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European Union

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**Interinstitutional File:  
2018/0044(COD)**

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From:	General Secretariat of the Council
To:	Delegations
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Subject:	Proposal for a Regulation of the European Parliament and of the Council on the law applicable to the third-party effects of assignments of claims - 4 column table

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Delegations will find below the 4-column table for the Regulation on Assignments of Claims, as resulting from the initial positions of the three institutions. It served as basis for initial discussions on 1 December 2021.

**Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the law applicable to the third-party effects of assignments of claims**

2018/0044(COD)

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Formula				
1	2018/0044 (COD)	2018/0044 (COD)	<i>deleted</i>	
<i>Proposal Title</i>				
2	Proposal for a  REGULATION OF THE EUROPEAN PARLIAMENT	Proposal for a  REGULATION OF THE EUROPEAN PARLIAMENT	Proposal for a  REGULATION OF THE EUROPEAN PARLIAMENT	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
	AND OF THE COUNCIL  on the law applicable to the third-party effects of assignments of claims	AND OF THE COUNCIL  on the law applicable to the third-party effects of assignments of claims	AND OF THE COUNCIL  on the law applicable to the third-party effects of assignments of claims	
Formula				
3	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	
Citation 1				
4	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 81(2) thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 81(2) thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 81(2) thereof,	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Citation 2				
5	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,	
Citation 3				
6	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,	
Citation 4				
7	Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> ,	Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> ,	Having regard to the opinion of the European Economic and Social Committee, <sup>1</sup> <sup>+</sup> / <sub>5</sub>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	_____	_____	_____	
	1. OJ C , , p. .	1. OJ C , , p. .	1. [1] OJ C , , p. .	
Citation 5				
8	Acting in accordance with the ordinary legislative procedure,	Acting in accordance with the ordinary legislative procedure,	Acting in accordance with the ordinary legislative procedure,	
Formula				
9	Whereas:	Whereas:	Whereas:	
Recital 1				
10	(1) The Union has set itself the	(1) The Union has set itself the	(1) The Union has set itself the	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
	objective of maintaining and developing an area of freedom, security and justice. For the progressive establishment of such an area, the Union is to adopt measures relating to judicial cooperation in civil matters having cross-border implications to the extent necessary for the proper functioning of the internal market.	objective of maintaining and developing an area of freedom, security and justice. For the progressive establishment of such an area, the Union is to adopt measures relating to judicial cooperation in civil matters having cross-border implications to the extent necessary for the proper functioning of the internal market.	objective of maintaining and developing an area of freedom, security and justice. For the progressive establishment of such an area, the Union is to adopt measures relating to judicial cooperation in civil matters having cross-border implications to the extent necessary for the proper functioning of the internal market.	
Recital 2				
11	(2) Pursuant to Article 81 of the Treaty, these measures are to include those aimed at ensuring the compatibility of the rules applicable in the Member States concerning the conflict of laws.	(2) Pursuant to Article 81 of the Treaty, these measures are to include those aimed at ensuring the compatibility of the rules applicable in the Member States concerning the conflict of laws.	(2) Pursuant to Article 81 of the Treaty, these measures are to include those aimed at ensuring the compatibility of the rules applicable in the Member States concerning the conflict of laws.	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Recital 3				
12	(3) The proper functioning of the internal market requires, in order to improve the predictability of the outcome of litigation, certainty as to the law applicable and the free movement of judgments, for the conflict of law rules in the Member States to designate as the applicable law the same national law irrespective of the Member State of the court in which an action is brought.	(3) The proper functioning of the internal market requires, <del>in order</del> to improve the predictability of the outcome of litigation, <u>legal</u> certainty as to the law applicable and the free movement <u>and</u> <u>recognition</u> of judgments, <del>for the</del> conflict of law rules in the Member States to designate as the applicable law the same national law irrespective of the Member State of the court in which an action is brought.	(3) The proper functioning of the internal market requires, <b>certainty as to the law applicable</b> in order to improve the predictability of the outcome of litigation, <del>certainty as to the law applicable</del> and the free movement of judgments, <del>for the</del> <b>requires</b> conflict of <del>law</del> <b>laws</b> rules in the Member States to designate <del>as the applicable law the same national</del> <b>the same national law as the applicable</b> law irrespective of the Member State <del>of the court in</del> 's <b>courts before</b> which an action is brought.	
Recital 4				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
13	<p>(4) Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I) does not cover the questions of third-party effects of assignment of claims. However, Article 27(2) of that Regulation required the Commission to submit to the European Parliament, the Council and the European Economic and Social Committee a report on the question of the effectiveness of an assignment or subrogation of a claim against third parties and the priority of the assigned or subrogated claim over a right of another person which should be</p>	<p>(4) Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I) does not cover the questions of third-party effects of assignment of claims. However, Article 27(2) of that Regulation required the Commission to submit to the European Parliament, the Council and the European Economic and Social Committee a report on the question of the effectiveness of an assignment or subrogation of a claim against third parties and the priority of the assigned or subrogated claim over a right of another person which should be</p>	<p>(4) Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I) does not <del>cover the questions of</del> <b>designate the law applicable to the</b> third-party effects of <del>assignment</del> <b>assignments</b> of claims. However, Article 27(2) of that Regulation required the Commission to submit to the European Parliament, the Council and the European Economic and Social Committee a report on the question of the effectiveness of an assignment or subrogation of a claim against third parties and the priority of the assigned or subrogated claim over</p>	

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	accompanied, if appropriate, by a proposal to amend that Regulation and an assessment of the impact of the provisions to be introduced.	accompanied, if appropriate, by a proposal to amend that Regulation and an assessment of the impact of the provisions to be introduced.	<del>a</del> the right of another person which should be accompanied, if appropriate, by a proposal to amend that Regulation and an assessment of the impact of the provisions to be introduced.	
Recital 5				
14	(5) On 18 February 2015 the Commission adopted a Green Paper on Building a Capital Markets Union <sup>1</sup> which stated that achieving greater legal certainty in cases of cross-border transfer of claims and the order of priority of such transfers, particularly in cases of insolvency, is an important aspect in developing a pan-European market in securitisation	(5) On 18 February 2015 the Commission adopted a Green Paper on Building a Capital Markets Union <sup>1</sup> which stated that achieving greater legal certainty in cases of cross-border transfer of claims and the order of priority of such transfers, particularly in cases of insolvency, is an important aspect in developing a pan-European market in securitisation	(5) On 18 February 2015 the Commission adopted a Green Paper on Building a Capital Markets Union <sup>1</sup> which stated that achieving greater legal certainty in cases of cross-border transfer of claims and the order of priority of such transfers, particularly in cases of insolvency, is an important aspect in developing a pan-European market in securitisation	

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	and financial collateral arrangements, and also of other activities such as factoring.  _____	and financial collateral arrangements, and also of other activities such as factoring.  _____	and financial collateral arrangements, and also <del>of</del> <b>for</b> other activities such as factoring.  _____	
	1. COM(2015) 63 final.	1. COM(2015) 63 final.	1. <b>[1]</b> COM(2015) 63 final.	
Recital 6				
15	(6) On 30 September 2015 the Commission adopted a Communication with an Action Plan on Building a Capital Markets Union <sup>1</sup> . This Capital Markets Union Action Plan noted that differences in the national treatment of third-party effects of assignment of debt claims	(6) On 30 September 2015 the Commission adopted a Communication with an Action Plan on Building a Capital Markets Union <sup>1</sup> . This Capital Markets Union Action Plan noted that differences in the national treatment of third-party effects of assignment of debt claims	(6) On 30 September 2015 the Commission adopted a Communication with an Action Plan on Building a Capital Markets Union <sup>1</sup> . <del>This</del> <b>The</b> Capital Markets Union Action Plan noted that differences in the national treatment of <b>the</b> third-party effects of <del>assignment</del> <b>assignments</b> of debt	

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	<p>complicate the use of these instruments as cross-border collateral, concluding that this legal uncertainty frustrates economically significant financial operations, such as securitisations. The Capital Markets Union Action Plan announced that the Commission would propose uniform rules to determine with legal certainty which national law should apply to the third-party effects of the assignment of claims.</p> <p>_____</p> <p>1. COM(2015) 468 final.</p>	<p>complicate the use of these instruments as cross-border collateral, concluding that this legal uncertainty frustrates economically significant financial operations, such as securitisations. The Capital Markets Union Action Plan announced that the Commission would propose uniform rules to determine with legal certainty which national law should apply to the third-party effects of the assignment of claims.</p> <p>_____</p> <p>1. COM(2015) 468 final.</p>	<p>claims complicate the use of these instruments as cross-border collateral, concluding that this legal uncertainty frustrates economically significant financial operations, such as securitisations. The Capital Markets Union Action Plan announced that the Commission would propose uniform rules to determine with legal certainty which national law should apply to the third-party effects of the assignment of claims.</p> <p>_____</p> <p>1. <b>[1]</b> COM(2015) 468 final.</p>	
Recital 7				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
16	(7) On 29 June 2016 the Commission adopted a report on the appropriateness of Article 3(1) of Directive 2002/47/EC on financial collateral arrangements <sup>1</sup> focusing on the question whether this Directive works effectively and efficiently as regards formal acts required to provide credit claims as collateral. The report concluded that a proposal of uniform rules regarding the third-party effects of assignment of claims would allow determining with legal certainty which national law should apply to the third-party effects of the assignment of claims, which would contribute to achieving greater legal certainty in	(7) On 29 June 2016 the Commission adopted a report on the appropriateness of Article 3(1) of Directive 2002/47/EC on financial collateral arrangements <sup>1</sup> focusing on the question whether this Directive works effectively and efficiently as regards formal acts required to provide credit claims as collateral. The report concluded that a proposal of uniform rules regarding the third-party effects of assignment of claims would allow determining with legal certainty which national law should apply to the third-party effects of the assignment of claims, which would contribute to achieving greater legal certainty in	(7) On 29 June 2016 the Commission adopted a report on the appropriateness of Article 3(1) of Directive 2002/47/EC on financial collateral arrangements <sup>1</sup> focusing on the question whether this Directive works effectively and efficiently as regards formal acts required to provide credit claims as collateral. The report concluded that a proposal <del>of</del> <b>for</b> uniform rules regarding the third-party effects of <del>assignment</del> <b>assignments</b> of claims would allow determining with legal certainty which national law should apply to the third-party effects of the assignment of claims, which would contribute to achieving	

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	<p>cases of cross-border mobilisation of credit claims as collateral.</p> <p>_____</p> <p>1. COM(2016) 430 final.</p>	<p>cases of cross-border mobilisation of credit claims as collateral.</p> <p>_____</p> <p>1. COM(2016) 430 final.</p>	<p>greater legal certainty in cases of cross-border mobilisation of credit claims as collateral.</p> <p>_____</p> <p>1. <b>[1]</b> COM(2016) 430 final.</p>	
Recital 8				
17	<p>(8) On 29 September 2016 the Commission adopted a report on the question of the effectiveness of an assignment or subrogation of a claim against third parties and the priority of the assigned or subrogated claim over the right of another person. The report</p>	<p>(8) On 29 September 2016 the Commission adopted a report on the question of the effectiveness of an assignment or subrogation of a claim against third parties and the priority of the assigned or subrogated claim over the right of another person. The report</p>	<p>(8) On 29 September 2016 the Commission adopted a report on the question of the effectiveness of an assignment or subrogation of a claim against third parties and the priority of the assigned or subrogated claim over the right of another person. The report</p>	

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	concluded that uniform conflict of law rules governing the effectiveness of assignments against third parties as well as questions of priority between competing assignees or between assignees and other right holders would enhance legal certainty and reduce practical problems and legal costs relating to the current diversity of approaches in the Member States.	concluded that uniform conflict of law rules governing the effectiveness of assignments against third parties as well as questions of priority between competing assignees or between assignees and other right holders would enhance legal certainty and reduce practical problems and legal costs relating to the current diversity of approaches in the Member States.	concluded that uniform conflict of <del>law</del> -laws rules governing the effectiveness of assignments against third parties as well as questions of priority between competing assignees or between assignees and other right holders would enhance legal certainty and reduce practical problems and legal costs relating to the current diversity of approaches in the Member States.	
Recital 9				
18	(9) The substantive scope and the provisions of this Regulation should be consistent with	(9) The substantive scope and the provisions of this Regulation should be consistent with	(9) The substantive scope and the provisions of this Regulation should be consistent with	

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	<p>Regulation (EC) No 864/2007 on the law applicable to non-contractual obligations (Rome II),<sup>1</sup> Regulation (EC) No 593/2008 on the law applicable to contractual obligations (Rome I),<sup>2</sup> Regulation (EU) No 1215/2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast),<sup>3</sup> and Regulation (EU) 2015/848 on insolvency proceedings.<sup>4</sup> The interpretation of this Regulation should as much as possible avoid regulatory gaps between these instruments.</p> <p>_____</p> <p>1. Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007</p>	<p>Regulation (EC) No 864/2007 on the law applicable to non-contractual obligations (Rome II),<sup>1</sup> Regulation (EC) No 593/2008 on the law applicable to contractual obligations (Rome I),<sup>2</sup> Regulation (EU) No 1215/2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast),<sup>3</sup> and Regulation (EU) 2015/848 on insolvency proceedings.<sup>4</sup> The interpretation of this Regulation should as much as possible avoid regulatory gaps between these instruments.</p> <p>_____</p> <p>1. Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007</p>	<p>Regulation (EC) No 864/2007 on the law applicable to non-contractual obligations (Rome II),<sup>1</sup> Regulation (EC) No 593/2008 on the law applicable to contractual obligations (Rome I),<sup>2</sup> Regulation (EU) No 1215/2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast),<sup>3</sup> and Regulation (EU) 2015/848 on insolvency proceedings.<sup>4</sup><del>The interpretation of this Regulation should as much as possible avoid regulatory gaps between these instruments.</del> <b>(Insolvency Regulation should as much as possible avoid regulatory gaps between these instruments).</b><sup>4</sup></p> <p>_____</p> <p>1. <b>[1]</b> Regulation (EC) No 864/2007 of the European Parliament and of the Council of</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	on the law applicable to non-contractual obligations (Rome II), OJ L 199, 31.7.2007, p. 40-49.	on the law applicable to non-contractual obligations (Rome II), OJ L 199, 31.7.2007, p. 40-49.	11 July 2007 on the law applicable to non-contractual obligations (Rome II), OJ L 199, 31.7.2007, p. 40-49.	
	2. Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I), OJ L 177, 4.7.2008, p. 6-16.	2. Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I), OJ L 177, 4.7.2008, p. 6-16.	2. <b>[2]</b> Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I), OJ L 177, 4.7.2008, p. 6-16.	
	3. Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, OJ L 351, 20.12.2012, p. 1-32.	3. Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, OJ L 351, 20.12.2012, p. 1-32.	3. <b>[3]</b> Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12- December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters,	

