order to ensure the common, uniform and consistent application of paragraph 3, ESMA shall issue guidelines on the types and content of the provisions referred to in paragraph 4 by <i>[PO please insert the date 18 months from entry into force of the Regulation]</i> .	In order to ensure the common, uniform and consistent application of paragraph 3, ESMA shall issue guidelines on the types and content of the provisions referred to in paragraph 4 by <i>[PO please insert the date 18 months from entry into force of the Regulation]</i> .	In order to ensure the common, uniform and consistent application of paragraph 3, ESMA shall issue guidelines on the types and content of the provisions referred to in paragraph 4 by <i>[PO please insert the date 18 months from entry into force of the Regulation]</i> .
1291.	Art. 77 - para. 5	5. Resolution authorities and competent authorities shall notify ESMA of any cooperation agreements that they have concluded in accordance with this Article.	5. Resolution authorities and competent authorities shall notify ESMA of any cooperation agreements that they have concluded in accordance with this Article.	5. Resolution authorities and competent authorities shall notify ESMA of any cooperation agreements that they have concluded in accordance with this Article.
1292.	Art. 78 - title	Article 78 Exchange of confidential information	Article 78 Exchange of confidential information	Article 78 Exchange of confidential information
1293.	Art. 78 -	1. Resolution authorities, competent	1. Resolution authorities, competent	1. Resolution authorities,

Nr.	Ref.	COM	Council	EP
	para. 1 - introd. part	authorities, competent ministries and, where applicable, other relevant national authorities shall exchange confidential information, including recovery plans, with relevant third-country authorities only if the following conditions are met:	authorities, competent ministries and, where applicable, other relevant national authorities shall exchange confidential information, including recovery plans, with relevant third-country authorities only if the following conditions are met:	competent authorities, competent ministries and, where applicable, other relevant national authorities shall exchange confidential information, including recovery plans, with relevant third-country authorities only if the following conditions are met:
1294.	Art. 78 - para. 1 - point a	(a) those third-country authorities are subject to requirements and standards of professional secrecy at least considered to be equivalent, in the opinion of all the authorities concerned, to those imposed by Article 71;	(a) those third-country authorities are subject to requirements and standards of professional secrecy at least considered to be equivalent, in the opinion of all the authorities concerned, to those imposed by Article 71;	(a) those third-country authorities are subject to requirements and standards of professional secrecy at least considered to be equivalent, in the opinion of all the authorities concerned, to those imposed by Article 71;
1295.	Art. 78 - para. 1 - point b	(b) the information is necessary for the performance by the relevant third-country authorities of their functions under national law that are comparable to those under this Regulation and is not used for any other	(b) the information is necessary for the performance by the relevant third-country authorities of their functions under national law that are comparable to those under this Regulation and is not used for	(b) the information is necessary for the performance by the relevant third-country authorities of their functions under national law that are comparable to those under this

Nr.	Ref.	COM	Council	EP
		purposes.	any other purposes.	Regulation and is not used for any other purposes.
1296.	Art. 78 - para. 2	2. In so far as the exchange of information relates to personal data, the handling and transmission of such personal data to third-country authorities shall be governed by the applicable Union and national data protection law.	2. In so far as the exchange of information relates to personal data, the handling and transmission of such personal data to third-country authorities shall be governed by the applicable Union and national data protection law.	2. In so far as the exchange of information relates to personal data, the handling and transmission of such personal data to third-country authorities shall be governed by the applicable Union and national data protection law.
1297.	Art. 78 - para. 3 - introd. part	3. Where confidential information originates in another Member State, resolution authorities, competent authorities and competent ministries shall not disclose that information to relevant third-country authorities unless the following conditions are met:	3. Where confidential information originates in another Member State, resolution authorities, competent authorities and competent ministries shall not disclose that information to relevant third-country authorities unless the following conditions are met:	3. Where confidential information originates in another Member State, resolution authorities, competent authorities and competent ministries shall not disclose that information to relevant third-country authorities unless the following conditions are met:
1298.	Art. 78 - para. 3 -	(a) the relevant authority of the Member State where the information originated agrees to that disclosure;	(a) the relevant authority of the Member State where the information originated	(a) the relevant authority of the Member State where the information originated agrees to that disclosure;

Nr.	Ref.	COM	Council	EP
	point a		agrees to that disclosure;	
1299.	Art. 78 - para. 3 - point b	(b) the information is disclosed only for the purposes permitted by the authority referred to in point (a).	(b) the information is disclosed only for the purposes permitted by the authority referred to in point (a).	(b) the information is disclosed only for the purposes permitted by the authority referred to in point (a).
1300.	Art. 78 - para. 4	4. For the purposes of this Article, information is deemed to be confidential if it is subject to confidentiality requirements under Union law.	4. For the purposes of this Article, information is deemed to be confidential if it is subject to confidentiality requirements under Union law.	4. For the purposes of this Article, information is deemed to be confidential if it is subject to confidentiality requirements under Union law.
1301.	Title VI a (new) - title		TITLE VIa ADMINISTRATIVE MEASURES AND SANCTIONS	
1302.	Art. 78 a (new) - title		Article 78a Administrative sanctions and other administrative measures	Article 78a Administrative penalties and other administrative measures
1303.	Art. 78 a		1. Without prejudice to any criminal	1. Without prejudice to the right of Member States to provide for and

Nr.	Ref.	COM	Council	EP
	(new) - para. 1 - subpara. 1		sanctions, Member States shall, in accordance with national law, lay down rules on administrative sanctions and other administrative measures applicable where the provisions of this Regulation have not been complied with, and shall take all measures necessary to ensure that they are implemented.	<i>impose criminal penalties, Member States shall lay down rules on administrative penalties and other administrative measures applicable where the provisions of this Regulation have not been complied with, and shall take all measures necessary to ensure that they are implemented. Where Member States decide not to lay down rules for administrative penalties for infringements which are subject to national criminal law they shall communicate to the Commission the relevant criminal law provisions. The administrative penalties and other administrative measures shall be effective, proportionate and dissuasive.</i>
1304.	Art. 78 a		<i>Member States may decide not to lay</i>	

Nr.	Ref.	COM	Council	EP
	(new) - para. 1 - subpara. 2		<i>down rules for administrative sanctions for infringements which are subject to national criminal law. Where they so decide, Member States shall communicate to the Commission and to ESMA the relevant criminal law provisions. The administrative sanctions and other administrative measures shall be effective, proportionate and dissuasive.</i>	
1305.	Art. 78 a (new) - para. 1 - subpara. 3		<i>By [PO please insert the date 24 months from the entry into force of this Regulation], Member States shall notify, in detail, the rules referred to in the first and second subparagraph to the Commission and to ESMA. They shall notify the Commission and ESMA without delay of any subsequent amendments thereto.</i>	

Nr.	Ref.	COM	Council	EP
1306.	Art. 78 a (new) - para. 2		2. Member States shall ensure that, where obligations referred to in the first paragraph apply to CCPs, clearing members within the meaning of this Regulation, in the event of an infringement, administrative sanctions or other administrative measures can be applied, subject to the conditions laid down in national law, to the senior management and to other natural persons who under national law are responsible for the infringement.	2. Member States shall ensure that, where obligations referred to in the first paragraph apply to CCPs, clearing members of CCPs or parent undertakings, in the event of an infringement, administrative penalties can be applied, subject to the conditions laid down in national law, to the members of the board of the CCP and to other natural persons who under national law are responsible for the infringement.
1307.	Art. 78 a (new) - para. 3		3. The power to impose administrative sanctions or other administrative measures shall be granted to resolution authorities or, where different and depending on the type of infringement, to competent authorities. Resolution authorities and competent authorities	3. The powers to impose administrative penalties provided for in this Regulation shall be attributed to resolution authorities or, where different, to competent authorities, depending on the type of infringement. Resolution

Nr.	Ref.	COM	Council	EP
			shall be provided necessary powers for gathering information and conduct investigations necessary for the exercise of their respective functions. In the exercise of their powers to impose sanctions, resolution authorities and competent authorities shall cooperate closely to ensure that administrative sanctions or other administrative measures produce the desired results and coordinate their action when dealing with cross-border cases.	authorities and competent authorities shall have all information-gathering and investigatory powers that are necessary for the exercise of their respective functions. In the exercise of their powers to impose penalties, resolution authorities and competent authorities shall cooperate closely to ensure that administrative penalties or other administrative measures produce the desired results and coordinate their action when dealing with cross-border cases.
1308.	Art. 78 a (new) - para. 4 - introd.		4. Resolution authorities and competent authorities shall exercise their administrative powers to impose administrative sanctions or other administrative measures in accordance	4. Resolution authorities and competent authorities shall exercise their administrative powers to impose penalties in accordance with this Regulation and national law in

Nr.	Ref.	COM	Council	EP
	part		<i>with this Regulation and national law in any of the following ways:</i>	<i>any of the following ways:</i>
1309.	Art. 78 a (new) - para. 4 - point a		<i>(a) directly;</i>	<i>(a) directly;</i>
1310.	Art. 78 a (new) - para. 4 - point b		<i>(b) in collaboration with other authorities;</i>	<i>(b) in collaboration with other authorities;</i>
1311.	Art. 78 a (new) - para. 4 - point c		<i>(c) under their responsibility by delegation to such authorities;</i>	<i>(c) under their responsibility by delegation to such authorities;</i>
1312.	Art. 78 a (new) - para. 4 -		<i>(d) by application to the competent judicial authorities.</i>	<i>(d) by application to the competent judicial authorities.</i>

Nr.	Ref.	COM	Council	EP
	point d			
1313.	Art. 78 b (new) - title		<i>Article 78b Specific provisions</i>	<i>Article 78b Specific provisions</i>
1314.	Art. 78 b (new) - para. 1 - introd. part		<i>1. Member States shall ensure that their laws, regulations and administrative provisions provide for administrative sanctions and other administrative measures at least in respect of the following situations:</i>	<i>1. Member States shall ensure that their laws, regulations and administrative provisions provide for penalties and other administrative measures at least in respect of the following situations:</i>
1315.	Art. 78 b (new) - para. 1 - point a		<i>(a) failure to draw up, maintain and update recovery plans infringing Article 9;</i>	<i>(a) failure to draw up, maintain and update recovery plans infringing Article 9;</i>
1316.	Art. 78 b (new) - para. 1 -		<i>(b) failure to provide all the information necessary for the development of resolution plans infringing Article 14;</i>	<i>(b) failure to provide all the information necessary for the development of resolution plans, infringing Article 14;</i>

Nr.	Ref.	COM	Council	EP
	point b			
1317.	Art. 78 b (new) - para. 1 - point c		<i>(c) failure of the CCP to notify the competent authority when the CCP is failing or likely to fail, infringing Article 68(1).</i>	<i>(c) failure of the board of the CCP to notify the competent authority when the CCP is failing or likely to fail, infringing Article 68(1).</i>
1318.	Art. 78 b (new) - para. 2 - introd. part		<i>2. Member States shall ensure that, in the cases referred to in paragraph 1, the administrative sanctions and other administrative measures that can be applied include at least the following:</i>	<i>2. Member States shall ensure that, in the cases referred to in paragraph 1, the administrative penalties and other administrative measures that can be applied include at least the following:</i>
1319.	Art. 78 b (new) - para. 2 - point a		<i>(a) a public statement which indicates the natural person, CCP or other legal person responsible and the nature of the infringement;</i>	<i>(a) a public statement which indicates the natural person, institution, Union parent undertaking, CCP, or other legal person responsible and the nature of the infringement;</i>

Nr.	Ref.	COM	Council	EP
1320.	Art. 78 b (new) - para. 2 - point b		<i>(b) an order requiring the natural or legal person responsible to cease the conduct and to desist from a repetition of that conduct;</i>	<i>(b) an order requiring the natural or legal person responsible to cease the conduct and to desist from a repetition of that conduct;</i>
1321.	Art. 78 b (new) - para. 2 - point c		<i>(c) a temporary ban against the members of the senior management of the CCP or any other natural person, who is held responsible, to exercise functions in a CCP;</i>	<i>(c) a temporary ban against the members of the senior management of the CCP or any other natural person, who is held responsible, to exercise functions in CCPs;</i>
1322.	Art. 78 b (new) - para. 2 - point d		<i>(d) in the case of a legal person, administrative pecuniary sanctions of up to 10 % of the total annual turnover of that legal person in the preceding business year. Where the legal person is a subsidiary of a parent undertaking, the relevant turnover shall be turnover resulting from the consolidated accounts of the ultimate parent undertaking in the</i>	<i>(d) in the case of a legal person, administrative fines of up to 10 % of the total annual net turnover of that legal person in the preceding business year. Where the legal person is a subsidiary of a parent undertaking, the relevant turnover shall be the turnover resulting from the consolidated accounts of the ultimate parent undertaking in the</i>

Nr.	Ref.	COM	Council	EP
			<i>preceding business year;</i>	<i>preceding business year;</i>
1323.	Art. 78 b (new) - para. 2 - point e		<i>(e) in the case of a natural person, administrative pecuniary sanctions of up to EUR 5 000 000, or in the Member States where the Euro is not the official currency, the corresponding value in the national currency on [date of entry into force of this regulation];</i>	<i>(e) in the case of a natural person, administrative fines of up to EUR 5 000 000, or in the Member States where the Euro is not the official currency, the corresponding value in the national currency on [date of entry into force of the Regulation];</i>
1324.	Art. 78 b (new) - para. 2 - point f		<i>(f) administrative pecuniary sanctions of up to twice the amount of the benefit derived from the infringement where that benefit can be determined.</i>	<i>(f) administrative fines of up to twice the amount of the benefit derived from the infringement where that benefit can be determined.</i>
1325.	Art. 78 c (new) - title		<i>Article 78c Publication of administrative sanctions or other administrative measures</i>	<i>Article 78c Publication of administrative penalties</i>
1326.	Art. 78 c		<i>1. Resolution authorities or competent</i>	<i>1. Member States shall ensure</i>

