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NOTE

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To: Delegations
Subject: Proposal for a Directive of the European Parliament and of the Council
harmonising certain aspects of insolvency law
- Four column table

Delegations will find in the Annex the updated 4-column table in its last version ahead of the trilogue that took place on 19 November 2025.

**Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
harmonising certain aspects of insolvency law (Text with EEA relevance)**

2022/0408(COD)

Non-versioned [LATEST TEXT]

19-11-2025 at 11h50

	CLEAN	Commission Proposal	VS.EC	EP Mandate	VS.EC	Council Mandate	VS.EC	Draft Agreement
Formula								
1		2022/0408 (COD)		2022/0408 (COD)		2022/0408 (COD)		2022/0408 (COD)
Document Stage								
2		Proposal for a		Proposal for a		Proposal for a		Proposal for a
Document Type								
3		DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL		DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL		DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL		DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
Document Purpose								
4		harmonising certain aspects of insolvency law		harmonising certain aspects of insolvency law		harmonising certain aspects of insolvency law		harmonising certain aspects of insolvency law
EEA Relevance								
5		(Text with EEA relevance)		(Text with EEA relevance)		(Text with EEA relevance)		(Text with EEA relevance)
Formula								
6		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,		THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,
Citation 1								
7		Having regard to the Treaty on the		Having regard to the Treaty on the		Having regard to the Treaty on the		Having regard to the Treaty on the

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	Functioning of the European Union, and in particular Article 114 thereof,	Functioning of the European Union, and in particular Article 114 thereof,	Functioning of the European Union, and in particular Article 114 thereof,	Functioning of the European Union, and in particular Article 114 thereof,
Citation 2				
8	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,	Having regard to the proposal from the European Commission,
Citation 3				
9	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,	After transmission of the draft legislative act to the national Parliaments,
Citation 4				
10	Having regard to the opinion of the European Economic and Social Committee ¹ , <u>1. OJ C [...], [...], p. [...]</u>	Having regard to the opinion of the European Economic and Social Committee ¹ , <u>1. OJ C [...], [...], p. [...]</u>	Having regard to the opinion of the European Economic and Social Committee ¹ , <u>1. OJ C [...], [...], p. [...]</u>	Having regard to the opinion of the European Economic and Social Committee ¹ , <u>1. OJ C [...], [...], p. [...]</u>
Citation 5				
11	Having regard to the opinion of the Committee of the Regions ¹ , <u>1. OJ C [...], [...], p. [...]</u>	Having regard to the opinion of the Committee of the Regions ¹ , <u>1. OJ C [...], [...], p. [...]</u>	Having regard to the opinion of the Committee of the Regions ¹ , <u>1. OJ C [...], [...], p. [...]</u>	Having regard to the opinion of the Committee of the Regions ¹ , <u>1. OJ C [...], [...], p. [...]</u>
Citation 6				
12	Acting in accordance with the ordinary legislative procedure,	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				
13	Whereas:	Whereas:	Whereas:	Whereas:
Recital 1				

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
14	(1) The objective of this Directive is to contribute to the proper functioning of the internal market and remove obstacles to the exercise of fundamental freedoms, such as the free movement of capital and freedom of establishment, which result from differences between national laws and procedures in the area of insolvency.	(1) The objective of this Directive is to contribute to the proper functioning of the internal market <u>and the Capital Markets Union</u> and remove obstacles to the exercise of fundamental freedoms, such as the free movement of capital and freedom of establishment, which result from differences between national laws and procedures in the area of insolvency.	(1) The objective of this Directive is to contribute to the proper functioning of the internal market and remove obstacles to the exercise of fundamental freedoms, such as the free movement of capital and freedom of establishment, which result from differences between national laws and procedures in the area of insolvency.	(1) The objective of this Directive is to contribute to the proper functioning of the internal market <u>and the Capital Markets Union</u> and remove obstacles to the exercise of fundamental freedoms, such as the free movement of capital and freedom of establishment, which result from differences between national laws and procedures in the area of insolvency. Text Origin: EP Mandate
Recital 2				
15	(2) The wide differences in substantive insolvency laws acknowledged by Regulation (EU) 2015/848 of the European Parliament and of the Council ¹ create barriers to the internal market by reducing the attractiveness of cross-border investments, thus impacting the cross-border movement of capital within the Union and to and from third countries. ¹ 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).	(2) The wide differences in substantive insolvency laws acknowledged by Regulation (EU) 2015/848 of the European Parliament and of the Council ¹ <u>and the stark divergence in the quality of domestic insolvency procedures as measured by the World Bank in its Doing Business studies</u> create barriers to the internal market by reducing the attractiveness of cross-border investments, thus impacting the cross-border movement of capital within the Union and to and from third countries. <u>Those differences also mean that harmonising certain</u>	(2) The wide differences in substantive insolvency laws acknowledged by Regulation (EU) 2015/848 of the European Parliament and of the Council ¹ create barriers to the internal market by reducing the attractiveness of cross-border investments, thus impacting the cross-border movement of capital within the Union and to and from third countries. ¹ 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).	(2) The wide differences in substantive insolvency laws acknowledged by Regulation (EU) 2015/848 of the European Parliament and of the Council ¹ create barriers to the internal market by reducing the attractiveness of cross-border investments, thus impacting the cross-border movement of capital within the Union and to and from third countries. <u>Those differences also mean that harmonising certain aspects of insolvency law could entail changes in some Member States.</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		<p><u>aspects of insolvency law could entail changes in some Member States.</u></p> <p>1. 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).</p>		<p>1. 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).</p> <p>Text Origin: EP Mandate</p>
Recital 3				
16	<p>(3) Insolvency proceedings ensure the orderly winding down or restructuring of companies or entrepreneurs in financial and economic distress. These proceedings are key in financial investments, as they determine the final recovery value of such investments. Diverging rules among Member States have contributed to increasing legal uncertainty and unpredictability about insolvency proceedings' outcome, so raising barriers especially for cross-border investments in the internal market. Large divergences in recovery value and time required to complete insolvency proceedings across the Union have negative repercussions on cost predictability for creditors and investors in cross-border situations in the internal market.</p>	<p>(3) Insolvency proceedings ensure the orderly winding down^{up} or restructuring of companies or entrepreneurs in financial and economic distress. These proceedings are key in financial investments, as they determine the final recovery value of such investments. Diverging rules among Member States have contributed to increasing legal uncertainty and unpredictability about <u>the value of companies and the outcome of</u> insolvency proceedings' outcome, so raising barriers especially for cross-border investments in the internal market. Large divergences in recovery value and time required to complete insolvency proceedings across the Union have negative repercussions on cost predictability for creditors and investors in cross-border situations in the internal</p>	<p>(3) Insolvency proceedings ensure the orderly winding down^{winding-up} or restructuring of companies or entrepreneurs in financial and economic distress. These^{Those} proceedings are key in financial investments, as they determine the final recovery value of such investments. Diverging rules among Member States have contributed to increasing legal uncertainty and unpredictability about the outcome of insolvency proceedings' outcome, so raising barriers especially for cross-border investments in^{within} the internal market. Large divergences in recovery value and time required to complete insolvency proceedings across the Union have negative repercussions on cost predictability for creditors and investors in cross-border situations in the internal market.</p>	<p>(3) Insolvency proceedings ensure the orderly winding down^{winding} or restructuring of companies or entrepreneurs in financial and economic distress. These^{Those} proceedings, <u>including the relevant safeguards for accurately assessing the value of the companies,</u> are key in financial investments, as they determine the final recovery value of such investments. Diverging rules among Member States have contributed to increasing legal uncertainty and unpredictability about the^{the} <u>outcome of</u> insolvency proceedings' outcome, so raising barriers especially for cross-border investments in^{within} the internal market. Large divergences in recovery value and time required to complete insolvency proceedings across the Union have negative</p>