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	4. Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings, OJ L 141, 5.6.2015, p. 19-72.	4. Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings, OJ L 141, 5.6.2015, p. 19-72.	OJ L 351, 20.12.2012, p. 1-32.  4. [4] Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings, OJ L 141, 5.6.2015, p. 19-72.	
Recital 10				
19	(10) This Regulation implements the Capital Markets Union Action Plan. It also fulfils the requirement laid down in Article 27(2) of the Rome I Regulation that the Commission should publish a report and, if appropriate, a	(10) This Regulation implements the Capital Markets Union Action Plan. It also fulfils the requirement laid down in Article 27(2) of the Rome I Regulation that the Commission should publish a report and, if appropriate, a	(10) This Regulation implements the Capital Markets Union Action Plan. It also fulfils the requirement laid down in Article 27(2) of the Rome I Regulation that the Commission should publish a report and, if appropriate, a	

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	proposal on the effectiveness of an assignment of a claim against third parties and the priority of the assignee over the right of another person.	proposal on the effectiveness of an assignment of a claim against third parties and the priority of the assignee over the right of another person.	proposal on the effectiveness of an assignment of a claim against third parties and the priority of the assignee over the right of another person.	
Recital 11				
20	(11) Conflict of laws rules governing the third-party (or proprietary) effects of assignments of claims do not currently exist at Union level. These conflict of laws rules are laid down at Member State level, but they are inconsistent and often unclear. In cross-border assignments of claims, the inconsistency of	(11) <u>No harmonised set of rules on the</u> conflict of laws <del>rules</del> governing the third-party <del>or proprietary</del> effects of assignments of claims <del>do not</del> currently exist at Union level. These conflict of laws rules are laid down at Member State level, but they are inconsistent <u>- being based on different connecting factors to</u>	(11) Conflict of laws rules governing the third-party <del>or proprietary</del> effects of assignments of claims do not currently exist at Union level. <del>These</del> <b>Where</b> conflict of laws rules <b>on this matter</b> are laid down at Member State level, <del>but they are inconsistent and often unclear</del> <b>they differ from each other</b> . In cross-border assignments	

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	<p>national conflict of laws rules leads to legal uncertainty as to which law applies to the third-party effects of the assignments. The lack of legal certainty creates a legal risk in cross-border assignments of claims which does not exist in domestic assignments as different national substantive rules may be applied depending on the Member State whose courts or authorities assess a dispute as to the legal title over the claims.</p>	<p><u>determine the applicable law - and therefore <del>and often</del> unclear, especially in those countries where such rules are not governed by separate legislative provisions.</u></p> <p>In cross-border assignments of claims, the inconsistency of national conflict of laws rules leads to legal uncertainty as to which law applies to the third-party effects of the assignments. The lack of legal certainty creates a legal risk in cross-border assignments of claims which does not exist in domestic assignments as different national substantive rules may be applied depending on the Member State whose courts or authorities assess a dispute as to the legal title over the claims; <u>implicitly, the outcome of a priority conflict as to who owns</u></p>	<p>of claims, the inconsistency of national conflict of laws rules leads to legal uncertainty as to which law applies to the third-party effects of the assignments. The lack of legal certainty creates a legal risk in cross-border assignments of claims which does not exist in domestic assignments, as different national substantive rules may be applied depending on the Member State whose courts or authorities assess a dispute as to the legal title over the <b>assigned</b> claims.</p>	

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		<u><i>a claim further to a cross-border assignment will vary, depending on the national law applied.</i></u>		
Recital 12				
21	(12) If assignees are not aware of the legal risk or choose to ignore it, they may face unexpected financial losses. Uncertainty about who has legal title over the claims assigned on a cross-border basis can have knock-on effects and deepen and prolong the impact of a financial crisis. If assignees decide to mitigate the legal risk by seeking specific legal advice, they will incur higher transaction costs not	(12) If assignees are not aware of the legal risk or choose to ignore it, they may face unexpected financial losses. Uncertainty about who has legal title over the claims assigned on a cross-border basis can have knock-on effects and deepen and prolong the impact of a financial crisis. If assignees decide to mitigate the legal risk by seeking specific legal advice, they will incur higher transaction costs not	(12) If assignees are not aware of the legal risk or choose to ignore it, they may face unexpected financial losses. Uncertainty about who has legal title over the claims assigned on a cross-border basis can have knock-on effects and deepen and prolong the impact of a financial crisis. If assignees decide to mitigate the legal risk by seeking specific legal advice, they will incur higher transaction costs not	

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	required for domestic assignments. If assignees are deterred by the legal risk and choose to avoid it, they may forego business opportunities and market integration may be reduced.	required for domestic assignments. <del>If assignees are deterred by the legal risk and choose to avoid it, they may forego business opportunities and market integration may be reduced.</del>	required for domestic assignments. If assignees are deterred by the legal risk and choose to avoid it, they may forego business opportunities and market integration may be reduced.	
Recital 12a				
21a		<u>(12a) This legal risk can also act as a deterrent. Assignees and assignors may choose to avoid it, thereby allowing business opportunities to pass. This lack of clarity does not therefore appear to be in line with the objective of market integration and the principle of free movement of</u>		

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		<a href="#"><u>capital enshrined in Articles 63 to 66 TFEU.</u></a>		
Recital 13				
22	(13) The objective of this Regulation is to provide legal certainty by laying down common conflict of laws rules designating which national law applies to the third-party effects of assignments of claims.	(13) The objective of this Regulation is to provide legal certainty by laying down common conflict of laws rules designating which national law applies to the third-party effects of assignments of claims, <a href="#"><u>increasing cross-border claims transactions, so as to encourage cross-border investment in the EU and facilitate access to finance for firms - including SMEs - and consumers.</u></a>	(13) The objective of this Regulation is to provide legal certainty by laying down common conflict of laws rules designating which national law applies to the third-party effects of <b>cross-border</b> assignments of claims.	

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Recital 14				
23	(14) A claim gives a creditor a right to the payment of a sum of money or the performance of an obligation by the debtor. The assignment of a claim enables the creditor (assignor) to transfer his right to claim the debt against a debtor to another person (assignee). The laws that govern the contractual relationship between the creditor and the debtor, between the assignor and the assignee and between the assignee and the debtor are designated by the conflict of laws	(14) A claim gives a creditor a right to the payment of a sum of money or the performance of an obligation by the debtor. The assignment of a claim enables the creditor (assignor) to transfer his right to claim the debt against a debtor to another person (assignee). The laws that govern the contractual relationship between the creditor and the debtor, between the assignor and the assignee and between the assignee and the debtor are designated by the conflict of laws	(14) A claim gives a creditor a right to the payment of a sum of money or the performance of <del>an a</del> <b>non-monetary</b> obligation by the debtor. The assignment of a claim enables the creditor (assignor) to transfer <del>his</del> <b>its</b> right to claim the debt against a debtor to another person (assignee). The laws that govern the contractual relationship between the creditor and the debtor, between the assignor and the assignee and between the assignee and the debtor are designated by the conflict of laws	

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	<p>rules laid down in the Rome I Regulation<sup>1</sup>.</p> <p>_____</p> <p>1. In particular Articles 3, 4 and 14.</p>	<p>rules laid down in the Rome I Regulation<sup>1</sup>.</p> <p>_____</p> <p>1. In particular Articles 3, 4 and 14.</p>	<p>rules laid down in the Rome I Regulation. <b>The conflict of laws rules laid down in Article 14(1) of the Rome I Regulation govern the contractual relationship between the assignor and the assignee, and the conflict of laws rules laid down in Article 14(2) of the Rome I Regulation govern the contractual relationship between the assignee and the debtor<sup>1, 2</sup>.</b></p> <p>_____</p> <p>1. <b>[1]</b> In particular Articles 3, 4 and 14.</p>	
Recital 14a				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
23a		<u><i>(14a) This Regulation is not intended to alter the provisions of Rome I regarding the proprietary effect of a voluntary assignment as between assignor and assignee or as between assignee and debtor.</i></u>		
Recital 15				
24	(15) The conflict of laws rules laid down in this Regulation should govern the proprietary effects of assignments of claims as between all parties involved in the assignment (that is, between the assignor and the assignee and	(15) The conflict of laws rules laid down in this Regulation should govern the <del>proprietary</del> effects of assignments of claims <del>as between</del> <i>all parties involved in the assignment (that is, between the assignor and the assignee and</i>	(15) The conflict of laws rules laid down in this Regulation should govern the <del>proprietary</del> <b>third-party</b> effects of assignments of claims as between all parties involved in the assignment ( <del>that is, between the</del> assignor and the assignee and	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	between the assignee and the debtor) as well as in respect of third parties (for example, a creditor of the assignor).	<del>between the assignee and the debtor) as well as</del> in respect of third parties, (for example, a creditor of the assignor), <u>excluding the debtor.</u>	<del>between the assignee and the debtor as well as in respect of</del> <b>third parties (such as a creditor of the assignor), without prejudice to the rights and obligations of the debtor under Article 14(2) as well as in respect of third parties (for example, a creditor of the assignor) Rome I Regulation.</b>	
Recital 16				
25	(16) The claims covered by this Regulation are trade receivables, claims arising from financial instruments as defined in Directive 2014/65/EU on markets in	(16) The claims covered by this Regulation <del>are</del> <u>include</u> trade receivables, claims arising from financial instruments as defined in Directive 2014/65/EU <del>on markets</del>	(16) The claims covered by this Regulation <del>are trade receivables, claims arising from financial instruments</del> <b>include, without being limited to, trade receivables,</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>financial instruments<sup>1</sup> and cash credited to an account in a credit institution. Financial instruments as defined in Directive 2014/65/EU include securities and derivatives traded on financial markets. While securities are assets, derivatives are contracts which include both rights (or claims) and obligations for the parties to the contract.</p> <p>_____</p> <p>1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, OJ L 173, 12.6.2014, p. 349–496.</p>	<p><del>in financial instruments<sup>1</sup></del> <u>of the European Parliament and of the Council<sup>44</sup></u> and cash credited to an account in a credit institution. Financial instruments as defined in Directive 2014/65/EU include securities and derivatives traded on financial markets. While securities are assets, derivatives are contracts which include both rights (or claims) and obligations for the parties to the contract.</p> <p><sup>44</sup> <u>Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L 173, 12.6.2014, p. 349).</u></p>	<p><b>credit claims, cash</b> as defined in Directive 2014/65/EU <del>on markets in financial instruments<sup>1</sup> and cash credited to an account in a credit institution.</del> <b>2002/47/EC, electronic money as defined in Directive 2009/110/EC and claims arising out of</b> financial instruments as defined in Directive 2014/65/EU – <b>with the exception of claims arising out of transferable</b> <del>include securities and derivatives traded on financial markets. While securities,</del> <b>money-market instruments or units in a collective investment undertaking –, whether or not they are issued by means of distributed ledger technology</b> <del>are assets, derivatives are contracts which include both rights (or</del></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		<p>_____</p> <p><del>1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, OJ L 173, 12.6.2014, p. 349-496.</del></p>	<p>claims) and obligations for the parties to the contract.</p> <p>_____</p> <p><del>1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, OJ L 173, 12.6.2014, p. 349-496.</del></p>	
Recital 16a				
25a			(16bis) In accordance with Regulation [XXX] on markets in	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>crypto-assets (MiCA), distributed ledger technology (DLT) is a type of technology that supports the distributed recording of encrypted data. This Regulation should be based on a technology-neutral approach. As a technology-neutral instrument, this Regulation should cover claims arising from assets irrespective of the technology used for their issuance, transfer or storage, thus including claims arising from crypto-assets. Some crypto-assets, defined as ‘electronic money tokens’ or ‘e-money tokens’ in Regulation [XXX] on markets in crypto-assets (MiCA), are intended primarily as a means of payment and their</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>function is very similar to the function of electronic money as defined in Directive 2009/110/EC on electronic money (EMD2). Other crypto-assets are qualified, under national law, as financial instruments falling within the scope of MiFID. In order to avoid characterisation problems as to whether a certain crypto-asset qualifies as a financial instrument or another type of crypto-asset, claims arising from all crypto-assets should be covered by this Regulation, with the exception of claims arising out of crypto-assets that qualify as transferable securities, money-market instruments or units in a collective investment undertaking.</p>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
Recital 16b				
25b			<p><b>(16i) This Regulation should apply to the third-party effects of assignments of both existing claims and future claims. The assignability of claims, including the question whether future claims are assignable, is governed by the law of the assigned claim pursuant to Article 14(2) of the Rome I Regulation.</b></p>	
Recital 16c				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
25c			<p><b>(16a) This Regulation should not apply to the third-party effects of the transfer of financial instruments, whether or not they are issued by distributed ledger technology, including by way of security, pledges or other security rights over such financial instruments. This Regulation should not apply, in particular, to the third party effects of the transfer of transferable securities, money market instruments and units in collective undertakings, including by way of security, pledges or other security rights over such financial instruments, whether such transfer is done by</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>way of physical delivery of a certificate, by book-entry in a register, account or centralised deposit system or through the assignment of claims such as, for example, a claim for the delivery of these instruments from the next intermediary in a chain of intermediaries. As derivatives are financial instruments and also contracts, and as this Regulation should not cover the transfer of contracts or novation, this Regulation should not apply to the third-party effects of the transfer of derivatives. This Regulation should also not apply to the third party-effects of the transfer of crypto-assets, whether or not they qualify as financial instruments, including</p>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
			by way of security, pledges or other security rights over such crypto-assets.	
Recital 16d				
25d			(16ii) The fulfilment of a claim (for example, the repayment of a loan) may be guaranteed by a security right (for example, a mortgage or a pledge). A security right can be created over claims or over assets other than claims. Assets other than claims include immoveable property; tangible moveable assets, whether or not registered in a public register laid down by law (such as a	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>vehicle or machinery); and intangible moveable assets, whether or not registered in a public register laid down by law (such as intellectual property rights). This Regulation should cover the assignment of claims, whether outright (for example, the assignment of trade receivables to a factor) or by way of security, pledges or other security rights over claims (for example, a pledge over trade receivables). However, this Regulation should not cover the transfer of assets other than claims, either outright (for example, the transfer of transferable securities) or by way of security, pledges or other security rights over assets other</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			than claims (for example, a mortgage over immoveable property or a pledge over transferable securities).	
Recital 16e				
25e			(16aa) The law designated by this Regulation should apply to the third-party effects of the assignment of a claim where the assigned claim is secured by a right over immoveable property or moveable property subject to registration in a public register laid down by law. However, this Regulation should not apply to the third-party effects of the	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p><b>transfer of the security right over immoveable property or moveable property subject to registration in a public register laid down by law, including any form or registration requirements under the law of the State where the immoveable property is situated or under the authority of which the register is maintained for the effectiveness of the transfer of the security right. This Regulation should also not apply to any matters relating to the enforcement of security rights, including the entitlement to proceeds.</b></p>	
Recital 16f				