Nr.	Ref.	COM	Council	EP
	(new) - para. 1 - subpara. 1		authorities shall publish on their official website at least any administrative sanctions or administrative measures imposed by them for infringements of this Regulation where such sanctions or measures have not been the subject of an appeal or where the right of appeal has been exhausted. Such publication shall be made without undue delay after the natural or legal person is informed of that administrative sanction or other administrative measure including information on the type and nature of the infringement and the identity of the natural or legal person on whom the administrative sanction or other administrative measure is imposed.	that resolution authorities and competent authorities publish on their official website at least any administrative penalties imposed by them for infringing the provisions laid down in this Regulation where such penalties have not been the subject of an appeal or where the right of appeal has been exhausted. Such publication shall be made without undue delay after the natural or legal person is informed of that penalty including information on the type and nature of the infringement and the identity of the natural or legal person on whom the penalty is imposed.
1327.	Art. 78 c (new) -		Where Member States permit publication of administrative sanctions or other	Where Member States permit publication of penalties against which there is an appeal, resolution

Nr.	Ref.	COM	Council	EP
	para. 1 - subpara. 2		<i>administrative measures against which there is an appeal, resolution authorities and competent authorities shall, without undue delay, publish on their official websites information on the status of that appeal and the outcome thereof.</i>	<i>authorities and competent authorities shall, without undue delay, publish on their official websites information on the status of that appeal and the outcome thereof.</i>
1328.	Art. 78 c (new) - para. 2 - introd. part		<i>2. Resolution authorities and competent authorities shall publish the administrative sanctions or other administrative measures imposed by them on an anonymous basis, in a manner which is in accordance with national law, in any of the following circumstances:</i>	<i>2. Resolution authorities and competent authorities shall publish the penalties imposed by them on an anonymous basis, in a manner which is in accordance with national law, in any of the following circumstances:</i>
1329.	Art. 78 c (new) - para. 2 - point a		<i>(a) where the administrative sanction or other administrative measure is imposed on a natural person and publication of personal data is shown to be disproportionate by an obligatory prior assessment of the proportionality of such</i>	<i>(a) where the penalty is imposed on a natural person and publication of personal data is shown to be disproportionate by an obligatory prior assessment of the proportionality of such publication;</i>

Nr.	Ref.	COM	Council	EP
			<i>publication;</i>	
1330.	Art. 78 c (new) - para. 2 - point b		<i>(b) where publication would jeopardise the stability of financial markets or an ongoing criminal investigation or proceedings;</i>	<i>(b) where publication would jeopardise the stability of financial markets or an ongoing criminal investigation;</i>
1331.	Art. 78 c (new) - para. 2 - point c		<i>(c) where publication would cause, insofar as it can be determined, disproportionate damage to the CCP or natural persons involved.</i>	<i>(c) where publication would cause, insofar as it can be determined, disproportionate damage to the CCP or natural persons involved.</i>
1332.	Art. 78 c (new) - para. 2 - subpara. 2		<i>Alternatively, in such cases, the publication of the data in question may be postponed for a reasonable period of time, if it is foreseeable that the reasons for anonymous publication will cease to exist within that period.</i>	<i>Alternatively, in such cases, the publication of the data in question may be postponed for a reasonable period of time, if it is foreseeable that the reasons for anonymous publication will cease to exist within that period.</i>
1333.	Art. 78 c (new) -		<i>3. Resolution authorities and competent authorities shall ensure that any</i>	<i>3. Resolution authorities and competent authorities shall ensure</i>

Nr.	Ref.	COM	Council	EP
	para. 3		publication in accordance with this Article shall remain on their official website for a period of at least five years. Personal data contained in the publication shall only be kept on the official website of the resolution authority or the competent authority for the period which is necessary in accordance with applicable data protection rules.	that any publication in accordance with this Article shall remain on their official website for a period of at least five years. Personal data contained in the publication shall only be kept on the official website of the resolution authority or the competent authority for the period which is necessary in accordance with applicable data protection rules.
1334.	Art. 78 c (new) - para. 4		4. By [PO please insert the date 18 months from the entry into force of this Regulation], ESMA shall submit a report to the Commission on the publication of administrative sanctions and other administrative measures by Member States on an anonymous basis as provided for under paragraph 2 and in particular whether there have been	4. By ... [PO: insert date: 18 months after the entry into force of this Regulation], ESMA shall submit a report to the Commission on the publication by Member States, on an anonymous basis as provided for under paragraph 2, of penalties for non-compliance with the provisions laid down in this

Nr.	Ref.	COM	Council	EP
			<i>significant divergences between Member States in that respect. That report shall also address any significant divergences in the duration of publication of administrative sanctions or other administrative measures under national law for Member States for publication of penalties under administrative sanctions and other administrative measures.</i>	<i>Regulation and in particular whether there have been significant divergences between Member States in that respect. That report shall also address any significant divergences in the duration of publication of penalties under national law for Member States for publication of penalties.</i>
1335.	Art. 78 d (new) - title		<i>Article 78d Maintenance of central database by ESMA</i>	<i>Article 78d Maintenance of central database by ESMA</i>
1336.	Art. 78 d (new) - para. 1		<i>1. Subject to the professional secrecy requirements referred to in Article 71, resolution authorities and competent authorities shall inform ESMA of all administrative sanctions imposed by them under Article 78a and of the status of</i>	<i>1. Subject to the professional secrecy requirements referred to in Article 71, resolution authorities and competent authorities shall inform ESMA of all administrative penalties imposed by them under Article 78a for infringements of the</i>

Nr.	Ref.	COM	Council	EP
			<i>that appeal and outcome thereof.</i>	<i>provisions laid down in this Article and of the status of that appeal and outcome thereof.</i>
1337.	Art. 78 d (new) - para. 2		<i>2. ESMA shall maintain a central database of administrative sanctions reported to it solely for the purpose of exchange of information between resolution authorities which shall be accessible to resolution authorities only and shall be updated on the basis of the information provided by resolution authorities.</i>	<i>2. ESMA shall maintain a central database of penalties reported to it solely for the purpose of exchange of information between resolution authorities which shall be accessible to resolution authorities only and shall be updated on the basis of the information provided by resolution authorities.</i>
1338.	Art. 78 d (new) - para. 3		<i>3. ESMA shall maintain a central database of administrative sanctions reported to it solely for the purpose of exchange of information between competent authorities which shall be accessible to competent authorities only and shall be updated on the basis of the</i>	<i>3. ESMA shall maintain a central database of penalties reported to it solely for the purpose of exchange of information between competent authorities which shall be accessible to competent authorities only and shall be updated on the basis of the</i>

Nr.	Ref.	COM	Council	EP
			<i>information provided by competent authorities.</i>	<i>information provided by competent authorities.</i>
1339.	Art. 78 d (new) - para. 4		<i>4. ESMA shall maintain a webpage with links to each resolution authority's publication of administrative sanctions and each competent authority's publication of administrative sanctions under Article 78a and indicate the period for which each Member State publishes penalties.</i>	<i>4. ESMA shall maintain a webpage with links to each resolution authority's publication of penalties and each competent authority's publication of penalties under Article 78c and indicate the period for which each Member State publishes penalties.</i>
1340.	Art. 78 e (new) - title		<i>Article 78e Effective application of administrative sanctions or other administrative measures and exercise of powers to impose administrative sanctions or administrative measures by competent authorities and resolution authorities</i>	<i>Article 78e Effective application of penalties and exercise of powers to impose penalties by competent authorities and resolution authorities</i>
1341.	Art. 78 e		<i>Member States shall ensure that when</i>	<i>Member States shall ensure that,</i>

Nr.	Ref.	COM	Council	EP
	(new) - para. 1 - introd. part		determining the type of administrative sanctions or other administrative measures, the competent authorities and resolution authorities take into account all relevant circumstances, including where appropriate:	when determining the type of administrative penalties or other administrative measures and the level of administrative fines, the competent authorities and resolution authorities take into account all relevant circumstances, including where appropriate:
1342.	Art. 78 e (new) - para. 1 - point a		(a) the gravity and the duration of the infringement;	(a) the gravity and the duration of the infringement;
1343.	Art. 78 e (new) - para. 1 - point b		(b) the degree of responsibility of the natural or legal person responsible;	(b) the degree of responsibility of the natural or legal person responsible;
1344.	Art. 78 e (new) - para. 1 -		(c) the financial strength of the natural or legal person responsible, for example, as indicated by the total turnover of the	(c) the financial strength of the natural or legal person responsible, for example, as indicated by the

Nr.	Ref.	COM	Council	EP
	point c		<i>responsible legal person or the annual income of the responsible natural person;</i>	<i>total turnover of the responsible legal person or the annual income of the responsible natural person;</i>
1345.	Art. 78 e (new) - para. 1 - point d		<i>(d) the amount of profits gained or losses avoided by the natural or legal person responsible, insofar as they can be determined;</i>	<i>(d) the amount of profits gained or losses avoided by the natural or legal person responsible, insofar as they can be determined;</i>
1346.	Art. 78 e (new) - para. 1 - point e		<i>(e) the losses for third parties caused by the infringement, insofar as they can be determined;</i>	<i>(e) the losses for third parties caused by the infringement, insofar as they can be determined;</i>
1347.	Art. 78 e (new) - para. 1 - point f		<i>(f) the level of cooperation of the natural or legal person responsible with the competent authority and the resolution authority;</i>	<i>(f) the level of cooperation of the natural or legal person responsible with the competent authority and the resolution authority;</i>
1348.	Art. 78 e (new) -		<i>(g) previous infringements by the natural or legal person responsible;</i>	<i>(g) previous infringements by the natural or legal person</i>

Nr.	Ref.	COM	Council	EP
	para. 1 - point g			<i>responsible;</i>
1349.	Art. 78 e (new) - para. 1 - point h		<i>(h) any potential systemic consequences of the infringement.</i>	<i>(h) any potential systemic consequences of the infringement.</i>
1350.	Title VII - title	TITLE VII AMENDMENTS TO REGULATIONS (EU) NO 1095/2010, (EU) NO 648/2012, AND (EU) 2015/2365	TITLE VII AMENDMENTS TO REGULATIONS (EU) NO 1095/2010, (EU) NO 648/2012, AND (EU) 2015/2365 AND DIRECTIVES 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, (EU) 2017/1132 AND 2014/59/EU	TITLE VII AMENDMENTS TO REGULATIONS (EU) NO 1095/2010, (EU) NO 648/2012, AND (EU) 2015/2365
1351.	Art. 79 - title	Article 79 Amendments to Regulation (EU) No 1095/2010	Article 79 Amendments to Regulation (EU) No 1095/2010	Article 79 Amendments to Regulation (EU) No 1095/2010
1352.	Art. 79 - para. 1 -	Regulation (EU) No 1095/2010 is amended as follows:	Regulation (EU) No 1095/2010 is amended as follows:	Regulation (EU) No 1095/2010 is amended as follows:

Nr.	Ref.	COM	Council	EP
	introd. part		amended as follows:	
1353.	Art. 79 - para. 1 - point 1 <i>Art. 4 - para. 3 - point iv (new)</i>	(1) in Article 4, in paragraph 3, the following point (iv) is added:	(1) in Article 4, in paragraph 3, the following point (iv) is added:	(1) in Article 4, in paragraph 3, the following point (iv) is added:
1354.	Art. 79 - para. 1 - point 1 <i>Art. 4 - para. 3 - point iv</i>	'(iv) with regard to Regulation (EU) No [on <i>CCP recovery and resolution</i>], a resolution authority as defined in point 3 of Article 2(1) of Regulation (EU) No [on <i>CCP recovery and resolution</i>]' ;	'(iv) with regard to Regulation (EU) No [on <i>CCP recovery and resolution</i>], a resolution authority as defined in point 3 of Article 2(1) of Regulation (EU) No [on <i>CCP recovery and resolution</i>]' ;	'(iv) with regard to Regulation (EU) No [on <i>CCP recovery and resolution</i>], a resolution authority as defined in point 3 of Article 2(1) of Regulation (EU) No [on <i>CCP recovery and resolution</i>]' ;

Nr.	Ref.	COM	Council	EP
	(new)			
1355.	Art. 79 - para. 1 - point 2 <i>Art. 40 - para. 5 - subpara. 2 (new)</i>	(2) in Article 40, in paragraph 5, the following subparagraph is added:	(2) in Article 40, in paragraph 5, the following subparagraph is added:	(2) in Article 40, in paragraph 5, the following subparagraph is added:
1356.	Art. 79 - para. 1 - point 2 <i>Art. 40 - para. 5 - subpara. 2</i>	‘For the purpose of acting within the scope of Regulation (EU) [<i>on CCP recovery and resolution</i>], the member of the Board of Supervisors referred to in point (b) of paragraph 1 may, where appropriate, be accompanied by a representative from the resolution authority in each Member State, who shall be non-voting.’	‘For the purpose of acting within the scope of Regulation (EU) [<i>on CCP recovery and resolution</i>], the member of the Board of Supervisors referred to in point (b) of paragraph 1 may, where appropriate, be accompanied by a representative from the resolution authority in each Member State, who shall be non-voting.’	‘For the purpose of acting within the scope of Regulation (EU) [<i>on CCP recovery and resolution</i>], the member of the Board of Supervisors referred to in point (b) of paragraph 1 may, where appropriate, be accompanied by a representative from the resolution authority in each Member State, who shall be non-

