



**COUNCIL OF
THE EUROPEAN UNION**

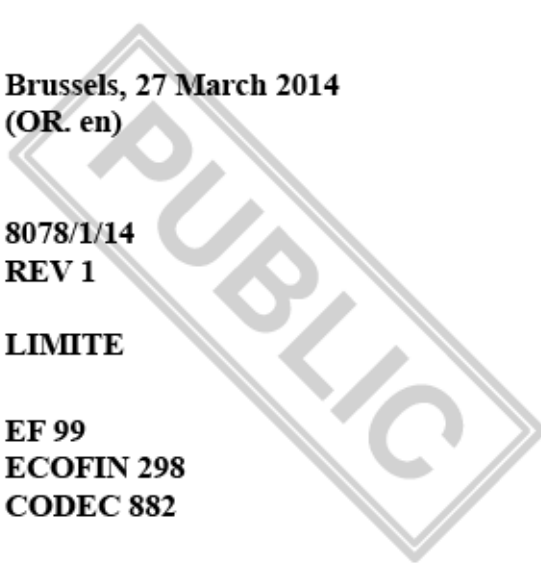
**Brussels, 27 March 2014
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**8078/1/14
REV 1**

LIMITE

**EF 99
ECOFIN 298
CODEC 882**



REPORT

From: Presidency

To: Council

Subject: Single Resolution Mechanism

- Proposal for a Regulation of the European Parliament and of the Council establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Bank Resolution Fund and amending Regulation (EU) No 1093/2010 of the European Parliament and of the Council [First reading]
 - approval of the final compromise text
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1. Since ECOFIN of 11 March, which updated Presidency's mandate for negotiations with the European Parliament on the key open issues¹ relating to the above-mentioned Commission proposal,² the Presidency has taken part in three political trilogues (12, 19 and 24 March).

¹ See doc. 7188/14 EF 65 ECOFIN 213 CODEC 628.

² See doc. 12315/13 EF 149 ECOFIN 697 CODEC 1757.

2. A provisional agreement between the co-legislators has been reached on the SRM Regulation, in particular on the following key issues:
 - a) calibration of the Inter-governmental Agreement on the Single Resolution Fund and the SRM Regulation (Article 4 of the SRM regulation)³;
 - b) resolution procedure (role of the EU institutions and the triggering of the "failing or likely to fail" criterion) (Article 16);
 - c) types of the decisions to be taken by the Single Resolution Board (SRB) in its Plenary session (Article 46);
 - d) voting regime in the SRB Plenary session (Article 48);
 - e) SRF borrowing from a financial arrangement (loan facility) (Article 69a);
 - f) contributions to the SRF (Articles 65 to 67).
3. On this basis, further technical work has continued, and the full text of the draft SRM Regulation, resulting from these negotiations, is set out in the revised addendum to this report ⁴.
4. The European Parliament has already informally indicated it is going to vote this text of the SRM Regulation as its position at first reading. Therefore, in order to be able to finalise the negotiations and confirm that the outcome of negotiations is acceptable to the Council as well, the Presidency is seeking a political confirmation of the result of these negotiations and agreement to the text set out in the revised addendum and to this report.
5. Noteworthy, the 20/21 March 2014 European Council stated that it "congratulates the negotiators of the European Parliament and the Council on the agreement reached on the Single Resolution Mechanism Regulation. As was underlined at exchange of views between the President of the European Parliament and the European Council, this is a major achievement that will open the way to the completion of the Banking Union."

³ The work on the IGA on the SRF will be finalised in the Inter-governmental Conference.

⁴ See doc. 8078/1/14 EF 99 ECOFIN 298 CODEC 882 ADD 1 *REV 1* LIMITE.