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
25f			<p><b>(16aaa) The law applicable under this Regulation may not coincide with the law of the State where the immovable property is situated or under the authority of which the register is maintained (for example, because the assignor’s habitual residence is situated in State A and the immovable property is situated in State B). In these cases, (i) for the assignee to acquire title over the claim, the requirements under the law designated by this Regulation should be complied with and, (ii) for the assignee to acquire title over the right over the immovable or registered</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>moveable property securing the claim, the requirements for the transfer of such a security right laid down in the law designated by the national conflict rules of the State where the immovable property is situated or under the authority of which the register is maintained (typically the <i>lex rei sitae</i> or the <i>lex registrationis</i>), including any form or registration requirements, should be complied with.</p>	
Recital 16g				
25g			<p>(16ab) However, in some legal systems, the security right is</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>linked to the claim it secures in such a way that, under the law of the State where the immovable property is situated or under the authority of which the register is maintained, compliance with certain form or registration requirements for the effectiveness of the transfer of the security right is required for the assignee to acquire title over the claim itself, and complying or failing to comply with such form or registration requirements to acquire title over the security right may have an impact on the resolution of possible priority conflicts over the secured claim. In these cases, this Regulation should not apply to the effects of complying or failing to comply</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>with any requirements as to form or registration for the effectiveness of the transfer of the security right when resolving priority conflicts over the secured claim. Therefore, the law applicable under this Regulation should not apply to resolve priority conflicts over a claim secured by a right over immovable property or moveable property subject to registration in a public register laid down by law, in particular between (i) a claimant over the secured claim who has complied with the law applicable under this Regulation to acquire title over the assigned claim and also with the form or registration requirements under the law of</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>the State where the immovable property is situated or under the authority of which the register is maintained to acquire title over the right securing the claim, and</p> <p>(ii) a claimant over the secured claim who has only complied with the law applicable under this Regulation to acquire title over the assigned claim.</p>	
Recital 16h				
25h			<p>(16b) A claim is an intangible asset. It can be assigned as an intangible asset or, where it is incorporated in a certificate or represented by a book-entry, it</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>can be transferred as a tangible asset or by credits and debits.</p> <p>Whether a claim can be assigned as an intangible asset, incorporated in a certificate or represented by a book-entry is determined by the substantive law governing the claim pursuant to Article 14(2) of the Rome I Regulation. This Regulation should be a horizontal instrument laying down general conflict of laws rules applicable to the third-party effects of the assignment of claims where the claims are assigned as intangible assets (<i>lex generalis</i>). Where claims are incorporated in a certificate (as in the case of, for example, bearer bonds or coupons for</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>interest physically detachable from the bearer bond) or represented by a book-entry (as in the case of, for example, bonds in book-entry form or separate coupons for interest in book-entry form), the third-party effects of the transfer of such claims should be excluded from the scope of this Regulation and the special conflict of laws rules applicable to the third-party effects of the transfer of claims as a tangible asset (such as the rules governing negotiable instruments or financial instruments) or by credits and debits (such as the rules governing financial instruments in book-entry form) should apply (lex specialis). The exclusion of the assignment of</p>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
			<p><b>claims which are incorporated in a certificate or represented by a book-entry should extend to situations where the claim is registered in a register maintained by the company issuing the securities from which the claim arises, such as registered shares.</b></p>	
Recital 16i				
25i			<p><b>(16c) Claims can arise from transferable securities, for example a claim for dividends arising from a share or a claim for interest arising from a bond. These claims may, depending on</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>the law applicable to the security, be assigned separately from the security from which they arise and in intangible form (for example, a shareholder can assign claims for dividends to a bank as collateral to obtain finance). The assignment of claims separately from the security from which they arise and in intangible form (that is, where they are not incorporated in a certificate, represented by a book-entry or recorded by means of DLT) should, for consistency reasons with the law applicable to the securities and given the existence of different practices in Member States, also be excluded from the scope of this Regulation.</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Recital 16j				
25j			<p><b>(16d) Claims arising under bills of exchange, cheques and promissory notes and other negotiable instruments, to the extent that the claims under such other negotiable instruments arise out of their negotiable character, should be excluded from the scope of this Regulation. The term "negotiable instruments" has a different meaning in private law and in the Union financial acquis. In the Union financial acquis, in particular in Directive</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p><b>2014/65/EU on markets in financial instruments<sup>1</sup>, the term "negotiable instruments" is a broader concept encompassing instruments capable of being traded in capital markets, thereby including financial instruments such as transferable securities and derivatives. For the purposes of this Regulation, the term "negotiable instruments" should be understood as under Article 1(2) of the Rome I Regulation and as also including bills of lading, to the extent that the claims under the bill of lading arise out of its negotiable character, and bearer bonds, to the extent that the claims under the bearer bond arise out of its negotiable</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>character.</p> <p>_____</p> <p><b>1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, OJ L 173, 12.6.2014, p. 349–496.</b></p>	
Recital 16k				
25k			<p><b>(16e) The third-party effects of the assignment of claims governed by the law of</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>companies and other bodies, corporate or unincorporated, such as the creation, by registration or otherwise, legal capacity, internal organisation or winding-up of companies and other bodies, corporate or unincorporated, and the personal liability of officers and members as such for the obligations of the company or body, should, in line with the Rome I Regulation, not be covered by this Regulation.</p>	
Recital 16l				
25l			<p>(16f) The third-party effects of the assignment of a claim that an</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>account holder or a third party may have in law, including to recovery, restitution or damages, in respect of a transaction in emission allowances under Directive 2003/87/EC (the Emissions Trading System Directive) that has become final in the Union Registry of emission allowances accounts and transactions, for instance in case of fraud or technical error, should be covered by this Regulation. This should not lead to the reversal, revocation or unwinding of the transaction in the Union Registry.</p>	
Recital 17				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
26	<p>(17) This Regulation concerns the third-party effects of the assignment of claims. It does not cover the transfer of the contracts (such as derivative contracts), in which both rights (or claims) and obligations are included, or the novation of contracts including such rights and obligations. As this Regulation does not cover the transfer or the novation of contracts, trading in financial instruments, as well as the clearing and the settlement of these instruments, will continue to be governed by the law applicable to contractual obligations as laid down in the Rome I Regulation. This law is normally chosen by the</p>	<p>(17) This Regulation concerns the third-party effects of the assignment of claims. <del>It does not cover</del> <i>In particular, it covers</i> the transfer of the contracts (such as derivative contracts), in which both rights (or claims) and obligations are included, or the novation of contracts including such rights and obligations. <del>As this Regulation does not cover the transfer or the novation of contracts, trading in financial instruments, as well as the clearing and the settlement of these instruments, will continue to be governed by the law applicable to contractual obligations as laid down in the Rome I Regulation.</del> <i>This law is normally chosen by the</i></p>	<p>(17) This Regulation <del>concerns</del> <b>should concern</b> the third-party effects of the assignment of claims. It <del>does</del> <b>should</b> not cover the transfer of <del>the</del> contracts (such as derivative contracts), in which both rights (or claims) and obligations are included, or the novation of contracts including such rights and obligations. <b>This Regulation should also not apply to possible priority conflicts arising from the assignment of a claim included in a contract and the novation of that contract.</b> As this Regulation <del>does</del> <b>should</b> not cover the transfer or the novation of contracts, trading in financial instruments, as well as the clearing and the</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	parties to the contract or is designated by non-discretionary rules applicable to financial markets.	<del>parties to the contract or is designated by non-discretionary rules applicable to financial markets.</del>	settlement of these instruments, <del>will</del> <b>should</b> continue to be governed by the law applicable to contractual obligations as laid down in the Rome I Regulation. This law is normally chosen by the <del>parties to the contract or is designated by non-discretionary rules applicable to financial markets.</del>	
Recital 18				
27	(18) Matters governed by the Financial Collateral Directive <sup>1</sup> , the Settlement Finality Directive <sup>2</sup> , the Winding-Up Directive <sup>3</sup> and the Registry Regulation <sup>4</sup> should not be	(18) Matters governed by the Financial Collateral Directive <sup>144</sup> , the Settlement Finality Directive <sup>245</sup> , the Winding-Up Directive <sup>346</sup> and the Registry Regulation <sup>447</sup> should	(18) <del>Matters governed by the Financial Collateral Directive<sup>1</sup>, the Settlement Finality Directive<sup>2</sup>, the Winding-Up Directive<sup>3</sup> and the Registry Regulation<sup>4</sup> should not be</del>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>affected by this Regulation.</p> <p>_____</p> <p>1. Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements, OJ L 168, 27.6.2002, p. 43–50.</p> <p>2. Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems, OJ L 166, 11.6.1998, p. 45–50.</p> <p>3. Directive 2001/24/EC of the European Parliament and of the</p>	<p>not be affected by this Regulation, <u>since the scope of the conflict of laws rules contained in this Regulation and that of the conflict of laws rules contained in the three Directives do not therefore overlap.</u></p> <p><u>44 Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements, OJ L 168, 27.6.2002, p. 43–50.</u></p> <p><u>45 Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems, OJ L 166, 11.6.1998, p. 45–50.</u></p> <p><u>46 Directive 2001/24/EC of the</u></p>	<p>affected by this Regulation.</p> <p>_____</p> <p>1. Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements, OJ L 168, 27.6.2002, p. 43–50.</p> <p>2. Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems, OJ L 166, 11.6.1998, p. 45–50.</p> <p>3. Directive 2001/24/EC of the European Parliament and of the</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>Council of 4 April 2001 on the reorganisation and winding up of credit institutions, OJ L 125, 5.5.2001, p. 15–23.</p> <p>4. Commission Regulation (EU) No 389/2013 of 2 May 2013 establishing a Union Registry pursuant to Directive 2003/87/EC of the European Parliament and of the Council, Decisions No 280/2004/EC and No 406/2009/EC of the European Parliament and of the Council and repealing Commission Regulations (EU) No 920/2010 and No 1193/2011, OJ L 122, 3.5.2013, p. 1–59.</p>	<p><u><a href="#">European Parliament and of the Council of 4 April 2001 on the reorganisation and winding up of credit institutions, OJ L 125, 5.5.2001, p. 15–23.</a></u></p> <p><u><a href="#">47 Commission Regulation (EU) No 389/2013 of 2 May 2013 establishing a Union Registry pursuant to Directive 2003/87/EC of the European Parliament and of the Council, Decisions No 280/2004/EC and No 406/2009/EC of the European Parliament and of the Council and repealing Commission Regulations (EU) No 920/2010 and No 1193/2011, OJ L 122, 3.5.2013, p. 1–59.</a></u></p>	<p>Council of 4 April 2001 on the reorganisation and winding up of credit institutions, OJ L 125, 5.5.2001, p. 15–23.</p> <p>4. Commission Regulation (EU) No 389/2013 of 2 May 2013 establishing a Union Registry pursuant to Directive 2003/87/EC of the European Parliament and of the Council, Decisions No 280/2004/EC and No 406/2009/EC of the European Parliament and of the Council and repealing Commission Regulations (EU) No 920/2010 and No 1193/2011, OJ L 122, 3.5.2013, p. 1–59.</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		<p><i>1. Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements, OJ L 168, 27.6.2002, p. 43–50.</i></p> <p><i>2. Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems, OJ L 166, 11.6.1998, p. 45–50.</i></p> <p><i>3. Directive 2001/24/EC of the European Parliament and of the Council of 4 April 2001 on the reorganisation and winding up of credit institutions, OJ L 125,</i></p>		