Nr.	Ref.	COM	Council	EP
	<i>(new)</i>			voting'.
1357.	Art. 80 - title	Article 80 Amendments to Regulation (EU) No 648/2012	Article 80 Amendments to Regulation (EU) No 648/2012	Article 80 Amendments to Regulation (EU) No 648/2012
1358.	Art. 80 - para. 1 - introd. part	Regulation (EU) No 648/2012 is amended as follows:	Regulation (EU) No 648/2012 is amended as follows:	Regulation (EU) No 648/2012 is amended as follows:
1359.	Art. 80 - para. 1 - point 1 <i>Art. 6 a</i>	(1) The following Article 6a is inserted:	(1) The following Article 6b is inserted:	(1) The following Article 6a is inserted:
1360.	Art. 80 - para. 1 - point 1	'Article 6a Suspension of the clearing obligation in resolution	'Article 6b Suspension of ■ clearing obligation in resolution	'Article 6a Suspension of the clearing obligation in resolution

Nr.	Ref.	COM	Council	EP
	<i>Art. 6 a - title (Council Art. 6b)</i>			
1361.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 1 - introd. part</i>	1. Where a CCP meets the conditions under Article 22 of Regulation (EU) [<i>on CCP recovery and resolution</i>], the resolution authority of the CCP designated under Article 3(1) of that Regulation or the competent authority of a clearing member of the CCP in resolution may request the Commission to temporarily suspend the clearing obligation laid down in Article 4(1) for specific classes of OTC derivatives where the following conditions are met:	1. Where a CCP meets the conditions under Article 22 of Regulation (EU) [<i>on CCP recovery and resolution</i>], the resolution authority of the CCP designated under Article 3(1) of that Regulation (Council Art. 6b) , the competent authority designated in accordance with Article 22 or a competent authority responsible for the supervision of a clearing member of the CCP in resolution may request that the Commission suspend the clearing obligation referred to in Article 4(1) for specific classes of	1. Where a CCP meets the conditions under Article 22 of Regulation (EU) [<i>on CCP recovery and resolution</i>], the resolution authority of the CCP designated under Article 3(1) of that Regulation may request the Commission to temporarily suspend the clearing obligation laid down in Article 4(1) for specific classes of OTC derivatives where the following conditions are met:

Nr.	Ref.	COM	Council	EP
			OTC derivatives where the following conditions are met:	
1362.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 1 - point a</i>	(a) the CCP in resolution is authorised under Article 14 to clear the specific classes of OTC derivatives subject to clearing pursuant to Article 4(1) for which the suspension is requested;	(a) the CCP in resolution is authorised to clear the specific classes of OTC derivatives subject to the clearing obligation for which the suspension is requested;	(a) the CCP in resolution is authorised under Article 14 to clear the specific classes of OTC derivatives subject to clearing pursuant to Article 4(1) for which the suspension is requested;
1363.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 1 - point b - introd.</i>	(b) the suspension of the clearing obligation laid down in Article 4 for those specific classes of OTC derivatives is necessary to avoid a serious threat to financial stability in the Union in connection with the resolution of the CCP, in particular where both of the following criteria are met:	(b) the suspension of the clearing obligation for those specific classes of OTC derivatives is necessary to avoid or address a serious threat to financial stability or to the orderly functioning of financial markets in the Union in connection with the resolution of the CCP, and that suspension is proportionate to	(b) the suspension of the clearing obligation laid down in Article 4 for those specific classes of OTC derivatives is necessary to avoid a serious threat to financial stability in the Union in connection with the resolution of the CCP, in particular where all of the following criteria are met:

Nr.	Ref.	COM	Council	EP
	<i>part</i>		those aims	
1364.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 1 - point b - subpoint i</i>	(i) there are adverse events or developments which constitute a serious threat to financial stability;		(i) there are adverse events or developments which constitute a serious threat to financial stability;
1365.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 1 - point b -</i>	(ii) the measure is necessary to address the threat and will not have a detrimental effect on financial stability which is disproportionate to its benefits.		(ii) the measure is necessary to address the threat and will not have a detrimental effect on financial stability <i>including possible procyclical effects</i> which is disproportionate to its benefits.

Nr.	Ref.	COM	Council	EP
	<i>subpoint ii</i>			
1366.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 1 - point b - subpoint iia (new)</i>			<i>(iia) no alternative CCPs are available to offer the clearing service to the clearing participants of the CCP in resolution, or clearing members and clients are not operationally and technically able to meet within a reasonable timeframe all legal or operational requirements of those alternative CCPs.</i>
1367.	Art. 80 - para. 1 - point 1 Art. 80 - para. 1 -	The request referred to in the first subparagraph shall be accompanied by evidence that the conditions laid down in points (a) and (b) of the first subparagraph are fulfilled.	The request referred to in the first subparagraph shall be accompanied by evidence that the conditions laid down in points (a) and (b) of the first subparagraph are <i>met</i> .	The request referred to in the first subparagraph shall be accompanied by evidence that the conditions laid down in points (a) and (b) of the first subparagraph are fulfilled.

Nr.	Ref.	COM	Council	EP
	point 1 <i>Art. 6 a - para 1 - subpara. 2</i>			
1368.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 1 - subpara. 3</i>	The authority referred to in the first subparagraph shall notify its reasoned request to ESMA and the ESRB at the same time that the request is notified to the Commission.	The authority referred to in the first subparagraph shall notify its reasoned request to ESMA and the ESRB at the same time that the request is notified to the Commission.	The resolution authority referred to in the first subparagraph shall notify its reasoned request to ESMA and the ESRB at the same time that the request is notified to the Commission.
1369.	Art. 80 - para. 1 - point 1	2. ESMA shall, within 24 hours of notification of the request referred to in paragraph 1, and after consultation of the ESRB, issue an opinion on the intended suspension taking into account the	2. ESMA shall, within 24 hours of notification of the request from the authority referred to in the first subparagraph of paragraph 1, and, if deemed necessary , after consulting the	2. ESMA shall, within 24 hours of notification of the request referred to in paragraph 1, and after consultation of the ESRB, issue an opinion on the intended suspension

Nr.	Ref.	COM	Council	EP
	<i>Art. 6 a - para 2</i>	necessity to avoid a serious threat to financial stability in the Union, the resolution objectives laid down in Article 21 of Regulation (EU) [<i>on CCP recovery and resolution</i>] and the criteria set out in paragraphs 4 and 5 of Article 5 of this Regulation.	ESRB, issue an opinion on the intended suspension taking into account the necessity to avoid <i>or address</i> a serious threat to financial stability <i>or to the orderly functioning of financial markets</i> in the Union, the resolution objectives laid down in Article 21 of Regulation (EU) [on CCP recovery and resolution] and the criteria set out in paragraphs 4 and 5 of Article 5 of this Regulation.	taking into account the necessity to avoid a serious threat to financial stability in the Union, the resolution objectives laid down in Article 21 of Regulation (EU) [<i>on CCP recovery and resolution</i>] and the criteria set out in paragraphs 4 and 5 of Article 5 of this Regulation.
1370.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 2 a (new) - subpara. 1</i>		<i>2a. Where the suspension of the clearing obligation is considered by ESMA to be a material change in the criteria for the trading obligation to take effect referred to in Article 23(5) of Regulation (EU) No 600/2014, ESMA may request the Commission to suspend the trading obligation laid down in Article 28(1) and (2) of that Regulation for the same</i>	

Nr.	Ref.	COM	Council	EP
			<i>specific classes of OTC derivatives that are subject to the clearing obligation.</i>	
1371.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 2 a (new) - subpara. 2</i>		<i>ESMA shall notify its reasoned request to the authority referred to in the first subparagraph of paragraph 1 and the ESRB at the same time the request is notified to the Commission.</i>	
1372.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 3</i>	3. The opinion referred to in paragraph 2 shall not be made public.	3. The requests referred to in paragraphs 1 and 2a and the opinion referred to in paragraph 2 shall not be made public.	3. The opinion referred to in paragraph 2 shall not be made public.

Nr.	Ref.	COM	Council	EP
1373.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 4</i>	4. The Commission shall, within 48 hours of the request referred to in paragraph 1 and in accordance with paragraph 6 adopt a decision suspending temporarily the clearing obligation for specific classes of OTC derivatives or rejecting the requested suspension.	4. The Commission shall, <i>without undue delay after receipt</i> of the <i>opinion</i> referred to in paragraph 2 <i>either suspend</i> the clearing obligation for <i>the</i> specific classes of OTC derivatives <i>by way of an implementing act</i> , or <i>reject</i> the requested suspension-	4. The Commission shall, within 48 hours of the request referred to in paragraph 1 and in accordance with paragraph 6 adopt a decision suspending temporarily the clearing obligation for specific classes of OTC derivatives or rejecting the requested suspension.
1374.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 5</i>	5. The Commission's decision shall be communicated to the authority that requested the suspension and to ESMA and shall be published on the Commission's website. Where the Commission decides to suspend a clearing obligation, this shall be published on the public register referred to in Article 6.		5. The Commission's decision shall be communicated to the authority that requested the suspension and to ESMA and shall be published on the Commission's website. Where the Commission decides to suspend a clearing obligation, this shall be published on the public register referred to in Article 6.
1375.	Art. 80 - para. 1 -	6. The Commission may decide to temporarily suspend the clearing obligation	The Commission may decide to temporarily suspend the clearing	6. The Commission may decide to temporarily suspend the clearing

Nr.	Ref.	COM	Council	EP
	point 1 <i>Art. 6 a - para 6 (Council Art. 6 a - para. 4 - subpara. 2)</i>	referred to in paragraph 1 for the specific class of OTC derivatives provided that the conditions in point (a) and (b) of paragraph 1 are fulfilled. In adopting such a decision, the Commission shall take into account the opinion issued by ESMA referred to in paragraph 2, the resolution objectives referred to in Article 21 of Regulation (EU) [on CCP recovery and resolution], the criteria set out in paragraphs 4 and 5 of Article 5 regarding those OTC derivative classes and the necessity of the suspension to avoid a serious threat to financial stability.	obligation referred to in paragraph 1 for the specific class of OTC derivatives provided that the conditions in point (a) and (b) of paragraph 1 are fulfilled. In adopting such <i>an implementing act</i> , the Commission shall take into account the opinion issued by ESMA referred to in paragraph 2, the resolution objectives referred to in Article 21 of Regulation (EU) [on CCP recovery and resolution], the criteria set out in paragraphs 4 and 5 of Article 5 regarding those OTC derivative classes and the necessity of the suspension to avoid a serious threat to financial stability.	obligation referred to in paragraph 1 for the specific class of OTC derivatives provided that the conditions in point (a) and (b) of paragraph 1 are fulfilled. In adopting such a decision, the Commission shall take into account the opinion issued by ESMA referred to in paragraph 2, the resolution objectives referred to in Article 21 of Regulation (EU) [on CCP recovery and resolution], the criteria set out in paragraphs 4 and 5 of Article 5 regarding those OTC derivative classes and the necessity of the suspension to avoid a serious threat to financial stability.
1376.	Art. 80 - para. 1 -		<i>Where the Commission rejects the requested suspension, it shall provide reasons therefor in writing to the</i>	

Nr.	Ref.	COM	Council	EP
	point 1 <i>Council Art. 6 a - para 4 - subpara. 3 (new)</i>		<i>requesting authority referred to in the first subparagraph of paragraph 1 and to ESMA. The Commission shall immediately inform the European Parliament and the Council thereof and forward them the reasons provided to the requesting authority referred to in the first subparagraph of paragraph 1 and to ESMA. Such information shall not be made public.</i>	
1377.	Art. 80 - para. 1 - point 1 <i>Council Art. 6 a - para 4 - subpara. 4</i>		<i>The implementing act referred to in the first subparagraph of this paragraph shall be adopted in accordance with the procedure referred to in Article 86(3).</i>	

Nr.	Ref.	COM	Council	EP
	(new)			
1378.	Art. 80 - para. 1 - point 1 Council Art. 6 a - para 4 a (new)		4a. Where requested by ESMA in accordance with paragraph 2a, the implementing act suspending the clearing obligation may also suspend the trading obligation laid down in Article 28(1) and (2) of Regulation (EU) No 600/2014 for the same specific classes of OTC derivatives that are subject to the suspension of the clearing obligation.	
1379.	Art. 80 - para. 1 - point 1 Art. 6 a - para 5 (new)		5. The suspension of the clearing obligation and, where applicable, the trading obligation shall be communicated to the requesting authority referred to in the first subparagraph of paragraph 1 and, where applicable, paragraph 2a and to ESMA and shall be published in the Official Journal of the European Union, on the Commission's website and in the	

Nr.	Ref.	COM	Council	EP
			<i>public register referred to in Article 6.</i>	
1380.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 7 (Council Art. 6a - para. 6 - subpara. 1)</i>	7. The suspension of a clearing obligation pursuant to paragraph 4 shall be valid for an initial period not exceeding three months from the date of its publication in the <i>Official Journal of the European Union</i> .	6. The suspension of <i>the</i> clearing obligation pursuant to paragraph 4 shall be valid for an initial period <i>of no more than</i> three months from the date of <i>application of that suspension</i> .	7. The suspension of a clearing obligation pursuant to paragraph 4 shall be valid for an initial period not exceeding <i>one month</i> from the date of its publication in the <i>Official Journal of the European Union</i> .
1381.	Art. 80 - para. 1 - point 1		■ The ■ suspension <i>of the trading obligation</i> referred to in paragraph <i>4a</i> shall be valid for ■ <i>the same initial period</i> .	