6. Notably, in the last few days the Presidency has been able to confirm the provisional agreement with the European Parliament on a number of provisions where the outcome of the trilogue had to be clarified, *inter alia* on SRM Regulation Article 88, Article 1 subparagraph 2, Article 65(1), Article 71a and Article 87(2)(d), as well as a number of other provisions. The text of the compromise on these provisions is set out in the Annex 1 to this report. The complete text of the compromise on the SRM Regulation, covering all these amendments, is set out in the revised addendum to this report.
7. The Presidency also wishes to inform the delegations, that the European Parliament makes its agreement conditional upon Member States making a statement that they will strive to complete the ratification process of the IGA in time for the SRM to be fully applicable by 1 January 2016. The draft statement is reproduced in Annex 2 of this report and will be further handled in the framework of the Inter-governmental Conference on the IGA on SRF.
8. Against this background, the Permanent Representatives Committee (Part II) is invited to:
 - a) approve the final compromise text;
 - b) confirm that the Presidency can indicate to the European Parliament that, *should the European Parliament adopt its position at first reading in the exact form as set out in doc. 8078/1/14 EF 99 ECOFIN 298 CODEC 882 ADD 1 REV 1 LIMITE*, the Council would approve the European Parliament's position and the act shall be adopted in the wording which corresponds to the European Parliament's position, subject, if necessary, to revision by the legal linguists of both institutions.

The following constitutes the latest provisional agreement with the European, as **set out in the 4th COLUMN of the relevant lines below** (also reproduced in the revised addendum to this Report):

| | | <i>COM</i> | <i>COUNCIL</i> | <i>EP</i> | <i>COMPROMISE TEXT</i> |
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RECITALS:

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| 36a | Rec. 15b (new) | | | | (15b) In order to ensure <u>conformity with the principles established in Article 3(3) of the BRRD, EU institutions, when carrying out the tasks conferred on them by virtue of this Regulation, should ensure that appropriate organisational arrangements are in place.</u> |
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| 116. | | (69) Until the Board is fully operational, the Commission should be responsible for the initial operations including collecting contributions necessary to cover administrative expenses and the designation of an interim executive director to authorise all necessary payments on behalf of the Board. | (69) Until the Board is fully operational, the Commission should be responsible for the initial operations including collecting contributions necessary to cover administrative expenses and the designation of an interim executive director to authorise all necessary payments on behalf of the Board. | (69) Until the Board is fully operational, the Commission should be responsible for the initial operations including collecting contributions necessary to cover administrative expenses and the designation of an interim executive director to authorise all necessary payments on behalf of the Board. | (69) Until the Board is fully operational, the Commission should be responsible for the initial operations including the designation of an interim Chair to authorise all necessary payments on behalf of the Board. |
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| 123. | | | <p><u>NEW RECITAL RELATED TO ARTICLE 88</u></p> <p><u>In accordance with Union law, participating Member States are competent to levy, collect and transfer the contributions they raise at national level to the Single Resolution Fund in accordance with the conditions they decide to establish in their national legal orders. The transfer of such contributions is essential to allow the Single Resolution Fund to operate and, by consequence, for allowing the Single Resolution tools to be applied in an effective manner. Therefore, the applicability of the provisions of this Regulation should take place only once the conditions allowing the transfer of the contributions raised at national level have been met.</u></p> | | <p><u>(71b) The transfer of contributions raised at national level under article 65 to 67 should allow the Single Resolution Fund to operate and, by consequence, the resolution tools to be applied in an effective manner. Therefore, the applicability of the provisions of this Regulation relating to the resolution tools and the contributions should take place from 1 January 2016. This date could be postponed by periods of one month if the conditions allowing the transfer of the contributions raised at national level have not been met.</u></p> |
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ARTICLES:

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| 128. | Art. 1 – subpara 2 | Those uniform rules and procedure shall be applied by the Commission together with a Board and the resolution authorities of the participating Member States within the framework of a single resolution mechanism established by this Regulation. The single resolution mechanism shall be supported by a single bank resolution fund (hereinafter called the Fund). | Those uniform rules and procedure shall be applied by the Commission <u>Council</u> together with a Board and the resolution authorities of the participating Member States within the framework of a single resolution mechanism established by this Regulation. The single resolution mechanism shall be supported by a single bank resolution fund (hereinafter called the Fund). <u>The use of the Fund shall be contingent upon the entry into force of an agreement among the participating Member States (hereinafter called the Agreement) on transferring the funds raised at national level towards the Fund as well as on a progressive merger of the different funds raised at national level to be allocated to national compartments of the Fund</u> | Those uniform rules and procedure shall be applied by <i>the Board, as established under Article 38</i> together with <i>the Commission</i> and the resolution authorities of the participating Member States within the framework of a single resolution mechanism established by this Regulation. The single resolution mechanism shall be supported by a single bank resolution fund (hereinafter called the Fund). | Those uniform rules and procedure shall be applied by the <i>Board</i> together with <i>the Commission and the Council</i> and the resolution authorities of the participating Member States within the framework of a single resolution mechanism established by this Regulation. The single resolution mechanism shall be supported by a single bank resolution fund (hereinafter called the Fund). <u>The use of the Fund shall be contingent upon the entry into force of an agreement among the participating Member States (hereinafter called the Agreement) on transferring the funds raised at national level towards the Fund as well as on a progressive merger of the different funds raised at national level to be allocated to national compartments of the Fund</u> |
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| 161b | Art. 3 – point 20b | | | | <p>(20b) ‘transitional period’ means the <u>period going from the date of application of this Regulation as determined under Article 88(2) and (6) until the Fund reaches the target level or 1 January 2024 whichever is earlier.</u></p> |
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| 193r. | | | | | <p><u>5. Notwithstanding paragraph 3, participating Member States may decide that the Board shall exercise all relevant powers and responsibilities conferred to it by this Regulation in relation to entities and groups, other than those referred to in paragraph 2, established in their territory. In this case, the special provisions in Article 7a, paragraph 1a of Article 10, paragraph 1 of Article 29 and paragraphs 3 and 4 of this Article shall not apply. Member States that intend to make use of this option shall notify the Board and the Commission. The notification shall take effect from the day of its publication in the Official Journal.</u></p> |
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| 243. | Art. 8 – para 1 | <p>1. When drafting resolution plans in accordance with Article 7, the Board, after consultation with the competent authority, including the ECB, and the resolution authorities of non-participating Member States in which significant branches are located insofar as is relevant to the significant branch, shall conduct an assessment of the extent to which institutions and groups are resolvable without the assumption of extraordinary public financial support besides the use of the Fund established in accordance with Article 64.</p> | <p>1. When drafting <u>and updating</u> resolution plans in accordance with Article 7, <u>or Articles 7a and 29</u>, the Board, after consultation <u>or, where appropriate, the national resolution authorities, in cooperation</u> with the competent authority, including the ECB, and the resolution authorities of non-participating Member States in which significant branches are located insofar as is relevant to the significant branch, shall conduct an assessment of the extent to which institutions and groups are resolvable without the assumption of extraordinary public financial support besides the use of the Fund established in accordance with Article 64.</p> | <p>1. When drafting resolution plans in accordance with Article 7, the Board, after consultation with the competent authorities, including the ECB, and the resolution authorities of non-participating Member States in which subsidiaries are located and/or in which significant branches are located insofar as is relevant to the significant branch as determined in Articles 13 and 13a of Directive [BRRD], shall conduct an assessment of the extent to which institutions and groups are resolvable as required by Articles 13 and 13a of Directive [BRRD].</p> | <p>1. When drafting <u>and updating</u> resolution plans in accordance with Article 7, the Board, after consultation with the competent authorities, including the ECB, and the resolution authorities of non-participating Member States in which significant branches are located insofar as is relevant to the significant branch, shall conduct an assessment of the extent to which institutions and groups are resolvable without the assumption of <i>any of the following</i>:</p> <p>(i) extraordinary public financial support <u>besides the use of the Fund established in accordance with Article 64,</u></p> <p>(ii) <i>central bank emergency liquidity assistance, or</i></p> <p>(iii) <i>central bank liquidity assistance provided under non-standard collateralisation, tenor and interest rate term;</i></p> <p><u>1a. The ECB or the national competent authority shall provide the recovery plan to the Board.</u></p> |
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| | | | | | The Board shall examine the recovery plan with a view to identifying any actions in the recovery plan which may adversely impact the resolvability of the institution and make recommendations to the ECB or the national competent authority on these matters. |