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		<p><del>5.5.2001, p. 15–23.</del></p> <p><del>4. Commission Regulation (EU) No 389/2013 of 2 May 2013 establishing a Union Registry pursuant to Directive 2003/87/EC of the European Parliament and of the Council, Decisions No 280/2004/EC and No 406/2009/EC of the European Parliament and of the Council and repealing Commission Regulations (EU) No 920/2010 and No 1193/2011, OJ L 122, 3.5.2013, p. 1–59.</del></p>		
Recital 19				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
28	(19) This Regulation should be universal: the law designated by this Regulation should apply even if it is not the law of a Member State.	(19) This Regulation should be universal: the law designated by this Regulation should apply even if it is not the law of a Member State.	(19) This Regulation should be universal: the law designated by this Regulation should apply even if it is not the law of a Member State.	
Recital 20				
29	(20) Predictability is essential for third parties interested in acquiring legal title over the assigned claim. Applying the law of the country where the assignor has its habitual residence to the third-party effects of assignments of claims enables the third parties concerned to easily	(20) Predictability is essential for third parties interested in acquiring legal title over the assigned claim. Applying the law of the country where the assignor has its habitual residence to the third-party effects of assignments of claims enables the third parties concerned to easily	(20) Predictability is essential for third parties interested in acquiring legal title over the assigned claim. Applying the law of the <del>country</del> <b>State</b> where the assignor has its habitual residence to the third-party effects of assignments of claims enables the third parties concerned	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>know in advance which national law will govern their rights. The law of the assignor’s habitual residence should thus apply as a rule to the third-party effects of assignments of claims. This rule should apply, in particular, to the third-party effects of the assignment of claims in factoring, collateralisation and, where the parties have not chosen the law of the assigned claim, securitisation.</p>	<p>know in advance which national law will govern their rights. The law of the assignor’s habitual residence should thus apply as a rule to the third-party effects of assignments of claims. This rule should apply, in particular, to the third-party effects of the assignment of claims in factoring, collateralisation and, where the parties have not chosen the law of the assigned claim, securitisation.</p>	<p>to easily know in advance which national law will govern their rights. The law of the assignor’s habitual residence should thus apply as a rule to the third-party effects of assignments of claims. This rule should apply, in particular, to the third-party effects of the assignment of claims in factoring, <del>collateralisation</del> <b>collateral arrangements</b> and, where the parties have not chosen the law of the assigned claim, <b>to the third-party effects of the assignment of claims in the context of securitisation and the issuance of covered bonds.</b></p>	
Recital 21				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
30	<p>(21) The law chosen as a rule to apply to the third-party effects of assignments of claims should enable the determination of the applicable law where future claims are assigned, a common practice where multiple claims are assigned, such as in factoring. The application of the law of the assignor's habitual residence enables the determination of the law applicable to the third-party effects of the assignment of future claims.</p>	<p>(21) The law chosen as a rule to apply to the third-party effects of assignments of claims should enable the determination of the applicable law where future claims are assigned, a common practice where multiple claims are assigned, such as in factoring. The application of the law of the assignor's habitual residence enables the determination of the law applicable to the third-party effects of the assignment of future claims.</p>	<p>(21) The law chosen as a rule to apply to the third-party effects of assignments of claims should enable the determination of the applicable law where future claims are assigned, <del>a common practice</del> <b>or in bulk, both of which are a common practice</b>, such as in factoring. The application of the law of the assignor's habitual residence <del>enables as a rule</del> <b>facilitates</b> the determination of the law applicable to the third-party effects of the assignment of future claims <b>and of bulk assignments of claims subject to different laws.</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Recital 22				
31	<p>(22) The need to determine who has legal title over an assigned claim often arises when defining the insolvency estate where the assignor becomes insolvent.</p> <p>Coherence between the conflict of laws rules in this Regulation and those laid down in Regulation (EU) 2015/848 on insolvency proceedings is therefore desirable.</p> <p>Coherence should be achieved through the application as a rule of the law of the assignor's habitual residence to the third-party effects of assignments of claims, as the use of the assignor's habitual residence as connecting factor</p>	<p>(22) The need to determine who has legal title over an assigned claim often arises when defining the insolvency estate where the assignor becomes insolvent.</p> <p>Coherence between the conflict of laws rules in this Regulation and those laid down in Regulation (EU) 2015/848 on insolvency proceedings is therefore desirable.</p> <p>Coherence should be achieved through the application as a rule of the law of the assignor's habitual residence to the third-party effects of assignments of claims, as the use of the assignor's habitual residence as connecting factor</p>	<p>(22) The need to determine who has legal title over an assigned claim <del>often arises when defining</del> <b>is particularly important where the assignor becomes insolvent, as claims are assets that can be included in the insolvency estate where the assignor becomes insolvent and creditors need to know whether the assigned claims are still part of it.</b></p> <p>Coherence between the conflict of laws rules in this Regulation and those laid down in <b>the Insolvency Regulation</b> (Regulation (EU) 2015/848 on insolvency proceedings) is therefore desirable.</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	coincides with the debtor's centre of main interest used as connecting factor for insolvency purposes.	coincides with the debtor's centre of main interest used as connecting factor for insolvency purposes.	Coherence should be achieved through the application as a rule of the law of the assignor's habitual residence to the third-party effects of assignments of claims, as the use of the assignor's habitual residence as connecting factor <b>usually</b> coincides with the debtor's centre of main interest used as connecting factor for insolvency purposes.	
Recital 22a				
31a			<b>(22a) This Regulation and the Insolvency Regulation lay down complementary conflict of laws rules. The applicable law</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>designated by this Regulation should apply first to determine whether an assignment of claims made before the opening of the insolvency proceedings has become effective against third parties, including the assignor's creditors. If this is the case, the law applicable under the Insolvency Regulation should then determine whether the assignment was a detrimental act to the general body of creditors and govern the voidness, voidability or unenforceability of the assignment. If a claim is to be assigned after the insolvency proceedings have been opened, the applicable law under the Insolvency Regulation should determine whether, or under</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p><b>which conditions, the assignment can be made. Subject to the conditions laid down in the law applicable to the insolvency, the law applicable under this Regulation should then determine the effectiveness of the assignment against third parties.</b></p>	
Recital 23				
32	<p>(23) The 2001 United Nations Convention on the Assignment of Receivables in International Trade provides that the priority of the right of an assignee in the assigned receivable over the right of a competing claimant is governed by</p>	<p>(23) The 2001 United Nations Convention on the Assignment of Receivables in International Trade provides that the priority of the right of an assignee in the assigned receivable over the right of a competing claimant is governed by</p>	<p>(23) The 2001 United Nations Convention on the Assignment of Receivables in International Trade provides that the priority of the right of an assignee in the assigned receivable over the right of a competing claimant is governed by</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	the law of the State in which the assignor is located. The compatibility between the Union conflict of laws rules laid down in this Regulation and the solution favoured at the international level by the Convention should facilitate the resolution of international disputes.	the law of the State in which the assignor is located. The compatibility between the Union conflict of laws rules laid down in this Regulation and the solution favoured at the international level by the Convention should facilitate the resolution of international disputes.	the law of the State in which the assignor is located. The compatibility between the Union <del>conflict of laws rules laid down in</del> <b>law that applies as a rule under</b> this Regulation and the solution favoured at the international level by the Convention should facilitate the resolution of international disputes.	
Recital 24				
33	(24) Where the assignor changes its habitual residence between multiple assignments of the same claim, the applicable law should be the law of the assignor's habitual	(24) Where the assignor changes its habitual residence between multiple assignments of the same claim, the applicable law should be the law of the assignor's habitual	(24) Where the assignor changes its habitual residence between multiple assignments of the same claim, the applicable law should be the law of the assignor's habitual	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>residence at the time at which one of the assignees first makes his assignment effective against third parties by completing the requirements under the law applicable on the basis of the assignor's habitual residence at that time.</p>	<p>residence at the time at which one of the assignees first makes his assignment effective against third parties by completing the requirements under the law applicable on the basis of the assignor's habitual residence at that time.</p>	<p>residence at the time <del>at which one</del> of the <del>assignees first makes his assignment</del> <b>assignment which first became</b> effective against third parties <del>by completing the requirements under the law</del> <b>under the law of the assignor's habitual residence</b> applicable <del>on the basis</del> <b>to it. It should therefore be determined, under the law</b> of the assignor's habitual residence <b>applicable to each of the assignments, the moment at which each assignment became effective against third parties</b> <del>at that time.</del></p>	
Recital 25				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
34	(25) In accordance with market practice and the needs of market participants, the third-party effects of certain assignments of claims should, as an exception, be governed by the law of the assigned claim, that is, the law that governs the initial contract between the creditor and the debtor from which the claim arises.	(25) In accordance with market practice and the needs of market participants, the third-party effects of certain assignments of claims should, as an exception, be governed by the law of the assigned claim, that is, the law that governs the initial contract between the creditor and the debtor <del>from</del> <del>which</del> <u>which gives rise to</u> the claim <del>arises</del> .	(25) In accordance with market practice and the needs of market participants, the third-party effects of certain assignments of claims should, as an exception, be governed by the law of the assigned claim, that is, the law that governs the initial contract between the creditor and the debtor from which the claim arises.	
Recital 26				
35	(26) The law of the assigned claim should govern the third-party	(26) The law of the assigned claim should govern the third-party	(26) The law of the assigned claim should govern the third-party	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>effects of the assignment by an account holder of cash credited to an account in a credit institution, where the account holder is the creditor/assignor and the credit institution is the debtor. Greater predictability is provided to third parties, such as creditors of the assignor and competing assignees, if the law of the assigned claim applies to the third-party effects of these assignments as it is generally assumed that the claim that an account holder has over cash credited to an account in a credit institution is governed by the law of the country where the credit institution is located (rather than by the law of the habitual residence of the account holder/assignor). This law is normally chosen in the</p>	<p>effects of the assignment by an account holder of cash credited to an account in a credit institution, where the account holder is the creditor/assignor and the credit institution is the debtor. Greater predictability is provided to third parties, such as creditors of the assignor and competing assignees, if the law of the assigned claim applies to the third-party effects of these assignments as it is generally assumed that the claim that an account holder has over cash credited to an account in a credit institution is governed by the law of the country where the credit institution is located (rather than by the law of the habitual residence of the account holder/assignor). This law is normally chosen in the</p>	<p>effects of the assignment by an account holder of cash credited to an account <del>in a credit institution</del>, where the account holder is the creditor/assignor and the <del>credit institution</del> <b>provider of the account</b> is the debtor. Greater predictability is provided to third parties, such as creditors of the assignor and competing assignees, if the law of the assigned claim applies to the third-party effects of these assignments as it is generally assumed that the claim that an account holder has over cash credited to an account <del>in a credit institution</del> is governed by the law of the <del>country</del> <b>State</b> where the <del>credit institution</del> <b>provider of the account</b> is located (rather than by the law of the habitual residence of</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	account contract between the account holder and the credit institution.	account contract between the account holder and the credit institution.	the account holder/assignor). This law is normally chosen in the account contract between the account holder and the <del>credit institution</del> <b>account provider. In accordance with a technology-neutral approach, the law of the assigned claim should also apply to ‘electronic money’ as defined in Directive 2009/110/EC (EMD2) and to ‘electronic money tokens’ or ‘e-money tokens’ as defined in Regulation [XXX] on markets in crypto-assets (MiCA).</b>	
Recital 26a				
35a			<b>(26a) For the purposes of this</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<b>Regulation, a transfer of funds from one account to another does not constitute an assignment of a claim.</b>	
Recital 27				
36	(27) The third-party effects of the assignment of claims arising from financial instruments should also be subject to the law governing the assigned claim, that is, the law governing the contract from which the claim arises (such as a derivative contract). Subjecting the third-party effects of assignments of claims arising from financial instruments to the law of the	(27) The third-party effects of the assignment of claims arising from financial instruments should also be subject to the law governing the assigned claim, that is, the law governing the contract from which the claim arises (such as a derivative contract). Subjecting the third-party effects of assignments of claims arising from financial instruments to the law of the	(27) <b>To preserve the smooth functioning of financial markets, the</b> <del>The</del> third-party effects of the assignment of claims arising <del>from</del> <b>out of</b> financial instruments, <b>such as claims arising from derivative contracts, including where issued by means of distributed ledger technology, should</b> <del>should also</del> be subject to the law governing the assigned claim, <del>that is, the law</del>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>assigned claim rather than the law of the assignor’s habitual residence is essential to preserve the stability and smooth functioning of financial markets. These are preserved as the law that governs the financial instrument from which the claim arises is the law chosen by the parties to the contract or the law determined in accordance with non-discretionary rules applicable to financial markets.</p>	<p>assigned claim rather than the law of the assignor’s habitual residence is essential to preserve the stability and smooth functioning of financial markets. These are preserved as the law that governs the financial instrument from which the claim arises is the law chosen by the parties to the contract or the law determined in accordance with non-discretionary rules applicable to financial markets.</p>	<p><del>governing the.</del> <b>Claims arising out of derivative contracts can be a claim for intermediate payments during the life of the derivative contract from which and the claim arises (such as a for the close-out amount on termination of the derivative contract). <del>Subjecting.</del> <b>The application of the law of the assigned claim means that the third-party effects of assignments of claims arising from financial instruments the assignment of such claims would be subject to the law chosen by the parties to govern their derivative contract pursuant to Article 3 of the assigned claim rather than the law of the assignor’s habitual residence is essential to preserve the stability and smooth functioning of</b></b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>financial markets. These are preserved as the law that governs the financial instrument from which the claim arises is <b>Rome I Regulation (where the derivative positions are transferred over-the counter) or, where the derivative positions are transferred on a trading venue (that is, exchange-traded derivatives), to the law of the trading venue pursuant to Article 4(1)(h) of the Rome I Regulation in the absence of a choice of law. Likewise, where claims arising out of derivative contracts are transferred within financial market infrastructures or systems, the third-party effects of the assignment of the claims would be subject to the</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>law chosen by the <del>parties to the contract or the law determined</del> participants in the financial market infrastructure or system as required by Article 2(a) of the Settlement Finality Directive. In accordance with <del>non-discretionary</del> Article 14(2) of the Rome I Regulation, the law of the assigned claim, whether chosen by the parties or, in the absence of choice, as set out by the rules applicable to financial markets of the trading venue, should determine the assignability of the claim.</p>	
Recital 27a				