Nr.	Ref.	COM	Council	EP
	<i>Council Art. 6 - subpara. 2</i>			
1382.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 8 (Council Art. 6a - para. 7 - subpara. 1)</i>	8. The Commission may renew the suspension referred to in paragraph 7 for one or more periods not cumulatively exceeding three months from the end of the initial suspension period where the grounds for the suspension continue to apply.	<i>7. Where the grounds for the suspension continue to apply, the Commission may by way of an implementing act, extend the suspension referred to in paragraph 4 for additional periods of no more than three months, with the total period of the suspension of no more than 12 months. Any extensions of the suspension shall be published in accordance with paragraph 5.</i>	8. The Commission may, after consulting the Resolution Authority, ESMA and the ESRB , renew the suspension referred to in paragraph 7 for one or more periods not cumulatively exceeding six months from the end of the initial suspension period where the grounds for the suspension continue to apply.
1383.	Art. 80 -		<i>The implementing act referred to in the</i>	

Nr.	Ref.	COM	Council	EP
	para. 1 - point 1 <i>Council</i> <i>Art. 6 a -</i> <i>para 7 -</i> <i>subpara. 2</i> <i>(new)</i>		<i>first subparagraph of this paragraph shall be adopted in accordance with the procedure referred to in Article 86(3).</i>	
1384.	Art. 80 - para. 1 - point 1 <i>Council</i> <i>Art. 6 a -</i> <i>para 7 a</i> <i>(new) -</i> <i>subpara. 1</i>		<i>7a. Any of the authorities referred to in the first subparagraph of paragraph 1 shall, in sufficient time before the end of the initial suspension period referred to in paragraph 4 or the extension period referred to in paragraph 7, issue a request to the Commission to extend the suspension of the clearing obligation.</i>	

Nr.	Ref.	COM	Council	EP
1385.	Art. 80 - para. 1 - point 1 <i>Council</i> <i>Art. 6 a -</i> <i>para 7a</i> <i>(new) -</i> <i>subpara. 2</i>		<i>The request shall be accompanied by evidence that the conditions laid down in points (a) and (b) of the first subparagraph of paragraph 1 continue to be met.</i>	
1386.	Art. 80 - para. 1 - point 1 <i>Council</i> <i>Art. 6 a -</i> <i>para 7a</i> <i>(new) -</i>		<i>The authority referred to in the first subparagraph shall notify its reasoned request to ESMA and the ESRB at the same time that the request is notified to the Commission.</i>	

Nr.	Ref.	COM	Council	EP
	<i>subpara. 3</i>			
1387.	Art. 80 - para. 1 - point 1 <i>Council</i> <i>Art. 6 a -</i> <i>para 7a</i> <i>(new) -</i> <i>subpara. 4</i>		<i>The request referred to in the first subparagraph of this paragraph shall not be made public.</i>	
1388.	Art. 80 - para. 1 - point 1 <i>Art. 6 a -</i> <i>para 9</i>	9. Where the suspension is not renewed by the end of the initial period or by the end of any subsequent renewal period it shall automatically expire.	I	9. Where the suspension is not renewed by the end of the initial period or by the end of any subsequent renewal period it shall automatically expire.

Nr.	Ref.	COM	Council	EP
1389.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 10 - subpara. 1</i>	10. The Commission shall notify ESMA of its intention to renew the suspension of the clearing obligation.		10. The Commission shall notify ESMA of its intention to renew the suspension of the clearing obligation.
1390.	Art. 80 - para. 1 - point 1 <i>Art. 6 a - para 10 - subpara. 2</i> (Council	ESMA shall, within 48 hours of notification by the Commission of its intention to renew the suspension of the clearing obligation, issue an opinion on the renewal of the suspension taking into account the necessity to avoid a serious threat to financial stability in the Union, the resolution objectives laid down in Article 21 of Regulation (EU) [on CCP recovery and resolution] and the criteria set out in paragraphs 4 and 5 of Article 5 of this	ESMA shall <i>without undue delay after the receipt of the</i> notification <i>of the request and, if deemed necessary, after consulting the ESRB</i> , issue an opinion <i>to the Commission on whether the grounds for the suspension continue to apply</i> taking into account the necessity to avoid <i>or address</i> a serious threat to financial stability <i>or the orderly functioning of financial markets</i> in the Union, the resolution objectives laid down in Article	ESMA shall, within 48 hours of notification by the Commission of its intention to renew the suspension of the clearing obligation, issue an opinion on the renewal of the suspension taking into account the necessity to avoid a serious threat to financial stability in the Union, the resolution objectives laid down in Article 21 of Regulation (EU) [on CCP recovery and resolution] and

Nr.	Ref.	COM	Council	EP
	<i>Art. 6 a - para 7a (new) - subpara. 5)</i>	Regulation.†;	21 of Regulation (EU) [on CCP recovery and resolution] and the criteria set out in paragraphs 4 and 5 of Article 5 of this Regulation. <i>ESMA shall send a copy of that opinion to the European Parliament and to the Council. That opinion shall not be made public.</i>	the criteria set out in paragraphs 4 and 5 of Article 5 of this Regulation.†;
1391.	Art. 80 - para. 1 - point 1 <i>Council Art. 6 a - para 7a (new) - subpara. 6</i>		<i>The implementing act extending the suspension of the clearing obligation may also extend the period of the suspension of the trading obligation referred to in paragraph 4a.</i>	
1392.	Art. 80 - para. 1 -		<i>The extension of the suspension of the trading obligation shall be valid for the</i>	

Nr.	Ref.	COM	Council	EP
	point 1 <i>Council Art. 6 a - para 7a (new) - subpara. 7</i>		<i>same period as the extension of the suspension of the clearing obligation.”;</i>	
1393.	Art. 80 - para. 1 - point 1 a (new) - introd. part <i>Art. 13 a (new)</i>		<i>(1a) The following Article 13a is inserted:</i>	
1394.	Art. 80 -		<i>'Article 13a</i>	

Nr.	Ref.	COM	Council	EP
	para. 1 - point 1 a (new) - introd. part <i>Art. 13 a</i> (new) - title		<i>Replacement of interest rate benchmarks in legacy trades</i>	
1395.	Art. 80 - para. 1 - point 1 a (new) - introd. part <i>Art. 13 a</i>		<i>1. Counterparties referred to in Article 11(3) may continue to apply the risk-management procedures that they have in place at the date of application of this Regulation in respect of non- centrally cleared OTC derivative contracts entered into or novated before the date on which the obligation to have risk-management procedures pursuant to Article 11(3) takes effect where, after the entry into force of this Regulation, those contracts are novated for the sole purpose of replacing the interest rate benchmark they are referring to or of introducing fallback provisions in</i>	

Nr.	Ref.	COM	Council	EP
	<i>(new) - para. 1</i>		<i>relation to that benchmark.</i>	
1396.	Art. 80 - para. 1 - point 1 a <i>(new) - introd. part</i> <i>Art. 13 a</i> <i>(new) - para. 2</i>		<i>2. Transactions entered into or novated before the date on which the clearing obligation takes effect pursuant to Article 4 and which, after the entry into force of this Regulation, are subsequently novated for the sole purpose of replacing the interest rate benchmark they are referring to or of introducing fallback provisions in relation to that benchmark, shall not, for that reason, become subject to the clearing obligation referred to in Article 4.'</i>	
1397.	Art. 80 - para. 1 - point 2 - introd. part	(2) In Article 28, paragraph 3 is replaced by the following:	(2) In Article 28, paragraph 3 is replaced by the following:	(2) In Article 28, paragraph 3 is replaced by the following:

Nr.	Ref.	COM	Council	EP
	<i>Art. 28 - para. 3</i>			
1398.	Art. 80 - para. 1 - point 2 <i>Art. 28 - para. 3</i>	'3. The risk committee shall advise the board on any arrangements that may impact the risk management of the CCP, such as a significant change in its risk model, the default procedures, the criteria for accepting clearing members, the clearing of new classes of instruments, or the outsourcing of functions. The risk committee shall inform the board in a timely manner of any new risk affecting the resilience of the CCP. The advice of the risk committee is not required for the daily operations of the CCP. Reasonable efforts shall be made to consult the risk committee on developments impacting the management of the CCP in emergency	'3. The risk committee shall advise the board on any arrangements that may impact the risk management of the CCP, such as a significant change in its risk model, the default procedures, the criteria for accepting clearing members, the clearing of new classes of instruments, or the outsourcing of functions. The risk committee shall inform the board in a timely manner of any new risk affecting the resilience of the CCP. The advice of the risk committee is not required for the daily operations of the CCP. Reasonable efforts shall be made to	'3. The risk committee shall advise the board on any arrangements that may impact the risk management of the CCP, such as a significant change in its risk model, the default procedures, the criteria for accepting clearing members, the clearing of new classes of instruments, or the outsourcing of functions. The risk committee shall inform the board in a timely manner of any new risk affecting the resilience of the CCP. The advice of the risk committee is not required for the daily operations of the CCP. Reasonable efforts shall be made to

Nr.	Ref.	COM	Council	EP
1400.	Art. 80 - para. 1 - point 3 <i>Art. 28 - para. 5</i>	'5. A CCP shall promptly inform the competent authority and the risk committee of any decision in which the board decides not to follow the advice of the risk committee and explain such decision. The risk committee or any member of the risk committee may inform the competent authority of any areas in which it considers that the advice of the risk committee has not been followed.';	'5. A CCP shall promptly inform the competent authority and the risk committee of any decision in which the board decides not to follow the advice of the risk committee and explain such decision. The risk committee or any member of the risk committee may inform the competent authority of any areas in which it considers that the advice of the risk committee has not been followed.';	'5. A CCP shall promptly inform the competent authority and the risk committee of any decision in which the board decides not to follow the advice of the risk committee and explain such decision. The risk committee or any member of the risk committee may inform the competent authority of any areas in which it considers that the advice of the risk committee has not been followed.';
1401.	Art. 80 - para. 1 - point 4 - introd. part <i>Art. 38 -</i>	(4) in Article 38, the following paragraph 6 is added:	(4) in Article 38, the following paragraph 6 is added:	(4) in Article 38, the following paragraph 6 is added:

Nr.	Ref.	COM	Council	EP
	<i>para. 6</i>			
1402.	Art. 80 - para. 1 - point 4 <i>Art. 38 - para. 6</i>	"The clearing members of the CCP shall inform their existing and potential clients of the potential losses or other costs that they may bear during a recovery phase of the CCP, including the type of compensation they may receive, taking into account Article 48(7) of Regulation (EU) No 648/2012. Clients shall be provided with sufficient information to ensure that they understand the worst-case losses or other costs they could face should the CCP undertake recovery measures.';	"The clearing members of the CCP shall inform their existing and potential clients of the <i>specific</i> potential losses or other costs that they may bear <i>as a result of the application of the default management procedures and loss and position allocation arrangements under the CCP's operating rules</i>, including the type of compensation they may receive, taking into account Article 48(7) of Regulation (EU) No 648/2012. Clients shall be provided with sufficient information to ensure that they understand the worst-case losses or other costs they could face should the CCP undertake recovery measures.';	"The clearing members of the CCP shall <i>clearly</i> inform their existing and potential clients of the <i>specific</i> potential losses or other costs that they may bear <i>as a result of the application of the default management process and loss allocation arrangements laid out in the CCPs operating rules</i>, including the type of compensation they may receive, taking into account Article 48(7) of Regulation (EU) No 648/2012. Clients shall be provided with sufficient information to ensure that they understand the worst-case losses or other costs they could face should the CCP undertake recovery measures.';

Nr.	Ref.	COM	Council	EP
	<i>para. 3 - subpara. 1 a (new)</i>		<i>including any development of the risk they bring to the CCP, which the CCP considers to have the potential of triggering a default procedure. ';</i>	
1405.	Art. 80 - para. 1 - point 5 - introd. part <i>Art. 81 - para. 3 - point q (new)</i>	(5) in Article 81, in paragraph 3, the following point (q) is added:	(5) in Article 81, in paragraph 3, the following point (q) is added:	(5) in Article 81, in paragraph 3, the following point (q) is added:
1406.	Art. 80 - para. 1 - point 5	'(q) the resolution authorities designated under Article 3 of Regulation (EU) No [on CCP recovery and resolution]'. ¹ .	'(q) the resolution authorities designated under Article 3 of Regulation (EU) No [on CCP recovery and resolution]'. ¹ -;	'(q) the resolution authorities designated under Article 3 of Regulation (EU) No [on CCP recovery and resolution]'. ¹ .