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| 284. | Art. 9 – para 4 – subpara 3 | Where the national resolution authority which has proposed the application of simplified obligation or the grant of a waiver in accordance with paragraph 1 considers that the decision to apply simplified obligation or to grant the waiver must be withdrawn, it shall submit a proposal to the Board to that end. In that case, the Board shall take a decision on the proposed withdrawal taking full account of the justification for withdrawal put forward by the national resolution authority in the light of the elements set out in paragraph 3. | Where the national resolution authority which has proposed the application of simplified obligation or the grant of a waiver in accordance with paragraph 1 <u>2</u> considers that the decision to apply simplified obligation or to grant the waiver must be withdrawn, it shall submit a proposal to the Board to that end. In that case, the Board shall take a decision on the proposed withdrawal taking full account of the justification for withdrawal put forward by the national resolution authority in the light of the elements set out in paragraph 3. | Where the national resolution authority which has proposed the application of simplified obligation 1 in accordance with paragraph 1 considers that the decision to apply simplified obligation 1 must be withdrawn, it shall submit a proposal to the Board to that end. In that case, the Board shall take a decision on the proposed withdrawal taking full account of the justification for withdrawal put forward by the national resolution authority in the light of the elements set out in paragraph 3. | 4c. Where the national resolution authority which has proposed the application of simplified obligation or the grant of a waiver in accordance with paragraph <u>2</u> considers that the decision to apply simplified obligation or to grant the waiver must be withdrawn, it shall submit a proposal to the Board to that end. In that case, the Board shall take a decision on the proposed withdrawal taking full account of the justification for withdrawal put forward by the national resolution authority in the light of the elements set out in paragraph 3 or 5 and 5b . |
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| 369. | Art. 15 – para 1 – introductory part | When applying the bail-in tool to an institution under resolution, and without prejudice to liabilities excluded from the bail-in tool under Article 24(3), the Commission shall decide on, and the Board and the national resolution authorities of the participating Member States shall exercise the write down and conversion powers to claims following a reverse order of priority to the following order for normal insolvency procedures: | When applying the bail-in tool to an institution under resolution <u>entity referred to in Article 2</u> , and without prejudice to liabilities excluded from the bail-in tool under Article 24(3), on the Commission shall decide on, and <u>basis of the instructions of the Board and the, including on any possible application of Article 24 (5), national resolution authorities of the participating Member States</u> shall exercise the write down and conversion powers to claims of liabilities following a <u>reverse order of priority to the following order for normal of claims in insolvency procedures set out by their national law, including the provisions transposing Article 98a of the Directive [.]</u> | When applying the bail-in tool to an institution under resolution, and without prejudice to liabilities excluded from the bail-in tool under Article 24(3), the Commission, <i>based on a draft decision prepared by the Board</i> , shall decide on, and the Board and the national resolution authorities of the participating Member States shall exercise the write down and conversion powers to claims <i>following the sequence laid down in Article 43 of Directive [BRRD]</i> . | <p><u>1.</u> When applying the bail-in tool to an <u>entity referred to in Article 2</u>, and without prejudice to liabilities excluded from the bail-in tool under Article 24(3), <u>the Board, the Commission, or, where applicable, the national resolution authorities, shall decide on the exercise of the write-down and conversion powers including on any possible application of Article 24 (5), and the</u> national resolution authorities shall exercise <u>those</u> powers following the <u>requirements</u> laid down in Article 43 of Directive[...] and in accordance with the reverse order of priority of <u>claims set out by their national law, including the provisions transposing Article 98a of the Directive [.]</u></p> <p><u>1a. Participating Member States shall notify to the Commission and to the Board the ranking of claims against entities referred to in Articles 7 and 7a in national insolvency proceedings on every 1 July of a calendar year or immediately, where there is a change of the ranking.</u></p> |
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| 493. | Art. 18 – para 1 – subpara 1a (new) | | <u>The Board shall have the right to request such assessment.</u> | | <u>The assessment of the conditions under points b), ba) and bb) shall be made by the ECB, after consulting the Board. The Board, in its executive session, may also make such assessment.</u> |
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| 602. | Art. 24 – para 8 – point a | (a) the amount available to the Fund which has been raised through contributions by entities referred to in Article 2 in accordance with Article 66; | (a) the amount available to the Fund which has been raised through contributions by entities referred to in Article 2 <u>raised at national level (national funds) in accordance with Article 66; the rules established in Directive [...] and in this Regulation, and transferred to the Fund in accordance with the Agreement;</u> | (a) the amount available to the Fund which has been raised through contributions by entities referred to in Article 2 in accordance with Article 66; | (a) the amount available to the Fund which has been raised through contributions by entities referred to in Article 2 in accordance with <u>rules established in BRRD and in Articles 64(3a), 66 and 67 of this Regulation.</u> |
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| 655. | Art. 27 – para 2 | 2. In the exercise of their respective responsibilities under this Regulation, the Board, the Commission, the ECB and the national competent authorities and resolution authorities shall cooperate closely. The ECB and the national competent authorities shall provide the Board and the Commission with all information necessary for the exercise of their tasks. | 2. In the exercise of their respective responsibilities under this Regulation, the Board, the Commission, the ECB and the national resolution and competent authorities and resolution authorities shall cooperate closely. The ECB and the national competent authorities shall provide the Board and the Commission with all information necessary for the exercise of their tasks. | 2. In the exercise of their respective responsibilities under this Regulation, the Board, the Commission, the ■ competent authorities and resolution authorities shall cooperate closely, <i>in particular in the resolution planning, early intervention and resolution phases pursuant to Articles 7 to 26.</i> They shall provide <i>each other</i> with all information necessary for the exercise of their tasks. | 2. In the exercise of their respective responsibilities under this Regulation, the Board, <u>the Council</u> , the Commission, the ECB and the national resolution <u>authorities and national</u> competent authorities shall cooperate closely, <i>in particular in the resolution planning, early intervention and resolution phases pursuant to Articles 7 to 26.</i> They shall provide <i>each other</i> with all information necessary for the exercise of their tasks. <u>2a. The ECB or the national competent authorities shall transmit to the Board and the national resolution authorities the group financial support agreements authorised and any changes thereto.</u> |
