



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 5 October 2010**

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**Interinstitutional file :  
2009/0099 (COD)**

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**14218/10  
ADD 1 REV 1**

**CODEC 916  
ECOFIN 566  
EF 120**

**ADDENDUM TO "I/A" ITEM NOTE**

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from: General Secretariat of the Council

to: COREPER / COUNCIL

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No. Cion prop.: 12093/09 ECOFIN 517 EF 104 CODEC 983

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Subject: Proposal for a Directive of the European Parliament and of the Council amending Directives 2006/48/EC and 2006/49/EC as regards capital requirements for the trading book and for re-securitisations, and the supervisory review of remuneration policies **(first reading)**

- Adoption of the legislative act **(LA + S)**

= Statements

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Statement by the Finnish delegation

Finland is of the opinion that the application of Art 3.1 of the Directive may lead to retroactive application of legislation to private contracts, which would be in conflict with the established interpretation of the constitutional protection of property. Finland will therefore apply the paragraph taking into account the necessary principles to ensure the constitutional protection of property.

## Statement by the United Kingdom

The UK notes the amendments to the treatment of covered bonds in paragraph 2 ba-bd of Annex I of the amending text. These affect the provisions on the risk-weights attached to covered bonds and the inclusion of securitisations in covered bond pools, which were due to be reviewed by December 2010. The risk weights have been made permanent and the inclusion of securitisations extended until 2013. After the initial agreement was reached between the Council and the European Parliament, the ECB Governing Council expressed serious concerns in relation to the inclusion of securitisations in covered bond pools. Given the concerns expressed and the importance of a sound prudential framework for banks in the European Union, the UK believes both the issues described above should be formally reviewed as soon as possible and, in any case, in time for the discussions of CRD4 proposals.

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