Nr.	Ref.	COM	Council	EP
	<i>Art. 81 - para. 3 - point q (new)</i>			
1407.	Art. 80 - para. 1 - point 6 <i>Art. 86 - para. 3 (new)</i>		<i>(6) in Article 86, the following paragraph 3 is added:</i>	
1408.	Art. 80 - para. 1 - point 6		<i>'Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 5 thereof, shall apply.'</i>	

Nr.	Ref.	COM	Council	EP
	<i>Art. 86 - para. 3 (new)</i>			
1409.	Art. 81 - title	Article 81 Amendment to Regulation (EU) 2015/2365	Article 81 Amendment to Regulation (EU) 2015/2365	Article 81 Amendment to Regulation (EU) 2015/2365
1410.	Art. 81 - para. 1 - introd. part <i>Art. 12 - para. 2 - point n (new)</i>	In Article 12, in paragraph 2, the following point (n) is added:	In Article 12, in paragraph 2, the following point (n) is added:	In Article 12, in paragraph 2, the following point (n) is added:
1411.	Art. 81 -	'(n) the resolution authorities designated	'(n) the resolution authorities designated	'(n) the resolution authorities

Nr.	Ref.	COM	Council	EP
	para. 1 <i>Art. 12 - para. 2 - point n (new)</i>	under Article 3 of Regulation (EU) [<i>on CCP recovery and resolution</i>]:.	under Article 3 of Regulation (EU) [<i>on CCP recovery and resolution</i>]:.	designated under Article 3 of Regulation (EU) [<i>on CCP recovery and resolution</i>]:.
1412.	Art. 81 a (new) - title		<i>Article 81a</i> <i>Amendments to Directive 2002/47/EC</i>	
1413.	Art. 81 a (new) - introd. part		<i>Directive 2002/47/EC is amended as follows:</i>	
1414.	Art. 81 a (new) -		<i>(1) In Article 1, paragraph 6 is replaced by the following:</i>	

Nr.	Ref.	COM	Council	EP
	point 1 <i>Art. 1 - para. 6</i>			
1415.	Art. 81 a (new) - point 1 <i>Art. 1 - para. 6</i>		'6. <i>Articles 4 to 7 of this Directive shall not apply to any restriction on the enforcement of financial collateral arrangements or any restriction on the effect of a security financial collateral arrangement, any close out netting or set-off provision that is imposed by virtue of Title IV, Chapter V or VI of Directive 2014/59/EU of the European Parliament and of the Council, or of Title V, Chapter III, Section III, or Chapter IV of Regulation (EU) No [CCP recovery and resolution] or to any such restriction that is imposed by virtue of similar powers in the law of a Member State to facilitate the orderly resolution of any entity referred to in point (c)(iv) or (d) of paragraph 2 of this Article which is subject to safeguards at least equivalent to those set out in Title IV, Chapter VII of Directive 2014/59/EU or in Title V, Chapter V of Regulation (EU) No [CCP</i>	

Nr.	Ref.	COM	Council	EP
1416.	Art. 81 a (new) - point 2 - introd. part <i>Art. 9 a</i>		<i>recovery and resolution].'; (2) article 9a is replaced by the following:</i>	
1417.	Art. 81 a (new) - point 2 - subpara. 2 <i>Art. 9 a - title</i>		<i>'Article 9a Directives 2008/48/EC, Directive 2014/59/EU and Regulation (EU) No [CCP recovery and resolution]</i>	
1418.	Art. 81 a (new) -		<i>This Directive shall be without prejudice to Directives 2008/48/EC, Directive</i>	

Nr.	Ref.	COM	Council	EP
	point 2 - subpara. 2 <i>Art. 9 a- para. 1</i>		<i>2014/59/EU and Regulation (EU) No [on CCP recovery and resolution].'</i>	
1419.	Art. 81 b - title		<i>Article 81b Amendment to Directive 2004/25/EC</i>	
1420.	Art. 81 b (new) - introd. part <i>Art. 4 - para. 5 - subpara. 3</i>		<i>In Article 4, paragraph 5, third subparagraph is replaced by the following:</i>	
1421.	Art. 81 b		<i>'Member States shall ensure that Article 5(1) of this Directive does not apply in</i>	

Nr.	Ref.	COM	Council	EP
	(new) - para. 1 <i>Art. 4 - para. 5 - subpara. 3</i>		<i>the case of use of resolution tools, powers and mechanisms provided for in Title IV of Directive 2014/59/EU of the European Parliament and of the Council or in Title V of Regulation (EU) No [CCP recovery and resolution].'</i>	
1422.	Art. 81 c- (new) - title		<i>Article 81c Amendment to Directive 2005/56/EC</i>	
1423.	Art. 81 c- (new) - introd. part <i>Art. 3 - para. 4</i>		<i>In Article 3, paragraph 4 is replaced by the following:</i>	

Nr.	Ref.	COM	Council	EP
1424.	Art. 81 c- (new) Art. 3 - para. 4		<i>'4. Member States shall ensure that this Directive does not apply to the company or companies that are the subject of the use of resolution tools, powers and mechanisms provided for in Title IV of Directive 2014/59/EU of the European Parliament and of the Council or in Title V of Regulation (EU) No [CCP recovery and resolution].'</i>	
1425.	Art. 81 d- (new) - title		<i>Article 81d Amendments to Directive 2007/36/EC</i>	
1426.	Art. 81 d- (new) - introd. part		<i>Directive 2007/36/EC is amended as follows:</i>	
1427.	Art. 81 d- (new) -		<i>(1) In Article 1, paragraph 4 is replaced by the following:</i>	

Nr.	Ref.	COM	Council	EP
	point 1 <i>Art. 1 - para. 4</i>			
1428.	Art. 81 d- (new) - point 1 <i>Art. 1 - para. 4</i>		<i>'4. Member States shall ensure that this Directive does not apply in the case of the use of resolution tools, powers and mechanisms provided for in Title IV of Directive 2014/59/EU of the European Parliament and of the Council or in Title V of Regulation (EU) No [CCP recovery and resolution].';</i>	
1429.	Art. 81 d- (new) - point 2		<i>(2) in Article 5, paragraph 5 is replaced by the following:</i>	

Nr.	Ref.	COM	Council	EP
	<i>Art. 5 - para. 5</i>			
1430.	Art. 81 d- (new) - point 2 <i>Art. 5 - para. 5</i>		<i>'5. Member States shall ensure that for the purposes of Directive 2014/59/EU and Regulation (EU) No [CCP recovery and resolution] the general meeting may, by a majority of two-thirds of the votes validly cast, issue a convocation to a general meeting, or modify the statutes to prescribe that a convocation to a general meeting is issued, at shorter notice than as laid down in paragraph 1 of this Article, to decide on a capital increase, provided that that meeting does not take place within ten calendar days of the convocation, that the conditions of Article 27 or 29 of Directive 2014/59/EU or of Article 19 of Regulation (EU) No [CCP recovery and resolution] are met, and that the capital increase is necessary to avoid the conditions for resolution laid down in Articles 32 and 33 of Directive 2014/59/EU or in Article 22 of Regulation (EU) No [CCP recovery and</i>	

Nr.	Ref.	COM	Council	EP
			<i>resolution].'</i>	
1431.	Art. 81 e-(new) - title		<i>Article 81e Amendment to Directive 2011/35/EU</i>	
1432.	Art. 81 e-(new) - introd. part <i>Art. 1 - para. 4</i>		<i>In Article 1, paragraph 4 is replaced by the following:</i>	
1433.	Art. 81 e-(new) <i>Art. 1 - para. 4</i>		<i>'4. Member States shall ensure that this Directive does not apply to the company or companies which are the subject of the use of resolution tools, powers and mechanisms provided for in Title IV of Directive 2014/59/EU of the European Parliament and of the Council or in Title V of Regulation (EU) No [CCP recovery and resolution].'</i>	

Nr.	Ref.	COM	Council	EP
1434.	Art. 81 f- (new) - title		<i>Article 81f Amendment to Directive (EU) 2017/1132</i>	
1435.	Art. 81 f- (new) - introd. part <i>Art. 84 - para. 3</i>		<i>In Article 84, paragraph 3 is replaced by the following:</i>	
1436.	Art. 81 f- (new)		<i>'3. Member States shall ensure that Article 49, Article 58(1), Article 68(1), (2) and (3), the first subparagraph of Article 70(2), Articles 72 to 75, and Articles 79, 80 and 81 of this Directive do not apply in the case of use of the resolution tools, powers and mechanisms provided for in</i>	

Nr.	Ref.	COM	Council	EP
	Art. 84 - para. 3		<i>Title IV of Directive 2014/59/EU of the European Parliament and of the Council or in Title V of Regulation (EU) No [CCP recovery and resolution].'</i>	
1437.	Art. 81 h-(new) - title		<i>Article 81h Amendment to Directive 2014/59/EU</i>	
1438.	Art. 81 h-(new) - introd. part <i>Art. 1 - para. 3 (new)</i>		<i>In Article 1, the following paragraph (3) is added:</i>	
1439.	Art. 81 h-(new)		<i>'3. This Directive shall not apply to those central counterparties in respect of which, pursuant to Article 14(5) of Regulation (EU) No 648/2012, Member</i>	

Nr.	Ref.	COM	Council	EP
	<i>Art. 1 - para. 3 (new)</i>		<i>States apply certain requirements for authorisation under Directive 2013/36/EU.'</i>	
1440.	Art. 81 i- (new) - title		<i>Article 81i Amendment to Regulation (EU) 806/2014</i>	
1441.	Art. 81 i- (new) - introd. part <i>Art. 2 - para. 2 (new)</i>		<i>In Article 2, the following paragraph 2 is added:</i>	
1442.	Art. 81 i-		<i>'2. This Regulation shall not apply to those central counterparties in respect of</i>	

Nr.	Ref.	COM	Council	EP
	(new) Art. 2 - para. 2 (new)		which, pursuant to Article 14(5) of Regulation (EU) No 648/2012, Member States apply certain requirements for authorisation under Directive 2013/36/EU.'	
1443.	Title VIII - title	TITLE VIII FINAL PROVISIONS	TITLE VIII FINAL PROVISIONS	TITLE VIII FINAL PROVISIONS
1444.	Art. 82 - title	Article 82 Review	Article 82 Review	Article 82 Review
1445.	Art. 82 - para. 1 - subpara -1 (new)			<i>At the latest by ...[two years following the date of entry into force of this Regulation] and sooner if appropriate in the light of other legislation adopted, ESMA shall assess the staffing and resources needs arising from the assumption of its powers and duties in</i>

Nr.	Ref.	COM	Council	EP
				<i>accordance with this Regulation and submit a report to the European Parliament, the Council and the Commission.</i>
1446.	Art. 82 - para. 1 - subpara. 1	By [...], the Commission shall review the implementation of this Regulation and shall submit a report thereon to the European Parliament and to the Council. Where appropriate, that report shall be accompanied by a legislative proposal.	<i>By [PO please insert a date 5 years after the date of entry into force of this Regulation], the Commission shall review the implementation of this Regulation and shall submit a report thereon to the European Parliament and to the Council. It shall assess at least the following:</i>	By ... <i>[three years following the date of entry into force of this Regulation or upon adoption of other relevant legislation], the Commission shall review this Regulation and its implementation and shall assess the effectiveness of the governance arrangements for the recovery and resolution of CCPs in the Union and submit a report thereon to the European Parliament and to the Council.</i>
1447.	Art. 82 - para. 1 - point a		<i>(a) the appropriateness and sufficiency of financial resources available to the resolution authority to cover non-default</i>	

Nr.	Ref.	COM	Council	EP
	(new)		losses;	
1448.	Art. 82 - para. 1 - point b (new)		<i>(b) The amount of own resources of the CCP to be used in recovery and in resolution and the means for its use.</i>	
1449.	Art. 82 - para. 1 - point c (new)		<i>c) whether the resolution tools available to the resolution authority are adequate.</i>	
1450.	Art. 82 - para. 1 - subpara. 2 (new)		<i>Where appropriate, that report shall be accompanied by proposals for revision of this Regulation.</i>	
1451.	Art. 82 - para. 1 - subpara. 3 (new)		<i>By 31 December 2021, the Commission shall review the application of Article 27(6). The Commission shall assess in particular the need for any further amendments with regard to the use of the</i>	

Nr.	Ref.	COM	Council	EP
			<i>write down and conversion tool in the event of resolution of CCPs in combination with other resolution tools that result in financial losses being borne by clearing members. The Commission shall submit a report thereon to the European Parliament and to the Council accompanied where appropriate by proposals for revision of this Regulation.</i>	
1452.	Art. 82 - para. 1 - subpara. 2 (new) - introd. part			<i>This report shall in particular:</i>
1453.	Art. 82 - para. 1 - subpara. 2 (new) -			<i>(a) assess whether establishing a single resolution authority for Union CCPs would be beneficial, timely and consistent with the</i>

Nr.	Ref.	COM	Council	EP
	point a			<i>developments regarding the supervisory architecture for CCPs in the Union and with the state of integration of such supervisory architecture; and</i>
1454.	Art. 82 - para. 1 - subpara. 2 (new) - point a			<i>(b) review the Union institutions, bodies and agencies that could take up the duties of a single resolution authority for Union CCPs and assess their suitability.</i>
1455.	Art. 82 - para. 1 - subpara. 1 a (new) - subpara. 3			<i>If a single supervisor for Union CCPs has been established by the time of this report or if the report concludes that the supervisory architecture for Union CCPs is sufficiently integrated for a single resolution authority for CCPs to be consistent with it, the Commission shall present a proposal to amend</i>