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| 694. | | <p>The Commission and the Board within each of their respective responsibilities shall be exclusively responsible to conclude, on behalf of the national resolution authorities of participating Member States, the non-binding cooperation arrangements referred to in Article 88 (4) of Directive [] and shall notify them in accordance with paragraph 6 of that Article.</p> | <p>The Commission and the Board within each of their respective responsibilities shall be exclusively responsible to conclude, on behalf of the national resolution authorities of participating Member States, the non-binding cooperation arrangements referred to in Article 88 (4) of Directive [] and shall notify them in accordance with paragraph 6 of that Article.</p> | <p>The Commission and the Board within each of their respective responsibilities shall be exclusively responsible to conclude, on behalf of the national resolution authorities of participating Member States, the non-binding cooperation arrangements referred to in Article 88 (4) of Directive [BRRD] and shall notify them in accordance with paragraph 6 of that Article.</p> | <p><u>1. The provisions of this Article shall apply in respect of third country resolution proceedings unless and until an international agreement provided for in Article 84(1) of Directive [BRRD] enters into force with the relevant third country. They shall also apply following entry into force of an international agreement provided for in Article 84(1) of that Directive with the relevant third country to the extent that recognition and enforcement of third country resolution proceedings is not governed by that agreement.</u></p> <p><u>2. The Board shall assess and issue a recommendation addressed to the national resolution authorities on the recognition and enforcement of resolution proceedings conducted by third country resolution authorities in relation to a third country institution or a third country parent undertaking that:</u></p> <p><u>(a) has one or more subsidiaries established in one or more participating Member States; or</u></p> |
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| | | | | | <p><u>(b) has otherwise assets, rights or liabilities located in one or more participating Member States, or governed by the national law of a participating Member State.</u></p> <p><u>The Board shall conduct its assessment in consultation with the national resolution authorities and, where a European resolution college is established, with the resolution authorities of non-participating Member States,</u></p> <p><u>The assessment shall give due consideration to the interests of each individual participating Member State where the subsidiary of the third country institution or parent undertaking operates, and in particular to the potential impact of the recognition and enforcement of the third country resolution proceedings on the other parts of the group and the financial stability in those Member States.</u></p> <p><u>3. The Board shall recommend to refuse the recognition of the resolution proceedings referred to in paragraph 1, if it considers:</u></p> <p><u>(a) that the third-country</u></p> |
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| | | | | | <p><u>resolution proceedings would have an adverse effect on financial stability in a participating Member State; or</u></p> <p><u>(b) that creditors, including in particular depositors located or payable in a participating Member State, would not receive the same treatment as third-country creditors and depositors with similar legal rights under the third-country home resolution proceedings; or</u></p> <p><u>(c) that recognition or enforcement of the third-country resolution proceedings would have material fiscal implications for the participating Member State; or</u></p> <p><u>(d) that the effects of such recognition or enforcement would be contrary to the national law of the participating Member State.</u></p> <p><u>4. National resolution authorities shall implement the recommendation of the Board and ask for the enforcement of the recognized resolution proceedings in their respective territories, or shall explain in a reasoned statement to the Board</u></p> |
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| | | | | | <p><u>why they cannot implement the reccomandation of the Board.</u></p> <p><u>5. When exercising resolution powers in relation to third country entities, national resolution authorities shall, where relevant, use the powers conferred on them on the basis of the provisions referred to in Article 85(4) of [BRRD].</u></p> |
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| 1084. | Art. 65 – para 1 | 1. In a period no longer than 10 years after the entry into force of this Regulation, the available financial means of the Fund shall reach at least 1% of the amount of deposits of all credit institutions authorised in the participating Member States which are guaranteed under Directive 94/19/EC. | 1. In a period no longer than 10 years after the entry into force of this Regulation, the available financial means of the Fund shall reach at least 10,8 % of the amount of deposits of all credit institutions authorised in the participating Member States which are guaranteed covered under Directive 94/19/EC. | 1. In a period no longer than 10 years after the entry into force of this Regulation, the available financial means of the Fund shall reach at least <i>the percentage</i> of the amount of deposits of all credit institutions authorised in the participating Member States which are guaranteed under Directive [DGS] and in accordance with Article 93(1) of Directive [BRRD]. | 1. 8 years as from 1 January 2016 or, otherwise as from the date when this provision is applicable by virtue of Article 88(6) the available financial means of the Fund shall reach at least 1% of the amount of covered deposits of all credit institutions authorised in all the participating Member States. |
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| 1097. | Art. 66 – para 1a (new) – subpara 1 | | <u>1a. Each year national resolution authorities shall calculate the individual contributions to ensure that the contributions due by all the institutions authorised in the territories of the participating Member States shall amount to 10 % of the target level.</u> | | <u>1a. Each year the Board, after consulting the ECB or the national competent authority and in close cooperation with the national resolution authorities shall calculate the individual contributions to ensure that the contributions due by all the institutions authorised in the territories of all the participating Member States shall not exceed 12,5% of the target level.</u> |
| 1098. | Art. 66 – para 1a (new) – subpara 2 – introductory part | | <u>Each year the calculation of the contributions for individual institutions shall be based on:</u> | | <u>Each year the calculation of the contributions for individual institutions shall be based on:</u> |