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
36a			<b>(27bis) The law of the assigned claim should also govern the third-party effects of the assignment of claims arising out of crypto-assets that do not qualify as financial instruments or as electronic money.</b>	
Recital 27b				
36b			<b>(27i) The smooth functioning of financial markets also requires that the third-party effects of the assignment of claims arising out of (i) financial contracts (such as a master agreement), associated</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>collateral arrangements and associated netting arrangements as defined in this Regulation; (ii) transactions on financial markets (that is, the transfer of financial instruments over the counter or on trading venues); and (iii) participation in financial markets infrastructures or systems, such as central counterparty clearing systems (CCPs) and settlement systems should be subject to the law governing the assigned claim. This means that the third-party effects of the assignment of claims arising out of the above contracts and arrangements, out of trading contracts concluded on financial markets and out of contracts related to clearing and</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>settlement concluded within financial markets infrastructures or systems, would be subject to the law chosen by the parties or to the law applicable by default in the absence of a choice of law. The parties to the financial contract and associated arrangement, the parties to the trading contract, and the parties to the contract concluded within a financial markets infrastructure or system would choose the law to govern their contract pursuant to Article 3 of the Rome I Regulation for transactions over-the counter and, as required by Article 2(a) of the Settlement Finality Directive, for contracts concluded within a financial</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>market infrastructure or system. For transactions concluded on a trading venue, pursuant to Article 4(1)(h) of the Rome I Regulation, the law applicable to the trading venue would apply in the absence of a choice of law. In the case of trading contracts concluded on financial markets (over the counter or on trading venues) and of contracts concluded within a clearing or settlement financial markets infrastructure or system, the smooth functioning of financial markets is ensured as the law applicable to the third-party effects of the assignment of claims arising out of such contracts (the law of the assigned claim) would be the same law as</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>the law applicable to such contracts, that is, the law chosen by the parties to the contract for transactions over the counter (pursuant to Article 3 of the Rome I Regulation), the law chosen by the participants in a system for contracts concluded within the system (as required by Article 2(a) of the Settlement Finality Directive), or the law of the trading venue for transactions concluded on the trading venue in the absence of a choice of law (pursuant to Article 4(1)(h) of the Rome I Regulation).</p>	
Recital 27c				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
36c			<p><b>(27ii) The third-party effects of the assignment of claims arising out of foreign exchange transactions should also be governed by the law of the assigned claim, either as claims arising out of derivatives and, therefore, as claims arising out of financial instruments, or as claims arising out of foreign exchange spot transactions under the conditions set out in point (a) of Article 10(2) of Commission Delegated Regulation (EU) 2017/565.</b></p>	
Recital 27d				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
36d			<p><b>(27a) For the purposes of this Regulation, transactions on financial markets should be understood as including transactions entered into over the counter (OTC), transactions executed on trading venues and exchanges, including EEA regulated markets, multilateral trading facilities (MTFs) and organised trading facilities (OTFs), or executed via an authorised systematic internaliser under MiFID and, in each case, any third-country financial markets functionally equivalent. Participation in financial markets infrastructures should be understood as</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>including any securities settlement and payment systems, authorised or regulated financial market infrastructures such as a central counterparty (CCP) and a central securities depository (CSD), and any systems that are designated or otherwise protected for the purposes of the Settlement Finality Directive<sup>1</sup> (SFD) and, in each case, any third-country financial market infrastructures functionally equivalent.</p> <p>_____</p> <p>1. [1] Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in</p>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
			<p><b>payment and securities settlement systems, OJ L 166, 11.6.1998, p. 45–50.</b></p>	
Recital 27e				
36e			<p><b>(27b) The third-party effects of assignments of claims arising out of agreements whereby credit is granted in the form of a loan should be governed by the law of the assigned claim. This should include credit claims as defined in point (o) of Article 2(1) of Directive 2002/47, often used as financial collateral within the Eurosystem. In order to facilitate the cross-border assignment of</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			claims arising out of syndicated loans and lending-based crowdfunding on secondary financial markets, the third-party effects of the assignment of claims arising out of syndicated loans and lending-based crowdfunding should also be subject to the law of the assigned claim.	
Recital 28				
37	(28) Flexibility should be provided in the determination of the law applicable to the third-party effects of assignments of claims in the context of a securitisation in order	<i>deleted</i>	(28) Flexibility should be provided in the determination of the law applicable to the third-party effects of assignments of claims in the context of a securitisation in order	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>to cater for the needs of all securitisers and facilitate the expansion of the cross-border securitisation market to smaller operators. Whilst the law of the assignor’s habitual residence should apply as the default rule to the third-party effects of assignments of claims in the context of a securitisation, the assignor (originator) and the assignee (special purpose vehicle) should be able to choose that the law of the assigned claim should apply to the third-party effects of the assignment of claims. The assignor and the assignee should be able to decide that the third-party effects of the assignment of claims in the context of a securitisation should remain subject to the</p>		<p>to cater for the needs of all securitisers and facilitate the expansion of the cross-border securitisation market to smaller operators. <del>Whilst the law of the assignor’s habitual residence should apply as the default rule</del> <b>without prejudice</b> to the <del>third-party effects of assignments of claims in the context of a securitisation, the assignor (originator) and the assignee (special purpose vehicle)</del> <b>application of the regulatory rules applicable to financial markets. Securitisation should be defined in accordance with Regulation (EU) 2017/2402.<sup>1</sup></b> Given that the law of the assigned claim should apply to the third party</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>general rule of the assignor's habitual residence or to choose the law of the assigned claim in function of the structure and characteristics of the transaction, for example the number and location of the originators and the number of laws which govern the assigned claims.</p>		<p><del>effects of the assignment of claims. The assignor and the assignee should be able to decide that the third party effects of issuance of covered bonds presents features which are similar to those of a securitisation and insofar as the issuance of covered bonds involves the assignment of claims in the context of a securitisation, the same flexibility should remain subject apply to the general rule of the assignor's habitual residence or to choose the law of the assigned claim in function of the structure and characteristics of the transaction, for example the number and location of the originators and the number of laws which govern the assigned claims.</del> <b>issuance of covered bonds.</b></p>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
			<p><b>Covered bonds should be defined in accordance with Directive (EU) 2019/2162.<sup>2</sup></b></p> <p>_____</p> <p><b>1. Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.</b></p>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
			<p><b>2. Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU.</b></p>	
Recital 28a				
37a			<p><b>(28a) Where the law of the assignor’s habitual residence applies as the default rule to the third-party effects of the assignment of claims in the context of a securitisation or the</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>issuance of covered bonds, the assignor (the originator in a securitisation) and the assignee (the special purpose vehicle in a securitisation) should be able to choose that the law of the assigned claim should apply to the third-party effects of the assignment of claims. Where, on the other hand, the law of the assigned claim applies as the default rule to the third-party effects of the assignment of claims, the assignor and the assignee in the context of a securitisation or the issuance of covered bonds should be able to agree that the law of the assignor’s habitual residence should apply to the third-party effects of the assignment of</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>claims. Thus, the assignor and the assignee should be able to decide that the third-party effects of the assignment of claims in the context of a securitisation or the issuance of covered bonds should be subject to the rule of the assignor's habitual residence or to the law of the assigned claim in function of the structure and characteristics of the transaction, for example the number and location of the originators and the number of laws that govern the assigned claims.</p>	
Recital 28b				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
37b			<b>(28b) For reasons of legal certainty and in order to enable the verification of the existence of a choice of law, an agreement on choice of law should be documented in writing or by electronic means that provide a durable record of the agreement.</b>	
Recital 29				
38	(29) Priority conflicts between assignees of the same claim may arise where the third-party effects of the assignment have been subject to the law of the assignor's	(29) Priority conflicts between assignees of the same claim may arise where the third-party effects of the assignment have been subject to the law of the assignor's	(29) Priority conflicts between assignees of the same claim may arise where the third-party effects of the assignment have been subject to the law of the assignor's	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>habitual residence in one assignment and to the law of the assigned claim in another assignment. In such cases, the law applicable to resolve the priority conflict should be the law applicable to the third-party effects of the assignment of the claim which has first become effective against third parties under its applicable law.</p>	<p>habitual residence in one assignment and to the law of the assigned claim in another assignment. In such cases, the law applicable to resolve the priority conflict should be the law applicable to the third-party effects of the assignment of the claim which has first become effective against third parties under its applicable law. <u>Where both assignments of claims becomes effective against third parties at the same time, the law of the assignor's habitual residence should prevail.</u></p>	<p>habitual residence in one assignment and to the law of the assigned claim in another assignment. In such cases, the law applicable to resolve the priority conflict should be the law applicable to the third-party effects of the assignment of the claim which <del>has first become</del> <b>became</b> effective against third parties under its applicable law.</p>	
Recital 30				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
39	<p>(30) The scope of the national law designated by this Regulation as the law applicable to the third-party effects of an assignment of claims should be uniform. The national law designated as applicable should govern in particular (i) the effectiveness of the assignment against third parties, that is, the steps that need to be taken by the assignee in order to ensure that he acquires legal title over the assigned claim (for example, registering the assignment with a public authority or registry, or notifying the debtor in writing of the assignment); and (ii) priority issues, that is, conflicts between several claimants as to</p>	<p>(30) The scope of the national law designated by this Regulation as the law applicable to the third-party effects of an assignment of claims should be uniform. The national law designated as applicable should govern in particular (i) the effectiveness of the assignment against third parties, that is, the steps <u>and procedures</u> that need to be <del>taken</del><u>adopted</u> by the assignee in order to ensure that he acquires legal title over the assigned claim (for example, registering the assignment with a public authority or registry, or notifying the debtor in writing of the assignment); and (ii) priority issues, that is, <u>the</u></p>	<p>(30) The scope of the national law designated by this Regulation as the law applicable to the third-party effects of an assignment of claims should be uniform. The national law designated as applicable <b>under this Regulation</b> should govern in particular (i) the effectiveness of the assignment of <b>the claim</b> against third parties, that is, the steps that need to be taken <b>by in order for</b> the assignee <del>in order to ensure that he acquires to</del> <b>acquire</b> legal title over the assigned claim (for example, <del>registering the assignment with a public authority or registry, or</del> notifying the debtor in writing of the assignment); and (ii) priority</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	who has title over the claim (for example, between two assignees where the same claim has been assigned twice, or between an assignee and a creditor of the assignor).	<u>resolution of</u> conflicts between several claimants as to who has title over the claim <u>following a cross-border assignment</u> (for example, between two assignees where the same claim has been assigned twice, or between an assignee and a creditor of the assignor).	issues, that is, conflicts between several <b>competing</b> claimants as to who has <b>acquired</b> title over the <b>assigned</b> claim (for example, between two assignees where the same claim has been assigned twice, or between an assignee and a creditor of the assignor). <b>For the purposes of this Regulation, legal title over a claim includes ownership of the claim and also other entitlement rights under national law, such as the entitlement of a pledgee.</b>	
Recital 31				
40	(31) Given the universal character	(31) Given the universal character	(31) Given the universal character	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>of this Regulation, the laws of countries with different legal traditions may be designated as the applicable law. Where, further to the assignment of a claim, the contract from which the claim arises is transferred, the law designated by this Regulation as the law applicable to the third-party effects of a claim assignment should also govern a priority conflict between the assignee of the claim and the new beneficiary of the same claim further to the transfer of the contract from which the claim arises. For the same reason, the law designated by this Regulation as the law applicable to the third-party effects of a claim assignment should also apply, where novation is used as a</p>	<p>of this Regulation, the laws of countries with different legal traditions may be designated as the applicable law. Where, further to the assignment of a claim, the contract from which the claim arises is transferred, the law designated by this Regulation as the law applicable to the third-party effects of a claim assignment should also govern a priority conflict between the assignee of the claim and the new beneficiary of the same claim further to the transfer of the contract from which the claim arises. For the same reason, the law designated by this Regulation as the law applicable to the third-party effects of a claim assignment should also apply, where novation is used as a</p>	<p>of this Regulation, the laws of <del>countries</del><b>States</b> with different legal traditions may be designated as the applicable law. Where, further to the assignment of a claim, the contract from which the claim arises is transferred, the law designated by this Regulation as the law applicable to the third-party effects of <del>a claim assignment</del><b>the assignment</b> should also govern a priority <del>conflict between the assignee of the claim and the new beneficiary</del><b>the assignment</b> of the same claim further to the transfer of the contract from which the claim arises. For the same reason, the law designated by this Regulation as the law applicable to the third-party effects of a claim assignment should also apply,</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	functional equivalent of the transfer of a contract, to resolve a priority conflict between an assignee of a claim and the new beneficiary of the functionally equivalent claim further to the novation of the contract from which the claim arises.	functional equivalent of the transfer of a contract, to resolve a priority conflict between an assignee of a claim and the new beneficiary of the functionally equivalent claim further to the novation of the contract from which the claim arises.	<del>where novation is used as a functional equivalent of the transfer of a contract, to</del> <b>resolve</b> <del>govern</del> a priority conflict between <del>an</del> <b>the</b> assignee of <del>the</del> <b>the</b> claim and the new beneficiary of the <del>functionally equivalent</del> <b>same</b> claim further to the <del>novation</del> <b>transfer</b> of the contract from which the claim arises.	
Recital 32				
41	(32) Considerations of public interest justify giving the courts of the Member States the possibility, in exceptional circumstances, of applying exceptions based on	(32) Considerations of public interest justify giving the courts of the Member States the possibility, in exceptional circumstances, of applying exceptions based on	(32) Considerations of public interest justify giving the courts of the Member States the possibility, in exceptional circumstances, of applying exceptions based on	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	public policy and overriding mandatory provisions, which should be interpreted restrictively.	public policy and overriding mandatory provisions, which should be interpreted restrictively.	public policy and overriding mandatory provisions, which should be <del>interpreted</del> <b>construed</b> restrictively.	
Recital 32a				
41a			<b>(32a) Where a consumer is involved in the assignment of a claim as a third-party, the Union substantive rules on consumer protection should apply where the law designated by this Regulation is the law of a Member State. Where the law designated by this Regulation is the law of a State other than a Member State, the court</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>resolving a dispute should be entitled to apply, in accordance with Articles 6 and 7 of this Regulation and under the conditions specified therein, the overriding mandatory provisions of the forum or to reject the application of a provision of the applicable law contrary to its public policy. Where a consumer is the debtor of the assigned claim, its position should be governed by the law of the assigned claim in accordance with Article 14(2) of the Rome I Regulation. The Union substantive rules on consumer protection, including those on consumer credit and mortgage credit, should not be affected by this Regulation.</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Recital 32b				
41b			<p><b>(32b) Since there are States in which two or more systems of law or sets of rules concerning matters governed by this Regulation coexist, there should be a provision governing the extent to which this Regulation applies in the different territorial units of those States.</b></p>	
Recital 32c				
41c				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p><b>(32c) This Regulation should not prejudice the application of other provisions of Union law which lay down conflict of laws rules on the third-party effects of assignments of claims in relation to specific matters. In particular, the conflict of laws provisions in Article 9 of the Financial Collateral Directive<sup>1</sup> (FCD), Article 8 and 9 of the Settlement Finality Directive (SFD), Articles 24 and 31 of the Winding-Up Directive<sup>2</sup> (WUD) and the matters governed by the Union Registry Regulation<sup>3</sup> should not be affected by this Regulation.</b></p> <p>_____</p> <p><b>1. [1] Directive</b></p>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
			<p><b>2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements, OJ L 168, 27.6.2002, p. 43–50.</b></p> <p><b>2. [2] Directive 2001/24/EC of the European Parliament and of the Council of 4 April 2001 on the reorganisation and winding up of credit institutions, OJ L 125, 5.5.2001, p. 15–23.</b></p> <p><b>3. [3] Commission Regulation (EU) No 389/2013 of 2 May 2013 establishing a Union Registry pursuant to Directive 2003/87/EC of the European Parliament and of</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p><b>the Council, Decisions No 280/2004/EC and No 406/2009/EC of the European Parliament and of the Council and repealing Commission Regulations (EU) No 920/2010 and No 1193/2011, OJ L 122, 3.5.2013, p. 1–59.</b></p>	
Recital 33				
42	<p>(33) Respect for international commitments entered into by the Member States means that this Regulation should not affect international conventions to which one or more Member States are</p>	<p>(33) Respect for international commitments entered into by the Member States means that this Regulation should not affect international conventions to which one or more Member States are</p>	<p>(33) Respect for international commitments entered into by the Member States means that this Regulation should not affect international conventions to which one or more Member States are</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	parties at the time when this Regulation is adopted. To make the rules more accessible, the Commission should publish the list of the relevant conventions in the Official Journal of the European Union on the basis of information supplied by the Member States.	parties at the time when this Regulation is adopted. To make the rules more accessible, the Commission should publish the list of the relevant conventions in the Official Journal of the European Union on the basis of information supplied by the Member States.	parties at the time when this Regulation is adopted. To make the rules more accessible, the Commission should publish the list of the relevant conventions in the Official Journal of the European Union <b>and the European e-Justice Portal</b> on the basis of information supplied by the Member States.	
Recital 33a				
42a			<b>(33a) This Regulation should be without prejudice to the application of the 2001 Cape Town Convention on International Interests in Mobile</b>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
			<b>Equipment and the Protocols thereto.</b>	
Recital 33b				
42b			<b>(33b) In order to prevent any retroactive effects of this Regulation, this Regulation should only apply to assignments of claims where the assignment contract has been concluded on or after the date of application of this Regulation.</b>	
Recital 34				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
43	(34) This Regulation respects the fundamental rights and observes the principles recognised in the Charter of Fundamental Rights of the European Union. In particular, this Regulation seeks to promote the application of Articles 17 and 47 concerning, respectively, the right to property and the right to an effective remedy and to a fair trial.	(34) This Regulation respects the fundamental rights and observes the principles recognised in the Charter of Fundamental Rights of the European Union. In particular, this Regulation seeks to promote the application of Articles 17 and 47 concerning, respectively, the right to property and the right to an effective remedy and to a fair trial, <u>as well as Article 16 concerning the freedom to conduct a business.</u>	(34) This Regulation respects the fundamental rights and observes the principles recognised in the Charter of Fundamental Rights of the European Union. In particular, this Regulation seeks to promote the application of Articles 17 and 47 concerning, respectively, the right to property and the right to an effective remedy and to a fair trial.	
Recital 35				
44	(35) Since the objectives of this	(35) Since the objectives of this	(35) Since the objectives of this	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>Regulation cannot be sufficiently achieved by the Member States and can rather, by reason of the scale and effects of this Regulation, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. The desired uniformity of the conflict of laws rules on the third-party effects of assignments of claims can only be achieved through a Regulation as only a Regulation ensures a consistent interpretation and application of the rules at national level. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order</p>	<p>Regulation cannot be sufficiently achieved by the Member States and can rather, by reason of the scale and effects of this Regulation, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. The desired uniformity of the conflict of laws rules on the third-party effects of assignments of claims can only be achieved through a Regulation as only a Regulation ensures a consistent interpretation and application of the rules at national level. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order</p>	<p>Regulation cannot be sufficiently achieved by the Member States and can rather, by reason of the scale and effects of this Regulation, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. The desired uniformity of the conflict of laws rules on the third-party effects of assignments of claims can only be achieved through a Regulation as only a Regulation ensures a consistent interpretation and application of the rules at national level. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	to achieve that objective.	to achieve that objective.	to achieve that objective.	
Recital 36				
45	(36) In accordance with Article 3 and Article 4a(1) of Protocol No 21 on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice, annexed to the Treaty on European Union and the Treaty on the Functioning of the European Union, the [United Kingdom] [and] [Ireland] [have/has notified their/its wish to take part in the adoption and application of the present Regulation] [are/is not taking part in the adoption of this Regulation	(36) In accordance with Article 3 and Article 4a(1) of Protocol No 21 on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice, annexed to the Treaty on European Union and the Treaty on the Functioning of the European Union, the [United Kingdom] [and] [Ireland] [have/has notified their/its wish to take part in the adoption and application of the present Regulation] [are/is not taking part in the adoption of this Regulation	(36) In accordance with Article 3 and Article 4a(1) of Protocol No 21 on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice, annexed to the Treaty on European Union and the Treaty on the Functioning of the European Union, <del>the [United Kingdom] [and] [Ireland] [have/has notified their/its wish to take part in the adoption and application of the present Regulation] [are/is is not taking part in the adoption of this</del>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	and are/is not bound by it or subject to its application].	and are/is not bound by it or subject to its application].	Regulation and <del>are/is</del> not bound by it or subject to its application].	
Recital 37				
46	(37) In accordance with Articles 1 and 2 of Protocol No 22 on the position of Denmark, annexed to the treaty on European Union and the Treaty on the Functioning of the European Union, Denmark is not taking part in the adoption of this Regulation and is not bound by it or subject to its application.	(37) In accordance with Articles 1 and 2 of Protocol No 22 on the position of Denmark, annexed to the treaty on European Union and the Treaty on the Functioning of the European Union, Denmark is not taking part in the adoption of this Regulation and is not bound by it or subject to its application.	(37) In accordance with Articles 1 and 2 of Protocol No 22 on the position of Denmark, annexed to the <del>treaty</del> <b>Treaty-</b> on European Union and the Treaty on the Functioning of the European Union, Denmark is not taking part in the adoption of this Regulation and is not bound by it or subject to its application.	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Formula				
47	HAVE ADOPTED THIS REGULATION:	HAVE ADOPTED THIS REGULATION:	HAVE ADOPTED THIS REGULATION:	
CHAPTER I				
48	CHAPTER I SCOPE AND DEFINITIONS	CHAPTER I SCOPE AND DEFINITIONS	CHAPTER I SCOPE AND DEFINITIONS	
Article 1				
49				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	Article 1  Scope	Article 1  Scope	Article 1  Scope	
Article 1(1), first subparagraph				
50	1. This Regulation shall apply, in situations involving a conflict of laws, to the third-party effects of assignments of claims in civil and commercial matters.	1. This Regulation shall apply, in situations involving a conflict of laws, to the third-party effects of assignments of claims in civil and commercial matters <i>other than <u>third-party effects to the debtor of the claim assigned.</u></i>	1. This Regulation shall apply, in situations involving a conflict of laws, to the third-party effects of <b>voluntary and contractual subrogation</b> in civil and commercial matters.	
Article 1(1), second subparagraph				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
51	It shall not apply, in particular, to revenue, customs or administrative matters.	It shall not apply, in particular, to revenue, customs or administrative matters.	It shall not apply, in particular, to revenue, customs or administrative matters.	
Article 1(1a)				
51a		<u><i>1a. This regulation is without prejudice to EU and national law on consumer protection.</i></u>		
Article 1(1b)				
51b			<b>1a. This Regulation shall not</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p><b>apply to the third-party effects of the transfer of financial instruments, including by way of security and pledges or other security rights over such financial instruments. This Regulation shall not apply, in particular, to the third-party effects of the transfer of transferable securities, money-market instruments, units in collective investment undertakings, including by way of security and pledges or other security rights over such financial instruments.</b></p>	
Article 1(1c)				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
51c			<p><b>1ab. This Regulation shall not apply to the third-party effects of the transfer of crypto-assets, whether or not they qualify as financial instruments, including by way of security, pledges or other security rights over such crypto-assets.</b></p>	
Article 1(1d)				
51d			<p><b>1aa. This Regulation shall not apply to the third-party effects of the transfer of security rights over assets other than claims, in particular immovable property</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>and moveable property subject to registration in a public register laid down by law, including any requirements as to form or registration for the effectiveness of the transfer of the security rights and the effects of complying or failing to comply with such requirements for the resolution of priority conflicts over the secured claim.</p>	
Article 1(2), introductory part				
52	2. The following shall be excluded from the scope of this Regulation:	2. The following shall be excluded from the scope of this Regulation:	2. <b>The assignments of</b> the following <b>claims</b> shall be excluded from the scope of this Regulation:	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 1(2), point (a)				
53	(a) assignment of claims arising from family relationships and relationships deemed by the law applicable to such relationships to have comparable effects, including maintenance obligations;	(a) assignment of claims arising from family relationships and relationships deemed by the law applicable to such relationships to have comparable effects, including maintenance obligations;	(a) <del>assignment of</del> claims arising <del>from</del> <b>out of</b> family relationships and relationships deemed by the law applicable to such relationships to have comparable effects, including maintenance obligations;	
Article 1(2), point (b)				
54	(b) assignment of claims arising from matrimonial property regimes, property regimes of	(b) assignment of claims arising from matrimonial property regimes, property regimes of	(b) <del>assignment of</del> claims arising <del>from</del> <b>out of</b> matrimonial property regimes, property regimes of	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	relationships deemed by the law applicable to such relationships to have comparable effects to marriage, and wills and succession;	relationships deemed by the law applicable to such relationships to have comparable effects to marriage, <del>and</del> <u>including registered partnerships,</u> wills and succession;	relationships deemed by the law applicable to such relationships to have comparable effects to marriage, and wills and succession;	
Article 1(2), point (c)				
55	(c) assignment of claims arising from bills of exchange, cheques and promissory notes and other negotiable instruments to the extent that the obligations under such other negotiable instruments arise out of their negotiable character;	(c) assignment of claims arising from bills of exchange, cheques and promissory notes and other negotiable instruments to the extent that the obligations under such other negotiable instruments arise out of their negotiable character;	(c) <del>assignment of</del> claims arising <del>from</del> <b>under</b> bills of exchange, cheques and promissory notes and other negotiable instruments to the extent that the <del>obligations</del> <b>claims</b> under such other negotiable instruments arise out of their negotiable character;	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 1(2), point (d)				
56	(d) assignment of claims arising from questions governed by the law of companies and other bodies, corporate or unincorporated, such as the creation, by registration or otherwise, legal capacity, internal organisation or winding-up of companies and other bodies, corporate or unincorporated, and the personal liability of officers and members as such for the obligations of the company or body;	(d) assignment of claims arising from questions governed by the law of companies and other bodies, corporate or unincorporated, such as the creation, by registration or otherwise, legal capacity, internal organisation or winding-up of companies and other bodies, corporate or unincorporated, and the personal liability of officers and members as such for the obligations of the company or body;	(d) <del>assignment of claims arising from questions</del> governed by the law of companies and other bodies, corporate or unincorporated, such as <b>claims arising out of the</b> creation, by registration or otherwise, legal capacity, internal organisation or winding-up of companies and other bodies, corporate or unincorporated, and the personal liability of officers and members as such for the obligations of the company or body;	
Article 1(2), point (e)				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
57	(e) assignment of claims arising from the constitution of trusts and the relationship between settlors, trustees and beneficiaries;	(e) assignment of claims arising from the constitution of trusts and the relationship between settlors, trustees and beneficiaries;	(e) <del>assignment of</del> claims arising <del>from</del> <b>out of</b> the constitution of trusts and the relationship between settlors, trustees and beneficiaries;	
Article 1(2), point (f)				
58	(f) assignment of claims arising from life insurance contracts arising out of operations carried out by organisations other than undertakings referred to in Article 2(1) and (3) of Directive 2009/138/EC on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) <sup>1</sup> the	(f) assignment of claims arising from life insurance contracts arising out of operations carried out by organisations other than undertakings referred to in Article 2(1) and (3) of Directive 2009/138/EC on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) <sup>1</sup> the	(f) <del>assignment of</del> claims arising <del>from</del> <b>out of</b> life insurance contracts arising <del>out of</del> <b>under</b> operations carried out by organisations other than undertakings referred to in Article 2(1) and (3) of Directive 2009/138/EC <b>of the European Parliament and of the Council</b> on the taking-up and pursuit of the	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>object of which is to provide benefits for employed or self-employed persons belonging to an undertaking or group of undertakings, or to a trade or group of trades, in the event of death or survival or of discontinuance or curtailment of activity, or of sickness related to work or accidents at work.</p> <p>_____</p> <p>1. Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II), OJ L 335, 17.12.2009, p. 1–155.</p>	<p>object of which is to provide benefits for employed or self-employed persons belonging to an undertaking or group of undertakings, or to a trade or group of trades, in the event of death or survival or of discontinuance or curtailment of activity, or of sickness related to work or accidents at work.</p> <p>_____</p> <p>1. Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II), OJ L 335, 17.12.2009, p. 1–155.</p>	<p>business of Insurance and Reinsurance (Solvency II)<sup>†</sup>, the object of which is to provide benefits for employed or self-employed persons belonging to an undertaking or group of undertakings, or to a trade or group of trades, in the event of death or survival or of discontinuance or curtailment of activity, or of sickness related to work or accidents at work-;</p> <p>_____</p> <p><del>†. Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II), OJ L</del></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			335, 17.12.2009, p. 1-155.	
Article 1(2), point (f)(1), introductory part				
58a		<u><a href="#">(1) assignment of claims in the course of a collective proceeding under Regulation (EU) 2015/848.</a></u>		
Article 1(2), point (f)(1)(i), introductory part				
58b		<i>deleted</i>		