Nr.	Ref.	COM	Council	EP
				<i>this Regulation in order to create a single resolution authority for CCPs or, as the case may be, in order to entrust the resolution of Union CCPs to any suitable Union institution, body or agency.</i>
1456.	Art. 83 - title	Article 83 Entry into force	Article 83 Entry into force	Article 83 Entry into force
1457.	Art. 83 - para. 1	This Regulation shall enter into force on the twentieth day following that of its publication in the <i>Official Journal of the European Union</i> .	This Regulation shall enter into force on the twentieth day following that of its publication in the <i>Official Journal of the European Union</i> .	This Regulation shall enter into force on the twentieth day following that of its publication in the <i>Official Journal of the European Union</i> .
1458.	Art. 83 - para. 2	It shall apply from [PO: Please insert the date set out in the second subparagraph of Article 9(1) of the Directive amending Directive 2014/59/EU].	It shall apply from [PO please insert 24 months from entry into force of this Regulation].	It shall apply from [PO: Please insert the date set out in the second subparagraph of Article 9(1) of the Directive amending Directive 2014/59/EU].
1459.	Art. 83 -	This Regulation shall be binding in its entirety and directly applicable in all	This Regulation shall be binding in its entirety and directly applicable in its	This Regulation shall be binding in its entirety and directly applicable in its

Nr.	Ref.	COM	Council	EP
	para. 3	Member States.	entirety and directly applicable in all Member States.	all Member States.
1460.	Art. 83 - para. 4	Done at Brussels,	Done at Brussels,	Done at Brussels,
1461.	Annex, Section A - title	ANNEX SECTION A Requirements for recovery plans	ANNEX SECTION A Requirements for recovery plans	ANNEX SECTION A Requirements for recovery plans
1462.	Annex, Section A - para. 1 - introd. part	1. The recovery plan shall:	1. The recovery plan shall:	■ The recovery plan shall:
1463.	Annex, Section A - para. 1 - point 1	(1) not assume any access to or receipt of extraordinary public financial support;	(1) <i>address comprehensively and effectively the risks identified under scenarios that could severely affect the financial soundness or operational viability of the CCP; in the case of default losses, ensure the re-</i>	(1) not assume any access to or receipt of extraordinary public financial support;

Nr.	Ref.	COM	Council	EP
			<i>establishment of a matched book and the full allocation of uncovered losses; in the case of non-default losses, ensure adequate loss absorbing arrangements; enable the replenishment of the CCP's financial resources, and not assume any access to or receipt of extraordinary public financial support;</i>	
1464.	Annex, Section A - para. 1 - point 2	(2) consider the interests of all stakeholders that are likely to be affected by that plan;	(2) consider the interests of all stakeholders <i>including clients</i> that are likely to be affected by that plan <i>and seek to minimise the negative impact on these stakeholders and the financial system generally;</i>	(2) consider the interests of all stakeholders that are likely to be affected by that plan;
1465.	Annex, Section A - para. 1 - point 3	(3) ensure that clearing members do not have unlimited exposures toward the CCP.	(3) ensure that clearing members do not have unlimited exposures toward the CCP <i>and stakeholders' potential losses and liquidity shortfalls are transparent, measurable, manageable and</i>	(3) ensure that clearing members do not have unlimited exposures toward the CCP.

Nr.	Ref.	COM	Council	EP
			<i>controllable.</i>	
1466.	Annex, Section A - para. 1 - subpara. 2	The CCP shall develop adequate mechanisms to involve linked FMIs and stakeholders which would bear losses, incur costs or contribute to cover liquidity shortfalls in the event that the recovery plan was implemented in the process of drawing-up of that plan.	The CCP shall develop adequate mechanisms to involve linked FMIs and stakeholders which would bear losses, incur costs or contribute to cover liquidity shortfalls in the event that the recovery plan was implemented in the process of drawing-up of that plan.	The CCP shall develop adequate mechanisms to involve linked FMIs and stakeholders which would bear losses, incur costs or contribute to cover liquidity shortfalls in the event that the recovery plan was implemented in the process of drawing-up of that plan.
1467.	Annex, Section A - para. 2 - introd. part	2. The recovery plan shall include the following items:	2. The recovery plan shall include the following items:	
1468.	Annex, Section A - para. 2 - point 1	(1) a summary of the key elements of the plan and a summary of overall recovery capacity;	(1) a summary of the key elements of the plan and a summary of overall recovery capacity;	

Nr.	Ref.	COM	Council	EP
1469.	Annex, Section A - para. 2 - point 2	(2) a summary of the material changes to the CCP since the most recently filed recovery plan;	(2) a summary of the material changes to the CCP since the most recently filed recovery plan;	■
1470.	Annex, Section A - para. 2 - point 3	(3) a communication and disclosure plan outlining how the CCP intends to manage any potentially negative market reactions;	(3) a communication and disclosure plan outlining how the CCP intends to <i>keep its competent authority informed of the recovery situation and</i> manage any potentially negative market reactions;	■
1471.	Annex, Section A - para. 2 - point 4	(4) a comprehensive range of capital, loss allocation and liquidity actions required to maintain or restore the viability and financial position of the CCP including to restore its matched book and capital, and replenish pre-funded resources which are necessary for the CCP to maintain its viability as a going concern and to continue providing its critical services in accordance with Article 1(2) of Commission Delegated Regulation (EU) No 152/2013 and Articles 32(2) and 32(3) of Commission Delegated Regulation (EU) No 153/2013;	(4) a comprehensive range of capital, loss allocation, position allocation and liquidity actions required to maintain or restore the viability and financial soundness of the CCP including to restore its matched book and capital, and replenish pre-funded resources and maintain access to sufficient sources of liquidity which are necessary for the CCP to maintain its viability as a going concern	■

Nr.	Ref.	COM	Council	EP
			and to continue providing its critical services in accordance with Article 1(2) of Commission Delegated Regulation (EU) No 152/2013 and Articles 32(2) and 32(3) of Commission Delegated Regulation (EU) No 153/2013. <i>Loss allocation actions may include cash calls and a reduction in the value of gains payable by the CCP to non-defaulting clearing members, where defined in the operating rules of the CCP, and shall not use the initial margins posted by non-defaulting clearing members to allocate losses in accordance with Article 45(4) of Regulation (EU) No 648/2012;</i>	
1472.	Annex, Section A - para. 2 - point 4 b		(4b) <i>an assessment of:</i>	

Nr.	Ref.	COM	Council	EP
	(new) - introd. part			
1473.	Annex, Section A - para. 2 - point 4 b (new) - subpoint i		<i>(i) the financial and operational impact of the implementation of recovery options on solvency, liquidity, funding positions, profitability and operations;</i>	
1474.	Annex, Section A - para. 2 - point 4 b (new) - subpoint ii		<i>(ii) the external impact and systemic consequences of the implementation and recovery options on critical functions, shareholders, customers, investors, counterparties and, where applicable, the rest of the group;</i>	
1475.	Annex, Section A - para. 2 -		<i>(iii) the feasibility of the implementation of recovery options with a detailed analysis of risks, impediments and</i>	

Nr.	Ref.	COM	Council	EP
	point 4 b (new) - subpoint iii		<i>solutions for the impediments;</i>	
1476.	Annex, Section A - para. 2 - point 4 b (new) - subpoint iv		<i>(iv) the continuity of operations (especially IT and human resources) and access to other financial infrastructures in case of implementing recovery options.</i>	
1477.	Annex, Section A - para. 1 - point 5	(5) appropriate conditions and procedures to ensure the timely implementation of recovery actions, as well as a wide range of recovery options, including an estimation of the timeframe for executing each material aspect of the plan;	(5) appropriate conditions and procedures to ensure the timely implementation of recovery actions, including an estimation of the timeframe for implementing each material aspect of the plan;	
1478.	Annex, Section A	(6) a detailed description of any material impediment to the effective and timely execution of the plan, including consideration of the impact on clearing	(6) a detailed description of any material impediment to the effective and timely	

Nr.	Ref.	COM	Council	EP
	- para. 1 - point 6	members and clients including in cases where clearing members are likely to take measures in accordance with their recovery plans as referred to in Articles 5 and 7 of Directive 2014/59/EU, and where appropriate on the rest of the group;	implementation of the plan, including consideration of the impact on clearing members and clients including in cases where clearing members are likely to take measures in accordance with their recovery plans as referred to in Articles 5 and 7 of Directive 2014/59/EU, and where appropriate on the rest of the group;	
1479.	Annex, Section A - para. 1 - point 6 a (new) - introd. part		<i>(6a) an assessment of the appropriateness of the recovery options (so that the CCP can choose the set of recovery options which is the most appropriate for each relevant recovery plan scenario, including the sequence in which the envisaged actions should be applied) based on the following criteria:</i>	
1480.	Annex, Section A - para. 1 -		<i>(i) Comprehensive. The set of options should comprehensively address how the FMI would continue to provide critical</i>	

Nr.	Ref.	COM	Council	EP
	point 6 a (new) - point i		<i>functions in all relevant scenarios.</i>	
1481.	Annex, Section A - para. 1 - point 6 a (new) - point ii		<i>(ii) Effective. Each option should be reliable, timely and have a strong legal basis.</i>	
1482.	Annex, Section A - para. 1 - point 6 a (new) - point iii		<i>(iii) Transparent, measurable, manageable and controllable. The options should be transparent and designed to allow those who would bear losses and liquidity shortfalls to measure, manage and control their potential losses and liquidity shortfalls.</i>	
1483.	Annex, Section A		<i>(iv) Create appropriate incentives. The tools should create appropriate incentives</i>	

Nr.	Ref.	COM	Council	EP
	- para. 1 - point 6 a (new) - point iv		<i>for the CCP's owners, clearing members and their clients and the financial system more broadly.</i>	
1484.	Annex, Section A - para. 1 - point 6 a (new) - point v		<i>(v) Minimise negative impact. The tools should be designed to minimise the negative impact on clearing members and their clients and the financial system more broadly;</i>	
1485.	Annex, Section A - para. 1 - point 7	(7) identification of critical functions;	<i>(7) an identification of critical functions and of the related core services, operations and business lines;</i>	■
1486.	Annex, Section A - para. 1 - point 8	(8) a detailed description of the processes for determining the value and marketability of the core business lines, operations and assets of the CCP;	<i>(8) a detailed description of the processes for determining the value and marketability of the core business lines, operations and assets of the CCP;</i>	■

Nr.	Ref.	COM	Council	EP
1487.	Annex, Section A - para. 1 - point 9	(9) a detailed description of how recovery planning is integrated into the corporate governance structure of the CCP, how it forms part of the operating rules of the CCP agreed to by clearing members, as well as the policies and procedures governing the approval of the recovery plan and identification of the persons in the organisation responsible for preparing and implementing the plan;	(9) a detailed description of how recovery planning is integrated into the corporate governance structure of the CCP, how it forms part of the operating rules of the CCP agreed to by clearing members, as well as the policies and procedures governing the approval of the recovery plan and identification of the persons in the organisation responsible for <i>drawing up</i> and implementing the plan;	
1488.	Annex, Section A - para. 1 - point 10	(10) arrangements and measures incentivising non-defaulting clearing members to bid competitively in auctions of a defaulted members' positions;	(10) arrangements and measures incentivising non-defaulting clearing members to bid competitively in auctions of a defaulted members' positions;	
1489.	Annex, Section A - para. 1 - point 11	(11) arrangements and measures to ensure that the CCP has adequate access to contingency funding sources, including potential liquidity sources, an assessment of available collateral and an assessment of the possibility to transfer resources or liquidity across business lines, to ensure	(11) arrangements and measures to ensure that the CCP has adequate access to contingency funding sources, including potential liquidity sources, to ensure that it can continue to carry out its operations	

Nr.	Ref.	COM	Council	EP
		that it can continue to carry out its operations and meet its obligations as they fall due;	and meet its obligations as they fall due;	
1490.	Annex, Section A - para. 1 - point 12 - introd.part	(12) arrangements and measures:	(12) arrangements and measures:	■
1491.	Annex, Section A - para. 1 - point 12 - point a	(a) to reduce risk;	(i) to reduce risk;	■
1492.	Annex, Section A - para. 1 - point 12 - point b	(b) to restructure contracts, rights, assets and liabilities;	(ii) to restructure contracts, rights, assets and liabilities;	■
1493.	Annex,	(c) to restructure business lines;	(iii) to restructure business lines;	■

Nr.	Ref.	COM	Council	EP
	Section A - para. 1 - point 12 - point c			
1494.	Annex, Section A - para. 1 - point 12 - point d	(d) necessary to maintain continuous access to financial markets infrastructures;	(iv) necessary to maintain continuous access to financial markets infrastructures;	
1495.	Annex, Section A - para. 1 - point 12 - point e	(e) necessary to maintain the continuous functioning of the CCP's operational processes, including infrastructure and IT services;	(v) necessary to maintain the continuous functioning of the CCP's operational processes, including infrastructure and IT services;	
1496.	Annex, Section A - para. 1 - point 12 -	(f) preparatory arrangements to facilitate the sale of assets or business lines in a timeframe appropriate for the restoration of financial soundness;	(13) preparatory arrangements to facilitate the sale of assets or business lines in a timeframe appropriate for the restoration of financial soundness;	

Nr.	Ref.	COM	Council	EP
	point f			
1497.	Annex, Section A - para. 1 - point 12 - point g	(g) other management actions or strategies to restore financial soundness and the anticipated financial effect of those actions or strategies;	(14) <i>in case</i> other management actions or strategies to restore financial soundness <i>are envisaged in the plan</i> , the anticipated financial effect of those actions or strategies;	
1498.	Annex, Section A - para. 1 - point 12 - point h	(h) preparatory measures that the CCP has taken or plans to take in order to facilitate the implementation of the recovery plan, including those necessary to enable the timely recapitalisation of the CCP, restoring its matched book and replenishment of its pre-funded resources as well as its enforceability across borders;	(15) preparatory measures that the CCP has taken or plans to take in order to facilitate the implementation of the recovery plan, including those necessary to enable the timely recapitalisation of the CCP, restoring its matched book and replenishment of its pre-funded resources as well as its enforceability across borders;	
1499.	Annex, Section A - para. 1 - point 12 -	(i) a framework of indicators which identifies the points at which appropriate actions referred to in the plan may be taken.	(16) a framework of <i>quantitative and qualitative</i> indicators which identifies the points at which appropriate actions referred to in the plan may be taken.	