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| 1099. | Art. 66 – para 1a (new) – subpara 2 – point a | | <u>(a) A flat contribution, that is pro-rata based on the amount of an institution’s liabilities excluding own funds and covered deposits, with respect to the total liabilities, excluding own funds and covered deposits, of all the institutions authorised in the territories of the participating Member States; and</u> | | <u>(a) A flat contribution, that is pro-rata based on the amount of an institution’s liabilities excluding own funds and covered deposits, with respect to the total liabilities, excluding own funds and covered deposits, of all the institutions authorised in the territories of the participating Member States; and</u> |
| 1100. | Art. 66 – para 1a (new) – subpara 2 – point b | | <u>(b) A risk adjusted contribution, that shall be based on the criteria set out in Article 94(7) of Directive[...], taking into account the principle of proportionality, without creating distortions between banking sector structures of the Member States.</u> | | <u>(b) A risk adjusted contribution, that shall be based on the criteria set out in Article 94(7) of Directive[...], taking into account the principle of proportionality, without creating distortions between banking sector structures of the Member States.</u> |
| 1101. | Art. 66 – para 1a (new) – subpara 3 | | <u>The relation between the flat contribution and the risk-adjusted contributions shall take into account a balanced distribution of contributions across different types of banks.</u> | | <u>The relation between the flat contribution and the risk-adjusted contributions shall take into account a balanced distribution of contributions across different types of banks.</u> |