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
<i>Article 1(2), point (f)(1)(i), first indent</i>				
58c		<i>deleted</i>		
<i>Article 1(2), point (fa)</i>				
58d			<b>(g) claims incorporated in a certificate or represented by a book-entry;</b>	
<i>Article 1(2), point (fb)</i>				
58e				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			(h) claims arising out of a transferable security, a money-market instrument or a unit in a collective investment undertaking.	
Article 2				
59	Article 2 Definitions	Article 2 Definitions	Article 2 Definitions	
Article 2, first paragraph, introductory part				
60	For the purposes of this	For the purposes of this	For the purposes of this	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	Regulation:	Regulation:	Regulation:	
Article 2, first paragraph, point (a)				
61	(a) ‘assignor’ means a person who transfers his right to claim a debt against a debtor to another person;	(a) ‘assignor’ means a person who transfers his right to claim a debt against a debtor to another person;	(a) ‘assignor’ means a person who transfers <del>his</del> <b>their</b> right to claim a debt against a debtor to another person;	
Article 2, first paragraph, point (b)				
62	(b) ‘assignee’ means a person who obtains the right to claim a debt against a debtor from another	(b) ‘assignee’ means a person who obtains the right to claim a debt against a debtor from another	(b) ‘assignee’ means a person who obtains the right to claim a debt against a debtor from another	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	person;	person;	person;	
Article 2, first paragraph, point (c)				
63	(c) ‘assignment’ means a voluntary transfer of a right to claim a debt against a debtor. It includes outright transfers of claims, contractual subrogation, transfers of claims by way of security and pledges or other security rights over claims;	(c) ‘assignment’ means a voluntary transfer of a right to claim a debt against a debtor. It includes outright transfers of claims, contractual subrogation, transfers of claims by way of security and pledges or other security rights over claims;	(c) ‘assignment’ means a voluntary transfer of a right to claim a debt against a debtor. <del>It</del> ; it includes outright transfers of claims, contractual subrogation, transfers of claims by way of security and pledges or other security rights over claims, <b>but does not cover transfers of contracts, in which both rights and obligations are included, or the novation of contracts including such rights and obligations;</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 2, first paragraph, point (d)				
64	(d) 'claim' means the right to claim a debt of whatever nature, whether monetary or non-monetary, and whether arising from a contractual or a non-contractual obligation;	(d) 'claim' means the right to claim a debt of whatever nature, whether monetary or non-monetary, and whether arising from a contractual or a non-contractual obligation;	(d) 'claim' means the right to claim a debt of whatever nature, whether monetary or <del>non-</del> <b>non-monetary</b> , and whether arising <del>from</del> <b>from-out of</b> a contractual or a non-contractual obligation;	
Article 2, first paragraph, point (e)				
65	(e) 'third-party effects' means proprietary effects, that is, the right	(e) 'third-party effects' means <del>proprietary effects, that is,</del> the right	(e) 'third-party effects' means <del>proprietary effects, that is,</del> the right	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	of the assignee to assert his legal title over a claim assigned to him towards other assignees or beneficiaries of the same or functionally equivalent claim, creditors of the assignor and other third parties;	of the assignee to assert his legal title over a claim assigned to him towards other assignees or beneficiaries of the same or functionally equivalent claim, creditors of the assignor and other third parties, <u>excluding the debtor</u> ;	of <del>the assignee</del> <b>a person</b> to assert <del>his</del> legal title over <del>an assigned</del> claim <del>assigned to him towards</del> <b>other against third parties, including</b> assignees or beneficiaries of the same <del>or</del> functionally equivalent claim, creditors of the assignor and other third parties, <b>without prejudice to the rights and obligations of the debtor under the law applicable pursuant to Article 14(2) of the Rome I Regulation;</b>	
Article 2, first paragraph, point (f)				
66	(f) ‘habitual residence’ means, for companies and other bodies,	(f) ‘habitual residence’ means, for companies and other bodies,	(f) ‘habitual residence’ means, for companies and other bodies,	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	corporate or unincorporated, the place of central administration; for a natural person acting in the course of his business activity, his principal place of business;	corporate or unincorporated, the place of central administration; for a natural person acting in the course of his business activity, his principal place of business;	corporate or unincorporated, the place of central administration; for a natural person acting in the course of <del>his</del> <b>their</b> business activity, <del>his</del> <b>their</b> principal place of business;	
Article 2, first paragraph, point (g)				
67	(g) ‘credit institution’ means an undertaking as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013 <sup>1</sup> , including branches, within the meaning of point (17) of Article 4(1) of that Regulation, of credit institutions having their head offices inside or, in accordance with Article 47 of Directive	(g) ‘credit institution’ means an undertaking as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013 <sup>1</sup> , including branches, within the meaning of point (17) of Article 4(1) of that Regulation, of credit institutions having their head offices inside or, in accordance with Article 47 of Directive	(g) <del>‘credit institution</del> <b>‘securitisation’</b> means an <del>undertaking</del> <b>a transaction or scheme</b> as defined in <del>point (1) of</del> <b>Article 4(1)2(1)</b> of Regulation (EU) No 575/2013 <sup>1</sup> , <del>including</del> <del>branches, within the meaning of</del> <del>point (17) of Article 4(1) of</del> <del>that</del> <b>2017/2402 (Securitisation</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>2013/36/EU<sup>2</sup>, outside the Union where such branches are located in the Union;</p> <p>_____</p> <p>1. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, OJ L 176, 27.6.2013, p. 1-337.</p> <p>2. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential</p>	<p>2013/36/EU<sup>2</sup>, outside the Union where such branches are located in the Union;</p> <p>_____</p> <p>1. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, OJ L 176, 27.6.2013, p. 1-337.</p> <p>2. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential</p>	<p>Regulation, of credit institutions having their head offices inside or, in accordance with Article 47 of Directive 2013/36/EU<sup>2</sup>, outside the Union where such branches are located in the Union);</p> <p>_____</p> <p>1. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, OJ L 176, 27.6.2013, p. 1-337.</p> <p>2. Directive 2013/36/EU of the European Parliament and of the</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, OJ L 176, 27.6.2013, p. 338-436.	supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, OJ L 176, 27.6.2013, p. 338-436.	<del>Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, OJ L 176, 27.6.2013, p. 338-436.</del>	
Article 2, first paragraph, point (ga)				
67a			<b>(ga) ‘covered bonds’ means a debt obligation as defined in Article 3(1) of Directive (EU) 2019/2162 (Covered bonds</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			Directive);	
Article 2, first paragraph, point (h)				
68	(h) 'cash' means money credited to an account in a credit institution in any currency;	<i>deleted</i>	(h) 'cash' means money as defined in point (d) of Article 2(1) of Directive 2002/47/EC (FCD)-credited to an account in a credit institution in any currency;	
Article 2, first paragraph, point (ha)				
68a			(ha) 'electronic money' means electronic money as defined in Article 2(2) of Directive	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			2009/110/EC (EMD2);	
Article 2, first paragraph, point (hb)				
68b			(hc) ‘crypto-asset’ means a crypto asset as defined in Article [3(1)(2)] of Regulation [XXX] on markets in crypto-assets (MiCA);	
Article 2, first paragraph, point (i)				
69	(i) ‘financial instrument’ means those instruments specified in Section C of Annex I of Directive	(i) ‘financial instrument’ means those instruments specified in Section C of Annex I of Directive	(i) ‘financial instrument’ means <del>those</del> <del>the</del> instruments specified in Section C of Annex I <del>of</del> <del>to</del>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	2014/65/EU <sup>1</sup> .  1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, OJ L 173, 12.6.2014, p. 349–496.	2014/65/EU <sup>1</sup> .  1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, OJ L 173, 12.6.2014, p. 349–496.	Directive 2014/65/EU <sup>1</sup> (MiFID);-  <del>1. [1] Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, OJ L 173, 12.6.2014, p. 349–496.</del>	
Article 2, first paragraph, point (ia)				
69a			(ia) ‘transferable securities’ means the instruments specified in Article 4 (1)(44) of Directive	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			2014/65/EU (MiFID);	
Article 2, first paragraph, point (ib)				
69b			(j) ‘financial contract’ means the instruments specified in Article 2(1)(100) of Directive 2014/59/EU (BRRD);	
Article 2, first paragraph, point (ic)				
69c			(ja) ‘collateral arrangement’ means a financial collateral arrangement within the meaning of Article 2(1)(a) of Directive	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			2002/47/EC (FCD) and collateral security within the meaning of Article 2(m) of Directive 98/26/EC (SFD);	
Article 2, first paragraph, point (id)				
69d			(k) 'netting arrangement' means an arrangement as defined in Article 2(1)(47) of Regulation (EU) 2021/23 on a framework for the recovery and resolution of central counterparties (CCP RRR);	
Article 2, first paragraph, point (ie)				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
69e			(l) ‘foreign exchange spot transaction’ means a contract as defined in point (a) of Article 10(2) of Commission Delegated Regulation (EU) 2017/565.	
CHAPTER II				
70	CHAPTER II UNIFORM RULES	CHAPTER II UNIFORM RULES	CHAPTER II UNIFORM RULES	
Article 3				
71				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	Article 3 Universal application	Article 3 Universal application	Article 3 Universal application	
Article 3, first paragraph				
72	Any law specified by this Regulation shall be applied whether or not it is the law of a Member State.	Any law specified by this Regulation shall be applied whether or not it is the law of a Member State.	Any law specified by this Regulation shall be applied whether or not it is the law of a Member State.	
Article 4				
73	Article 4	Article 4	Article 4	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	Applicable law	Applicable law	Applicable law	
Article 4(1), first subparagraph				
74	1. Unless otherwise provided for in this Article, the third-party effects of an assignment of claims shall be governed by the law of the country in which the assignor has its habitual residence at the material time.	1. <u>Applicable law</u> <u>1.</u> Unless otherwise provided for in this Article, the third-party effects of an assignment of claims shall be governed by the law of the country in which the assignor has its habitual residence at the <del>material time</del> <u>time of the conclusion of the assignment contract.</u>	1. Unless otherwise provided for in this Article, the third-party effects of an assignment of claims shall be governed by the law of the <del>country</del> <b>State</b> in which the assignor has its habitual residence at the <del>material time</del> <b>time of the conclusion of the assignment contract.</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 4(1), second subparagraph				
75	Where the assignor has changed its habitual residence between two assignments of the same claim to different assignees, the priority of the right of an assignee over the right of another assignee shall be governed by the law of the habitual residence of the assignor at the time of the assignment which first became effective against third parties under the law designated as applicable pursuant to the first subparagraph.	<u><i>Where the assignor has changed its habitual residence between two assignments of the same claim to different assignees, the priority of the right of an assignee over the right of another assignee shall be governed by the law of the habitual residence of the assignor at the time of the assignment which first became effective against other third parties under the law designated as applicable pursuant to the first subparagraph.</i></u>	Where the assignor has changed its habitual residence between two assignments of the same claim to different assignees, the priority of the right of an assignee over the right of another assignee shall be governed by the law of the habitual residence of the assignor at the time of the assignment which first became effective against third parties under the law designated as applicable pursuant to the first subparagraph.	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 4(2), introductory part				
76	2. The law applicable to the assigned claim shall govern the third-party effects of the assignment of:	2. The law applicable to the assigned claim shall govern the third-party effects of the assignment of:	2. The law applicable to the assigned claim shall govern the third-party effects of the assignment of:	
Article 4(2), point (a)				
77	(a) cash credited to an account in a credit institution;	(a) <b>money</b> credited to an account in a credit institution;	(a) cash credited to an account in a credit institution <b>claims and electronic money claims;</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 4(2), point (b)				
78	(b) claims arising from a financial instrument.	(b) claims arising from <del>a</del> financial instruments.	(b) claims arising <del>from a financial instrument</del> . <b>out of:</b>	
Article 4(2), point (b)(i)				
78a			<b>i financial instruments;</b>	
Article 4(2), point (b)(ii)				
78b			<b>ii financial contracts, associated collateral arrangements and</b>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
			<b>associated netting arrangements; and</b>	
Article 4(2), point (b)(iii)				
78c			<b>iii foreign exchange spot transactions;</b>	
Article 4(2), point (ba)				
78d			<b>(ba) claims arising out of crypto- assets that do not qualify as financial instruments or electronic money;</b>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
Article 4(2), point (bb)				
78e			<b>(c) claims arising out of transactions on financial markets or participation in financial markets infrastructures;</b>	
Article 4(2), point (bc)				
78f			<b>(d) claims arising out of agreements whereby credit is granted in the form of a loan.</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 4(3), first subparagraph				
79	3. The assignor and the assignee may choose the law applicable to the assigned claim as the law applicable to the third-party effects of an assignment of claims in view of a securitisation.	<del>3. The assignor and the assignee may choose the law applicable to the assigned claim as the law applicable to the third-party effects of an assignment of claims in view of a securitisation.</del>	3. <b>In securitisation and the issuance of covered bonds, the</b> <del>The</del> assignor and the assignee may choose the law applicable to the assigned claim <b>as of the habitual residence of the assignor or</b> the law applicable to the third-party effects of an assignment of claims in view of a securitisation <b>assigned claim as the applicable law.</b>	
Article 4(3), second subparagraph				
80	The choice of law shall be made	<del>The choice of law shall be made</del>	The choice of law shall be made	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>expressly in the assignment contract or by a separate agreement. The substantive and formal validity of the act whereby the choice of law was made shall be governed by the chosen law.</p>	<p><i>expressly in the assignment contract or by a separate agreement. The substantive and formal validity of the act whereby the choice of law was made shall be governed by the chosen law.</i></p>	<p>expressly <b>and in writing either</b> in the assignment contract or by a separate agreement <b>concluded at the time of the conclusion of the assignment contract. Any communication by electronic means which provides a durable record of the agreement shall be deemed equivalent to writing. The existence and substantive-</b>  <del>The substantive and formal validity of the act whereby the choice of law was made shall be governed by the chosen law</del> <b>agreement or of any term thereof shall be determined by the law which would govern the third-party effects of the assignment of claims under this Regulation if the agreement or term were valid. If that law imposes</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<b>additional formal requirements, those requirements shall apply.</b>	
Article 4(4)				
81	4. A priority conflict between assignees of the same claim where the third-party effects of one of the assignments are governed by the law of the country in which the assignor has its habitual residence and the third-party effects of other assignments are governed by the law of the assigned claim shall be governed by the law applicable to the third-party effects of the assignment of the claim which first became effective against third	4. A priority conflict between assignees of the same claim where the third-party effects of one of the assignments are governed by the law of the country in which the assignor has its habitual residence and the third-party effects of other assignments are governed by the law of the assigned claim shall be governed by the law applicable to the third-party effects of the assignment of the claim which first became effective against third	4. A priority conflict between assignees of the same claim where the third-party effects of one of the assignments are governed by the law of the <del>country</del> <b>State</b> in which the assignor has its habitual residence and the third-party effects of other assignments are governed by the law of the assigned claim shall be governed by the law applicable to the third-party effects of the assignment of the claim which first became	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	parties under its applicable law.	parties under its applicable law. <u>Where both assignments becomes effective against third parties at the same time, the law of the country in which the assignor's habitual residence is situated shall prevail.</u>	effective against third parties under its applicable law.	
Article 5				
82	Article 5 Scope of the applicable law	Article 5 Scope of the applicable law	Article 5 Scope of the applicable law	
Article 5, first paragraph, introductory part				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
83	The law applicable to the third-party effects of assignment of claims pursuant to this Regulation shall govern, in particular:	The law applicable to the third-party effects of assignment of claims pursuant to this Regulation shall govern, in particular:	The law applicable to the third-party effects of <del>assignment</del> <b>assignments</b> of claims pursuant to this Regulation shall govern, in particular:	
Article 5, first paragraph, point (a)				
84	(a) the requirements to ensure the effectiveness of the assignment against third parties other than the debtor, such as registration or publication formalities;	(a) the requirements to ensure the effectiveness of the assignment against third parties other than the debtor, such as registration or publication formalities;	(a) the requirements to ensure the effectiveness of the assignment against third parties, <b>without prejudice to the rights and obligations of other than the debtor, such as registration or publication formalities under the law applicable pursuant to</b>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
			<b>Article 14(2) of the Rome I Regulation;</b>	
Article 5, first paragraph, point (b)				
85	(b) the priority of the rights of the assignee over the rights of another assignee of the same claim;	(b) the priority of the rights of the assignee over the rights of another assignee of the same claim;	(b) the priority of the rights of the assignee over the rights of another assignee of the same claim;	
Article 5, first paragraph, point (c)				
86	(c) the priority of the rights of the assignee over the rights of the assignor's creditors;	(c) the priority of the rights of the assignee over the rights of the assignor's creditors;	(c) the priority of the rights of the assignee over the rights of the assignor's creditors;	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 5, first paragraph, point (d)				
87	(d) the priority of the rights of the assignee over the rights of the beneficiary of a transfer of contract in respect of the same claim;	(d) the priority of the rights of the assignee over the rights of the beneficiary of a transfer of contract in respect of the same claim;	(d) the priority of the rights of the assignee over the rights of the beneficiary of <b>the same claim as a result of the transfer</b> <del>a transfer of contract in respect of the same contract from which the claim;</del> <b>arises.</b>	
Article 5, first paragraph, point (e)				
88	(e) the priority of the rights of the assignee over the rights of the	(e) the priority of the rights of the assignee over the rights of the	(e) <del>the priority of the rights of the assignee over the rights of the</del>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	beneficiary of a novation of contract against the debtor in respect of the equivalent claim.	beneficiary of a novation of contract against the debtor in respect of the equivalent claim.	<del>beneficiary of a novation of contract against the debtor in respect of the equivalent claim.</del>	
Article 6				
89	Article 6 Overriding mandatory provisions	Article 6 Overriding mandatory provisions	Article 6 Overriding mandatory provisions	
Article 6(1)				
90	1. Nothing in this Regulation shall restrict the application of the overriding mandatory provisions of	1. Nothing in this Regulation shall restrict the application of the overriding mandatory provisions of	1. Nothing in this Regulation shall restrict the application of the overriding mandatory provisions of	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
	the law of the forum.	the law of the forum.	the law of the forum.	
Article 6(2)				
91	2. Overriding mandatory provisions are provisions the respect for which is regarded as crucial by a Member State for safeguarding its public interests, such as its political, social or economic organisation, to such an extent that they are applicable to any situation falling within their scope, irrespective of the law otherwise applicable to the third-party effects of assignments of claims pursuant to this Regulation.	2. Overriding mandatory provisions are provisions the respect for which is regarded as crucial by a Member State for safeguarding its public interests, such as its political, social or economic organisation, to such an extent that they are applicable to any situation falling within their scope, irrespective of the law otherwise applicable to the third-party effects of assignments of claims pursuant to this Regulation.	2. Overriding mandatory provisions are provisions the respect for which is regarded as crucial by a Member State for safeguarding its public interests, such as its political, social or economic organisation, to such an extent that they are applicable to any situation falling within their scope, irrespective of the law otherwise applicable to the third-party effects of assignments of claims pursuant to this Regulation.	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 6(2), point (a)				
91a		<p><u>3. Effect shall be given to the overriding mandatory provisions of the law of the Member State where the assignment has to be or has been performed, insofar as those overriding mandatory provisions render the performance of the assignment contract unlawful.</u></p>		
CHAPTER III				
92				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	CHAPTER III  OTHER PROVISIONS	CHAPTER III  OTHER PROVISIONS	CHAPTER III  OTHER PROVISIONS	
Article 7				
93	Article 7  Public policy (ordre public)	Article 7  Public policy (ordre public)	Article 7  Public policy (ordre public)	
Article 7, first paragraph				
94	The application of a provision of the law of any country specified by this Regulation may be refused	The application of a provision of the law of any country specified by this Regulation may be refused	The application of a provision of the law of any <del>country</del> State specified by this Regulation may	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
	only if such application is manifestly incompatible with the public policy (ordre public) of the forum.	only if such application is manifestly incompatible with the public policy (ordre public) of the forum.	be refused only if such application is manifestly incompatible with the public policy (ordre public) of the forum.	
Article 8				
95	Article 8 Exclusion of renvoi	Article 8 Exclusion of renvoi	Article 8 Exclusion of renvoi	
Article 8, first paragraph				
96	The application of the law of any State specified by this Regulation	The application of the law of any State specified by this Regulation	The application of the law of any State specified by this Regulation	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	means the application of the rules of law in force in that State other than its rules of private international law.	means the application of the rules of law in force in that State other than its rules of private international law.	means the application of the rules of law in force in that State other than its rules of private international law.	
Article 9				
97	Article 9 States with more than one legal system	Article 9 States with more than one legal system	Article 9 States with more than one legal system	
Article 9(1)				
98	1. Where a State comprises several	1. Where a State comprises several	1. Where <b>the law specified by</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	territorial units, each of which has its own rules of law in respect of the third-party effects of assignments of claims, each territorial unit shall be considered as a State for the purposes of identifying the law applicable under this Regulation.	territorial units, each of which has its own rules of law in respect of the third-party effects of assignments of claims, each territorial unit shall be considered as a State for the purposes of identifying the law applicable under this Regulation.	<b>this Regulation is that of a State which</b> comprises several territorial units, each of which <del>has</del> <b>with</b> its own rules of law in respect of the third-party effects of assignments of claims <b>in civil and commercial matters, the internal conflict of laws rules of that</b> , <del>each territorial unit shall be considered as a State for the purposes of identifying the law applicable under this Regulation</del> <b>shall determine the relevant territorial unit whose rules of law are to apply.</b>	
Article 9(1a)				
98a			<b>2. In the absence of such internal</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p><b>conflict of laws rules, any reference to the law of that State shall be construed as referring to the law in force in the relevant territorial unit for the purposes of identifying the law applicable under this Regulation.</b></p>	
Article 9(2)				
99	<p>2. A Member State which comprises several territorial units each of which has its own rules of law in respect of the third-party effects of assignments of claims shall not be required to apply this Regulation to conflicts of laws arising between such units only.</p>	<p>2. A Member State which comprises several territorial units each of which has its own rules of law in respect of the third-party effects of assignments of claims shall not be required to apply this Regulation to conflicts of laws arising between such units only.</p>	<p><del>23.</del> A Member State which comprises several territorial units each of which has its own rules of law in respect of the third-party effects of assignments of claims shall not be required to apply this Regulation to conflicts of laws arising between such units only.</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 10				
100	Article 10 Relationship with other provisions of Union law	Article 10 Relationship with other provisions of Union law	Article 10 Relationship with other provisions of Union law	
Article 10, first paragraph				
101	This Regulation shall not prejudice the application of provisions of Union law which, in relation to particular matters, lay down conflict of laws rules relating to the	This Regulation shall not prejudice the application of provisions of Union law which, in relation to particular matters, lay down conflict of laws rules relating to the	<b>1.</b> This Regulation shall not prejudice the application of provisions of Union law which, in relation to particular matters, lay down conflict of laws rules relating	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	third-party effects of assignments of claims.	third-party effects of assignments of claims.	to the third-party effects of assignments of claims.	
Article 10, first paragraph a				
101a			<p><b>2. In particular, this Regulation shall not prejudice the application of the conflict of laws rules in Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements, Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems and Directive</b></p>	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
			<b>2001/24/EC of the European Parliament and of the Council of 4 April 2001 on the reorganisation and winding up of credit institutions, regarding the third-party effects of assignments of claims.</b>	
Article 11				
102	Article 11 Relationship with existing international conventions	Article 11 Relationship with existing international conventions	Article 11 Relationship with existing international conventions	
Article 11(1)				