Nr.	Ref.	COM	Council	EP
	point i			
1500.	Annex, Section A - para. 1 - point 12 - point j	(j) where applicable, an analysis of how and when the CCP may apply, in the conditions addressed in the plan, for the use of central bank facilities and identify those assets that would be expected to qualify as collateral under the terms of the central bank facility;	(17) where applicable, an analysis of how and when the CCP may apply, in the conditions addressed in the plan, for the use of central bank facilities and identify those assets that would be expected to qualify as collateral under the terms of the central bank facility;	
1501.	Annex, Section A - para. 1 - point 12 - point k	(k) taking into account the provisions of Article 49(1) of Regulation (EU) 648/2012, a range of extreme scenarios of stress relevant to the CCP's specific conditions, including system-wide events specific to the legal entity and any group to which it belongs and specific stress to the individual clearing members of the CCP or, where appropriate, a linked FMI;	(18) taking into account the provisions of Article 49(1) of Regulation (EU) 648/2012, a range of extreme scenarios of stress relevant to the CCP's specific conditions, including system-wide events and <i>events</i> specific to the legal entity and any group to which it belongs and specific stress to the individual clearing members of the CCP or, where appropriate, a linked FMI;	

Nr.	Ref.	COM	Council	EP
1502.	Annex, Section A - para. 1 - point 12 - point 1	(l) taking into account the provisions of Article 34 and Article 49(1) of Regulation (EU) 648/2012, scenarios caused both by the stress or default of one or more of its members and by other reasons including losses from the CCP's investment activities or from operational problems (including severe external threats to a CCP's operations due to an external disruption, shock or cyber-related incident);	(19) taking into account the provisions of Article 34 and Article 49(1) of Regulation (EU) 648/2012, scenarios caused both by the stress or default of one or more of its members and by other reasons including losses from the CCP's investment activities or from operational problems (including severe external threats to a CCP's operations due to an external disruption, shock or cyber-related incident).	
1503.	Annex, Section B - title	SECTION B Information that resolution authorities may request CCPs to provide for the purposes of drawing up and maintaining resolution plans	SECTION B Information that resolution authorities may request CCPs to provide for the purposes of drawing up and maintaining resolution plans	SECTION B Information that resolution authorities may request CCPs to provide for the purposes of drawing up and maintaining resolution plans
1504.	Annex, Section B - para. 1 -	Resolution authorities may request institutions to provide for the purposes of drawing up and maintaining resolution plans at least the following information:	For the purposes of drawing up and maintaining resolution plans, resolution authorities may request institutions to	Resolution authorities may request institutions to provide for the purposes of drawing up and maintaining resolution plans at least

Nr.	Ref.	COM	Council	EP
	introd. part		<i>provide</i> at least the following information:	the following information:
1505.	Annex, Section B - para. 1 - point 1	(1) a detailed description of the CCP's organisational structure including a list of all legal persons;	(1) a detailed description of the CCP's organisational structure including a list of all legal persons;	(1) a detailed description of the CCP's organisational structure including a list of all legal persons;
1506.	Annex, Section B - para. 1 - point 2	(2) identification of the direct holders and the percentage of voting and non-voting rights of each legal person;	(2) identification of the direct holders and the percentage of voting and non-voting rights of each legal person;	(2) identification of the direct holders and the percentage of voting and non-voting rights of each legal person;
1507.	Annex, Section B - para. 1 - point 3	(3) the location, jurisdiction of incorporation, licensing and key management associated with each legal person;	(3) the location, jurisdiction of incorporation, licensing and key management associated with each legal person;	(3) the location, jurisdiction of incorporation, licensing and key management associated with each legal person;
1508.	Annex, Section B - para. 1 -	(4) a mapping of the CCP's critical operations and core business lines including balance sheet details of such operations and business lines, by reference to legal persons;	(4) a mapping of the CCP's critical <i>functions</i> , operations, <i>services</i> and core business lines including balance sheet details of such operations, <i>services</i> and	(4) a mapping of the CCP's critical operations and core business lines including balance sheet details of such operations and business lines, by reference to legal persons;

Nr.	Ref.	COM	Council	EP
	point 4		business lines, by reference to legal persons;	
1509.	Annex, Section B - para. 1 - point 5	(5) a detailed description of the components of the CCP's and all its legal entities' business activities, separating, at a minimum by types of services and respective amounts of cleared volumes, open interest, initial margin, variation margin flows, and any associated assessment rights or other recovery actions pertaining to such business lines;	(5) a detailed description of the components of the CCP's and all its legal entities' business activities, separating, at a minimum by types of services and respective amounts of cleared volumes, open interest, initial margin, variation margin flows, and any associated assessment rights or other recovery actions pertaining to such business lines;	(5) a detailed description of the components of the CCP's and all its legal entities' business activities, separating, at a minimum by types of services and respective amounts of cleared volumes, open interest, initial margin, variation margin flows, default funds and any associated assessment rights or other recovery actions pertaining to such business lines;
1510.	Annex, Section B - para. 1 - point 6	(6) details of capital and debt instruments issued by the CCP and its legal entities;	(6) details of capital and debt instruments issued by the CCP and its legal entities;	(6) details of capital and debt instruments issued by the CCP and its legal entities;
1511.	Annex, Section B	(7) an identification of from whom the CCP has received collateral and in what form (title transfer or security interest), and to whom it has pledged collateral and in	(7) an identification of from whom the CCP has received collateral and in what form (title transfer or security interest), and to whom it has	(7) an identification of from whom the CCP has received collateral and in what form (title transfer or security interest), and to whom it has

Nr.	Ref.	COM	Council	EP
	- para. 1 - point 7	what form and the person that holds the collateral, and in both cases the jurisdiction in which the collateral is located;	form (title transfer or security interest), and to whom it has pledged collateral and in what form and the person that holds the collateral, and in both cases the jurisdiction in which the collateral is located;	pledged collateral and in what form and the person that holds the collateral, and in both cases the jurisdiction in which the collateral is located;
1512.	Annex, Section B - para. 1 - point 8	(8) a description of the off balance sheet exposures of the CCP and its legal entities, including a mapping to its critical operations and core business lines;	(8) a description of the off balance sheet exposures of the CCP and its legal entities, including a mapping to its critical operations and core business lines;	(8) a description of the off balance sheet exposures of the CCP and its legal entities, including a mapping to its critical operations and core business lines;
1513.	Annex, Section B - para. 1 - point 9	(9) the material hedges of the CCP including a mapping to legal persons;	(9) the material hedges of the CCP including a mapping to legal persons;	(9) the material hedges of the CCP including a mapping to legal persons;
1514.	Annex, Section B - para. 1 - point 10	(10) identification of the relative exposures and importance of clearing members of the CCP as well as an analysis of the impact of the failure of clearing members on the CCP;	(10) identification of the relative exposures and importance of clearing members of the CCP as well as an analysis of the impact of the failure of major	(10) identification of the relative exposures and importance of clearing members of the CCP as well as an analysis of the impact of the failure of major clearing members on the CCP;

Nr.	Ref.	COM	Council	EP
			clearing members on the CCP;	
1515.	Annex, Section B - para. 1 - point 11	(11) each system on which the CCP conducts a material number or value amount of trades, including a mapping to the CCP's legal persons, critical operations and core business lines;	(11) each system on which the CCP conducts a material number or value amount of trades, including a mapping to the CCP's legal persons, critical operations and core business lines;	(11) each system on which the CCP conducts a material number or value amount of trades, including a mapping to the CCP's legal persons, critical operations and core business lines;
1516.	Annex, Section B - para. 1 - point 12	(12) each payment, clearing or settlement system of which the CCP is directly or indirectly a member, including a mapping to the CCP's legal persons, critical operations and core business lines;	(12) each payment, clearing or settlement system of which the CCP is directly or indirectly a member, including a mapping to the CCP's legal persons, critical operations and core business lines;	(12) each payment, clearing or settlement system of which the CCP is directly or indirectly a member, including a mapping to the CCP's legal persons, critical operations and core business lines;
1517.	Annex, Section B - para. 1 - point 13	(13) a detailed inventory and description of the key management information systems, including those for risk management, accounting and financial and regulatory reporting used by the CCP including a mapping to the CCP's legal persons, critical operations and core business lines;	(13) a detailed inventory and description of the key management information systems, including those for risk management, accounting and financial and regulatory reporting used by the CCP including a mapping to the CCP's legal persons, critical operations and core business lines;	(13) a detailed inventory and description of the key management information systems, including those for risk management, accounting and financial and regulatory reporting used by the CCP including a mapping to the CCP's legal persons, critical operations and core business lines;

Nr.	Ref.	COM	Council	EP
			business lines;	
1518.	Annex, Section B - para. 1 - point 14	(14) an identification of the owners of the systems identified in point (13), service level agreements related thereto, and any software and systems or licenses, including a mapping to their legal entities, critical operations and core business lines;	(14) an identification of the owners of the systems identified in point (13), service level agreements related thereto, and any software and systems or licenses, including a mapping to their legal entities, critical operations and core business lines;	(14) an identification of the owners of the systems identified in point (13), service level agreements related thereto, and any software and systems or licenses, including a mapping to their legal entities, critical operations and core business lines;
1519.	Annex, Section B - para. 1 - point 15 - introd. part	(15) an identification and mapping of the legal persons and the interconnections and interdependencies among the different legal persons such as:	(15) an identification and mapping of the legal persons and the interconnections and interdependencies among the different legal persons such as:	(15) an identification and mapping of the legal persons and the interconnections and interdependencies among the different legal persons such as:
1520.	Annex, Section B - para. 1 - point 15 - indent 1	– common or shared personnel, facilities and systems;	– common or shared personnel, facilities and systems;	– common or shared personnel, facilities and systems;

Nr.	Ref.	COM	Council	EP
1521.	Annex, Section B - para. 1 - point 15 - indent 2	- capital, funding or liquidity arrangements;	- capital, funding or liquidity arrangements;	- capital, funding or liquidity arrangements;
1522.	Annex, Section B - para. 1 - point 15 - indent 3	- existing or contingent credit exposures;	- existing or contingent credit exposures;	- existing or contingent credit exposures;
1523.	Annex, Section B - para. 1 - point 15 - indent 4	- cross guarantee agreements, cross-collateral arrangements, cross-default provisions and cross-affiliate netting arrangements;	- cross guarantee agreements, cross-collateral arrangements, cross-default provisions and cross-affiliate netting arrangements;	- cross guarantee agreements, cross-collateral arrangements, cross-default provisions and cross-affiliate netting arrangements;
1524.	Annex, Section B - para. 1 -	- risks transfers and back-to-back trading arrangements; service level agreements;	- risks transfers and back-to-back trading arrangements; service level agreements;	- risks transfers and back-to-back trading arrangements; service level agreements;

Nr.	Ref.	COM	Council	EP
	point 15 - indent 5			
1525.	Annex, Section B - para. 1 - point 16	(16) the competent and resolution authority for each legal person, if different to those designated under Article 22 of Regulation (EU) No 648/2012 and under Article 3 of this Regulation;	(16) the competent and resolution authority for each legal person, if different to those designated under Article 22 of Regulation (EU) No 648/2012 and under Article 3 of this Regulation;	(16) the competent and resolution authority for each legal person, if different to those designated under Article 22 of Regulation (EU) No 648/2012 and under Article 3 of this Regulation;
1526.	Annex, Section B - para. 1 - point 17	(17) the member of the board responsible for providing the information necessary to prepare the resolution plan of the CCP as well as those responsible, if different, for the different legal persons, critical operations and core business lines;	(17) the member of the board responsible for providing the information necessary to draw up the resolution plan of the CCP as well as those responsible, if different, for the different legal persons, critical operations and core business lines;	(17) the member of the board responsible for providing the information necessary to prepare the resolution plan of the CCP as well as those responsible, if different, for the different legal persons, critical operations and core business lines;
1527.	Annex, Section B - para. 1 - point 18	(18) a description of the arrangements that the CCP has in place to ensure that, in the event of resolution, the resolution authority will have all the necessary information, as determined by the resolution authority, for applying the resolution tools and powers;	(18) a description of the arrangements that the CCP has in place to ensure that, in the event of resolution, the resolution authority will have all the necessary information, as determined by the resolution authority, for applying the resolution tools and powers;	(18) a description of the arrangements that the CCP has in place to ensure that, in the event of resolution, the resolution authority will have all the necessary information, as determined by the resolution authority, for applying the resolution tools and powers;