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| 1102. | Art. 66 – para 1a (new) – subpara 4 | | <u>In any case, the aggregate amount of individual contributions by all the institutions authorised in the territories of the participating Member States, calculated under letters (a) and (b), shall not exceed annually the 10% of the target level.</u> | | <u>In any case, the aggregate amount of individual contributions by all the institutions authorised in the territories of all the participating Member States, calculated under letters (a) and (b), shall not exceed annually the 12,5% of the target level.</u> |
| 1157. | | | <i>Article 71a</i> | | <i>Article 71a</i> |
| 1158. | Art. 71a (new) – title | | <i>Use of the Fund</i> | | <i>Use of the Fund</i> |
| 1159. | Art. 71a (new) – para 1 | | <u>The use of the Fund shall be contingent upon the Agreement where the participating Member States agree to transfer the contributions that they raise at national level in accordance with the BRRD and SRM Regulation to the Fund and shall be in accordance with the principles laid down in that agreement.</u> | | <u>The use of the Fund shall be contingent upon the Agreement where the participating Member States agree to transfer the contributions that they raise at national level in accordance with the BRRD and SRM Regulation to the Fund and shall be in accordance with the principles laid down in that agreement.</u> |

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| 1160. | Art. 71a (new) – para 2 | | <u>Accordingly, until the Fund reaches the target funding level as defined in Article 65, but until no later than 10 years after the date of application of this Article, the Board shall use the Fund in accordance with principles founded on a division of the Fund into national compartments corresponding to each participating Member State, as well as on a progressive merger of the different funds raised at national level to be allocated to national compartments of the Fund, as laid down in the Agreement.</u> | | <u>Accordingly, until the Fund reaches the target funding level as defined in Article 65, but until no later than 8 years after the date of application of this Article, the Board shall use the Fund in accordance with principles founded on a division of the Fund into national compartments corresponding to each participating Member State, as well as on a progressive merger of the different funds raised at national level to be allocated to national compartments of the Fund, as laid down in the Agreement.</u> |
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| 1291. | Art 85 – intro | From the date of application referred to in the second subparagraph of Article 88, the Fund shall be considered the resolution financing arrangement of the participating Member States under Title VII of Directive []. | From the date of application referred to in the second subparagraph of Article 88, the Fund shall be considered the resolution financing arrangement of the participating Member States under Title VII of Directive []. | From the date of application referred to in the second subparagraph of Article 88, the Fund shall <i>replace</i> the resolution financing arrangement of the participating Member States under Title VII of Directive [BRRD]. | From the date of application referred to in Article 88(2) and (6) , the Fund shall be considered the resolution financing arrangement of the participating Member States under Title VII of Directive []. |
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| 1303. | Art. 87 – para 2 – point d | (d) the Commission shall collect the annual contributions referred to in Article 62(5)(d) on behalf of the Board. | (d) <u>[deleted]</u> | (d) the Commission shall collect the annual contributions referred to in Article 62(5)(d) on behalf of the Board. | [...] |
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| 1307. | Art. 88 – para 1 | This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union. | 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 Official Journal of the European Union. | <u>1.</u> 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> . |
| 1308. | Art. 88 – para 1a (new) | | <u>It shall be applicable as from the date when the conditions allowing the transfer to the Fund of the contributions raised at national level have been met.</u> | | <u>2. With the exceptions set out in subparagraphs 3 to 5, it shall be applicable as from 1 January 2016.</u> |
| 1309. | Art. 88 – para 1b (new) | | <u>The Commission shall make public in the Official Journal the date referred to in the above subparagraph.</u> | | <u>3. By derogation from paragraph 2, the provisions related to the powers of the Board to collect information and cooperate with the national resolutions authorities for the elaboration of resolution planning, under Articles 7, 7a and all other related provisions shall be applicable by the 1st of January 2015.</u> |