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
103	1. This Regulation shall not prejudice the application of international conventions to which one or more Member States are parties at the time when this Regulation is adopted and which lay down conflict of laws rules relating to the third-party effects of assignments of claims.	1. This Regulation shall not prejudice the application of international conventions to which one or more Member States are parties at the time when this Regulation is adopted and which lay down conflict of laws rules relating to the third-party effects of assignments of claims.	1. This Regulation shall not prejudice the application of international conventions to which one or more Member States are parties at the time when this Regulation is adopted and which lay down conflict of laws rules relating to the third-party effects of assignments of claims.	
Article 11(2)				
104	2. However, this Regulation shall, as between Member States, take precedence over conventions concluded exclusively between two	2. However, this Regulation shall, as between Member States, take precedence over conventions concluded exclusively between two	2. However, this Regulation shall, as between Member States, take precedence over conventions concluded exclusively between two	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	or more of them in so far as such conventions concern matters governed by this Regulation.	or more of them in so far as such conventions concern matters governed by this Regulation.	or more of them in so far as such conventions concern matters governed by this Regulation.	
Article 12				
105	Article 12 List of Conventions	Article 12 List of Conventions	Article 12 List of Conventions	
Article 12(1)				
106	1. By [date of application], Member States shall notify the Commission of the conventions	1. By [date of application], Member States shall notify the Commission of the conventions	1. By [ <b>six months before the</b> date of application], Member States shall notify the Commission of the	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	referred to in Article 11(1). After that date, Member States shall notify the Commission of all denunciations of such conventions.	referred to in Article 11(1). After that date, Member States shall notify the Commission of all denunciations of such conventions.	conventions referred to in Article 11(1). After that date, Member States shall notify the Commission of all denunciations of such conventions.	
Article 12(2), introductory part				
107	2. Within six months of receipt of the notifications referred to in paragraph 1, the Commission shall publish in the Official Journal of the European Union:	2. Within six months of receipt of the notifications referred to in paragraph 1, the Commission shall publish in the Official Journal of the European Union:	2. Within six months of receipt of the notifications referred to in paragraph 1, the Commission shall publish in the Official Journal of the European Union <b>and the European e-Justice Portal:</b>	
Article 12(2), point (a)				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
108	(a) a list of the conventions referred to in paragraph 1;	(a) a list of the conventions referred to in paragraph 1;	(a) a list of the conventions referred to in paragraph 1;	
Article 12(2), point (b)				
109	(b) the denunciations referred to in paragraph 1.	(b) the denunciations referred to in paragraph 1.	(b) the denunciations referred to in paragraph 1.	
Article 13				
110	Article 13 Review clause	Article 13 Review clause	Article 13 Review clause	