Nr.	Ref.	COM	Council	EP
			resolution authority, for applying the resolution tools and powers;	
1528.	Annex, Section B - para. 1 - point 19	(19) all the agreements entered into by the CCP and their legal entities with third parties the termination of which may be triggered by a decision of the authorities to apply a resolution tool and whether the consequences of termination may affect the application of the resolution tool;	(19) all the agreements entered into by the CCP and their legal entities with third parties the termination of which may be triggered by a decision of the authorities to apply a resolution tool and whether the consequences of termination may affect the use of resolution tool;	(19) all the agreements entered into by the CCP and their legal entities with third parties the termination of which may be triggered by a decision of the authorities to apply a resolution tool and whether the consequences of termination may affect the application of the resolution tool;
1529.	Annex, Section B - para. 1 - point 20	(20) a description of possible liquidity sources for supporting resolution;	(20) a description of possible liquidity sources for supporting resolution;	(20) a description of possible liquidity sources for supporting resolution;
1530.	Annex, Section B - para. 1 - point 21	(21) information on asset encumbrance, liquid assets, off-balance sheet activities, hedging strategies and booking practices.	(21) information on asset encumbrance, liquid assets, off-balance sheet activities, hedging strategies and booking practices.	(21) information on asset encumbrance, liquid assets, off-balance sheet activities, hedging strategies and booking practices.
1531.	Annex,	SECTION C Matters that the resolution authority is to	SECTION C	SECTION C Matters that the resolution authority

Nr.	Ref.	COM	Council	EP
	Section C - title	consider when assessing the resolvability of a CCP	Matters that the resolution authority is to consider when assessing the resolvability of a CCP	is to consider when assessing the resolvability of a CCP
1532.	Annex, Section C - para. 1 - introd. part	When assessing the resolvability of a CCP, the resolution authority shall consider the following:	When assessing the resolvability of a CCP, the resolution authority shall consider the following:	When assessing the resolvability of a CCP, the resolution authority shall consider the following:
1533.	Annex, Section C - para. 1 - point 1	(1) the extent to which the CCP is able to map core business lines and critical operations to legal persons;	(1) the extent to which the CCP is able to map core business lines and critical operations to legal persons;	(1) the extent to which the CCP is able to map core business lines and critical operations to legal persons;
1534.	Annex, Section C - para. 1 - point 2	(2) the extent to which legal and corporate structures are aligned with core business lines and critical operations;	(2) the extent to which legal and corporate structures are aligned with core business lines and critical operations;	(2) the extent to which legal and corporate structures are aligned with core business lines and critical operations;
1535.	Annex, Section C		<i>(2a) the extent to which the legal structure of the CCP inhibits the</i>	

Nr.	Ref.	COM	Council	EP
	- para. 1 - point 2 a (new)		<i>application of the resolution tools as a result of the number of legal persons, the complexity of the group structure or the difficulty in aligning business lines to group entities;</i>	
1536.	Annex, Section C - para. 1 - point 3	(3) the extent to which there are arrangements in place to provide for essential staff, infrastructure, funding, liquidity and capital to support and maintain the core business lines and the critical operations;	(3) the extent to which there are arrangements in place to provide for essential staff, infrastructure, funding, liquidity and capital to support and maintain the core business lines and the critical operations;	(3) the extent to which there are arrangements in place to provide for essential staff, infrastructure, funding, liquidity and capital to support and maintain the core business lines and the critical operations;
1537.	Annex, Section C - para. 1 - point 3a (new)		<i>(3a) the existence and robustness of service level agreements;</i>	
1538.	Annex, Section C	(4) the extent to which the service agreements that the CCP maintains are fully enforceable in the event of resolution of the CCP;	(4) the extent to which the service agreements that the CCP maintains are fully enforceable in the event of resolution of the CCP;	(4) the extent to which the service agreements that the CCP maintains are fully enforceable in the event of resolution of the CCP;

Nr.	Ref.	COM	Council	EP
	- para. 1 - point 4		fully enforceable in the event of resolution of the CCP;	
1539.	Annex, Section C - para. 1 - point 5	(5) the extent to which the governance structure of the CCP is adequate for managing and ensuring compliance with the CCP's internal policies with respect to its service level agreements;	(5) the extent to which the governance structure of the CCP is adequate for managing and ensuring compliance with the CCP's internal policies with respect to its service level agreements;	(5) the extent to which the governance structure of the CCP is adequate for managing and ensuring compliance with the CCP's internal policies with respect to its service level agreements;
1540.	Annex, Section C - para. 1 - point 6	(6) the extent to which the CCP has a process for transitioning the services provided under service level agreements to third parties in the event of the separation of critical functions or of core business lines;	(6) the extent to which the CCP has a process for transitioning the services provided under service level agreements to third parties in the event of the separation of critical functions or of core business lines;	(6) the extent to which the CCP has a process for transitioning the services provided under service level agreements to third parties in the event of the separation of critical functions or of core business lines;
1541.	Annex, Section C - para. 1 - point 7	(7) the extent to which there are contingency plans and measures in place to ensure continuity in access to payment and settlement systems;	(7) the extent to which there are contingency plans and measures in place to ensure continuity in access to payment and settlement systems;	(7) the extent to which there are contingency plans and measures in place to ensure continuity in access to payment and settlement systems;
1542.	Annex,	(8) the adequacy of the management information systems in ensuring that the	(8) the adequacy of the management	(8) the adequacy of the management information systems in

Nr.	Ref.	COM	Council	EP
	Section C - para. 1 - point 8	resolution authorities are able to gather accurate and complete information regarding the core business lines and critical operations so as to facilitate rapid decision making;	information systems in ensuring that the resolution authorities are able to gather accurate and complete information regarding the core business lines and critical operations so as to facilitate rapid decision making;	ensuring that the resolution authorities are able to gather accurate and complete information regarding the core business lines and critical operations so as to facilitate rapid decision making;
1543.	Annex, Section C - para. 1 - point 9	(9) the capacity of the management information systems to provide the information essential for the effective resolution of the CCP at all times even under rapidly changing conditions;	(9) the capacity of the management information systems to provide the information essential for the effective resolution of the CCP at all times even under rapidly changing conditions;	(9) the capacity of the management information systems to provide the information essential for the effective resolution of the CCP at all times even under rapidly changing conditions;
1544.	Annex, Section C - para. 1 - point 10	(10) the extent to which the CCP has tested its management information systems under stress scenarios as defined by the resolution authority;	(10) the extent to which the CCP has tested its management information systems under stress scenarios as defined by the resolution authority;	(10) the extent to which the CCP has tested its management information systems under stress scenarios as defined by the resolution authority;
1545.	Annex, Section C - para. 1 -	(11) the extent to which the CCP can ensure the continuity of its management information systems both for the affected CCP and the new CCP in the case that the critical operations and core business lines are separated from the rest of the operations	(11) the extent to which the CCP can ensure the continuity of its management information systems both for the affected	(11) the extent to which the CCP can ensure the continuity of its management information systems both for the affected CCP and the new CCP in the case that the critical operations and core business lines

Nr.	Ref.	COM	Council	EP
	point 11	and business lines;	CCP and the new CCP in the case that the critical operations and core business lines are separated from the rest of the operations and business lines;	are separated from the rest of the operations and business lines;
1546.	Annex, Section C - para. 1 - point 12	(12) where the CCP benefits or is exposed to any intra-group guarantees, the extent to which those guarantees are provided at market conditions and the risk management systems concerning those guarantees are robust;	(12) ■ the extent to which any intra-group guarantees are provided at market conditions and the risk management systems concerning those guarantees are robust, where the CCP benefits or is exposed to such guarantees ;	(12) where the CCP benefits or is exposed to any intra-group guarantees, the extent to which those guarantees are provided at market conditions and the risk management systems concerning those guarantees are robust;
1547.	Annex, Section C - para. 1 - point 13	(13) where the CCP engages in back-to-back transactions, the extent to which those transactions are performed at market conditions and the risk management systems concerning those transactions practices are robust;	(13) ■ the extent to which any intra-group transactions are performed at market conditions and the risk management systems concerning those transactions practices are robust, where the CCP engages in such transactions ;	(13) where the CCP engages in back-to-back transactions, the extent to which those transactions are performed at market conditions and the risk management systems concerning those transactions practices are robust;
1548.	Annex, Section C	(14) the extent to which the use of any intra-group guarantees or back-to-back booking transactions increases contagion across the group;	(14) the extent to which the use of any intra-group guarantees or ■ transactions increases contagion across the group;	(14) the extent to which the use of any intra-group guarantees or back-to-back booking transactions increases contagion across the group;

Nr.	Ref.	COM	Council	EP
	- para. 1 - point 14		increases contagion across the group;	
1549.	Annex, Section C - para. 1 - point 15	(15) the extent to which the legal structure of the CCP inhibits the application of the resolution tools as a result of the number of legal persons, the complexity of the group structure or the difficulty in aligning business lines to group entities;		(15) the extent to which the legal structure of the CCP inhibits the application of the resolution tools as a result of the number of legal persons, the complexity of the group structure or the difficulty in aligning business lines to group entities;
1550.	Annex, Section C - para. 1 - point 16	(16) the extent to which the resolution of the CCP could have a negative impact on another part of its group, where applicable;	(16) the extent to which the resolution of the CCP could have a negative impact on another part of its group, <i>in particular where such group comprises other FMIs</i> , where applicable;	(16) the extent to which the resolution of the CCP could have a negative impact on another part of its group, where applicable;
1551.	Annex, Section C - para. 1 - point 17	(17) the existence and robustness of service level agreements;		(17) the existence and robustness of service level agreements;
1552.	Annex, Section C - para. 1 -	(18) whether third-country authorities have the resolution tools necessary to support resolution actions by Union resolution authorities, and the scope for	(18) whether third-country authorities have the resolution tools necessary to support resolution actions by Union	(18) whether third-country authorities have the resolution tools necessary to support resolution actions by Union resolution

Nr.	Ref.	COM	Council	EP
	point 18	coordinated action between Union and third-country authorities;	resolution authorities, and the scope for coordinated action between Union and third-country authorities;	authorities, and the scope for coordinated action between Union and third-country authorities;
1553.	Annex, Section C - para. 1 - point 19	(19) the feasibility of using resolution tools in such a way which meets the resolution objectives, given the tools available and the CCP's structure;	(19) the feasibility of using resolution tools in such a way which meets the resolution objectives, given the tools available and the CCP's structure;	(19) the feasibility of using resolution tools in such a way which meets the resolution objectives, given the tools available and the CCP's structure;
1554.	Annex, Section C - para. 1 - point 20	(20) any specific requirements needed to issue new instruments of ownership as referred to in Article 33(1);	(20) any specific requirements needed to issue new instruments of ownership as referred to in Article 33(1);	(20) any specific requirements needed to issue new instruments of ownership as referred to in Article 33(1);
1555.	Annex, Section C - para. 1 - point 21	(21) the arrangements and means through which resolution could be hampered in the cases of CCP that have clearing members or collateral arrangements established in different jurisdictions;	(21) the arrangements and means through which resolution could be hampered in the cases of CCP that have clearing members or collateral arrangements established in different jurisdictions;	(21) the arrangements and means through which resolution could be hampered in the cases of CCP that have clearing members or collateral arrangements established in different jurisdictions;
1556.	Annex, Section C	(22) the credibility of using resolution tools in such a way which meets the resolution objectives, given possible	(22) the credibility of using resolution tools in such a way which meets the	(22) the credibility of using resolution tools in such a way which meets the resolution objectives,

Nr.	Ref.	COM	Council	EP
	- para. 1 - point 22	impacts on clearing participants, other counterparties and employees and possible actions that third-country authorities may take;	resolution objectives, given possible impacts on clearing <i>members and their clients</i> , other counterparties and employees and possible actions that third-country authorities may take;	given possible impacts on clearing participants, other counterparties and employees and possible actions that third-country authorities may take;
1557.	Annex, Section C - para. 1 - point 23	(23) the extent to which the impact of the CCP's resolution on the financial system and on financial market's confidence can be adequately evaluated;	(23) the extent to which the impact of the CCP's resolution on the financial system and on financial market's confidence can be adequately evaluated;	(23) the extent to which the impact of the CCP's resolution on the financial system and on financial market's confidence can be adequately evaluated;
1558.	Annex, Section C - para. 1 - point 24	(24) the extent to which the resolution of the CCP could have a significant direct or indirect adverse effect on the financial system, market confidence or the economy;	(24) the extent to which the resolution of the CCP could have a significant direct or indirect adverse effect on the financial system, market confidence or the economy;	(24) the extent to which the resolution of the CCP could have a significant direct or indirect adverse effect on the financial system, market confidence or the economy;
1559.	Annex, Section C - para. 1 - point 25	(25) the extent to which contagion to other CCPs or to the financial markets could be contained through the application of the resolution tools and powers;	(25) the extent to which contagion to other CCPs or to the financial markets could be contained through the application of the resolution tools and powers;	(25) the extent to which contagion to other CCPs or to the financial markets could be contained through the application of the resolution tools and powers;

Nr.	Ref.	COM	Council	EP
1560.	Annex, Section C - para. 1 - point 26	(26) the extent to which the resolution of the CCP could have a significant effect on the operation of payment and settlement systems.	(26) the extent to which the resolution of the CCP could have a significant effect on the operation of payment and settlement systems.	(26) the extent to which the resolution of the CCP could have a significant effect on the operation of payment and settlement systems.