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| 1310. | Art. 88 – subpara 2 | Articles 7 to 23 and Articles 25 to 38 shall apply from 1 January 2015. | <u>Subject to the above, Articles 7 to 23 and Articles 25 to 387a and all relevant provisions thereof shall apply from 1 January 2015.</u> | Articles 7 to 23 and Articles 25 to 37 shall apply from 1 January 2015. | <p><u>4. By derogation from paragraph 2:</u></p> <ul style="list-style-type: none"> <u>- Articles 1 to 4 and 6,</u> <u>- Articles 27, 28</u> <u>- Part III Title 1, [Articles 38-44],</u> <u>-Articles 45, 46 paragraph 1(a), (b), (d) to (m), paragraph 2,</u> <u>- Article 47,</u> <u>- Article 48 paragraphs 1 and 3,</u> <u>- Article 49 paragraph -1 and paragraph 1,</u> <u>- Part III Title IV [Articles 52-53],</u> <u>- Part III Title V Chapter 1 [Articles 54-56, 58-63],</u> <u>- Part III Title VI [Article 74-81] with the exception of Article 77b and Article 77c, and</u> <u>- Part IV [Articles 82-84 and 86-87]</u> <p><u>shall apply from the entry into force.</u></p> |
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| 1311. | Art. 88 – subpara 3 | Article 24 shall apply from 1 January 2018. | <u>Subject to the above, other provisions, including Article 24, shall apply from 1 January 2018</u> 2016 . | Article 24 shall apply from <i>1 January 2016</i> . | <p><u>5. By derogation from paragraph 2, Articles 65(5), 66(3), 66(3a) and 67(3) that empower the Council to adopt implementing acts and the Commission to adopt delegated acts shall apply from 1st of November 2014.</u></p> <p><u>6. As of 1 January 2015, the Board shall send a monthly report approved in its plenary session to the EP, to the Council and to the Commission on whether the conditions for the transfer of contributions to the Single Resolution Fund have been met.</u></p> <p><u>If those reports show that the conditions for the transfer of contributions to the Single Resolution Fund have not been met, the application of the provisions referred to in paragraph 2 shall be postponed by one month each time, at the end of which a new report each time shall be elaborated by the Board.</u></p> |
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"The signatories to the Intergovernmental Agreement on the transfer and mutualisation of contributions to the Single Resolution Fund declare that they will strive to complete its process of ratification in accordance with their respective national legal requirements in due time so as to permit the Single Resolution Mechanism to be fully operational by the 1 January 2016."