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
Article 13, first paragraph				
111	By [five years after the date of application], the Commission shall submit to the European Parliament, the Council and the European Economic and Social Committee a report on the application of this Regulation. If appropriate, the report shall be accompanied by proposals to amend this Regulation.	By [five years after the date of application], the Commission shall submit to the European Parliament, the Council and the European Economic and Social Committee a report on the application of this Regulation. If appropriate, the report shall be accompanied by proposals to amend this Regulation.	By [five years after the date of application], the Commission shall submit to the European Parliament, the Council and the European Economic and Social Committee a report on the application of this Regulation. If appropriate, the report shall be accompanied by proposals to amend this Regulation.	
Article 14				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
112	Article 14 Application in time	Article 14 Application in time	Article 14 Application in time	
Article 14(1)				
113	1. This Regulation shall apply to assignments of claims concluded on or after [date of application].	1. This Regulation shall apply to assignments of claims concluded on or after [date of application].	<del>1.</del> This Regulation shall apply to assignments of claims <b>where the assignment contract has been</b> concluded on or after [date of application].	
Article 14(2)				
114				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>2. The law applicable pursuant to this Regulation shall determine whether the rights of a third party in respect of a claim assigned after the date of application of this Regulation have priority over the rights of another third person acquired before this Regulation becomes applicable.</p>	<p>2. The law applicable pursuant to this Regulation shall determine whether the rights of a third party in respect of a claim assigned after the date of application of this Regulation have priority over the rights of another third person acquired before this Regulation becomes applicable. <u><i>In case of competing claims based on assignments, the law applicable pursuant to this Regulation shall determine the rights of the respective assignees, solely in respect of assignments concluded after the date of application of this Regulation.</i></u></p>	<p><del>2. The law applicable pursuant to this Regulation shall determine whether the rights of a third party in respect of a claim assigned after the date of application of this Regulation have priority over the rights of another third person acquired before this Regulation becomes applicable.</del></p>	
Article 15				

	<b>Commission Proposal</b>	<b>EP Mandate</b>	<b>Council Mandate</b>	<b>Draft Agreement</b>
115	<p>Article 15</p> <p>Entry into force and date of application</p>	<p>Article 15</p> <p>Entry into force and date of application</p>	<p>Article 15</p> <p>Entry into force and date of application</p>	
Article 15, first paragraph				
116	<p>This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.</p>	<p>This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.</p>	<p>This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.</p>	
Article 15, second paragraph				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
117	It shall apply from [18 months from date of entry into force].	It shall apply from [18 months from date of entry into force].	It shall apply from [ <del>18 months from date of</del> <b>first day of the month corresponding to the month following the period of 24 months after the entry into force of this Regulation</b> ].	
Chapeau to signature				
118	This Regulation shall be binding in its entirety and directly applicable in the Member States in accordance with the Treaties.	This Regulation shall be binding in its entirety and directly applicable in the Member States in accordance with the Treaties.	This Regulation shall be binding in its entirety and directly applicable in the Member States in accordance with the Treaties.	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Formula				
119	Done at Brussels,	Done at Brussels,	Done at Brussels,	
Formula				
120	For the European Parliament	For the European Parliament	<del>For the European Parliament</del>	
Formula				
121	The President	The President	<del>The President</del>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Formula				
122	For the Council	For the Council	<del>For the Council</del>	
Formula				
123	The President	The President	<del>The President</del>	