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		market.		repercussions on cost predictability for creditors and investors in cross-border situations in the internal market.
Recital 4				
17	(4) The integration of the internal market in the area of insolvency laws pursued by this Directive is a key tool for a more efficient functioning of the capital markets in the European Union, including greater access to corporate financing. Therefore, it is necessary to set out minimum requirements in targeted areas of national insolvency proceedings, which have a significant impact on the efficiency and length of such proceedings, especially on cross-border insolvency proceedings.	(4) The integration of the internal market in the area of insolvency laws pursued by this Directive is a key tool for a more efficient functioning of the capital markets in the European Union, including greater access to corporate <i>debt</i> financing. Therefore, it is necessary to set out minimum requirements in targeted areas of national insolvency proceedings, which have a significant impact on the efficiency and length of such proceedings, especially on cross-border insolvency proceedings.	(4) The integration of the internal market in the area of insolvency laws pursued by this Directive is a key tool for a more efficient functioning of the capital markets in the European Union, including greater access to corporate financing. Therefore, it is necessary to set out minimum requirements in targeted areas of national insolvency proceedings, which have a significant impact on the efficiency and length of such proceedings, especially on cross-border insolvency proceedings.	(4) The integration of the internal market in the area of insolvency laws pursued by this Directive is a key tool for a more efficient functioning of the capital markets in the European Union, including greater access to corporate financing. Therefore, it is necessary to set out minimum requirements in targeted areas of national insolvency proceedings, which have a significant impact on the efficiency and length of such proceedings, especially on cross-border insolvency proceedings. Text Origin: Commission Proposal
Recital 4a				
17a		<i><u>(4a) The harmonisation of insolvency proceedings is associated with lower costs of credit, increased access to credit and improved creditor recovery and it could also serve as an effective protection for workers.</u></i>		Remains open. Commission to suggest new text.

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		<u><i>At the same time, one of the goals when completing the Capital Market Union is to stimulate more equity financing.</i></u>		
Recital 5				
18	(5) In order to protect the value of the insolvency estate for creditors, national insolvency laws should include effective rules that enable the annulment of legal acts that are detrimental to creditors and have been perfected prior to the opening of insolvency proceedings (avoidance actions). Given that avoidance actions aim at reversing the detrimental effects for the estate of the legal act, it is appropriate to refer to the completion of the cause for this detriment as the relevant point in time, namely to the perfection of the legal act rather than to the execution of the performance. For instance, in the case of electronic money transfer, the relevant point in time should not be when the debtor instructs the financial institution to transfer the money to a creditor (performance of the legal act) but rather when the creditor's account is credited (perfection of the legal act). Avoidance actions	(5) In order to protect the value of the insolvency estate for creditors, national insolvency laws should include effective rules that enable the annulment of legal acts that are detrimental to creditors and have been perfected prior to the opening of insolvency proceedings (avoidance actions). Given that avoidance actions aim at reversing the detrimental effects for the estate of the legal act, it is appropriate to refer to the completion of the cause for this detriment as the relevant point in time, namely to the perfection of the legal act rather than to the execution of the performance. For instance, in the case of electronic money transfer, the relevant point in time should not be when the debtor instructs the financial institution to transfer the money to a creditor (performance of the legal act) but rather when the creditor's account is credited (perfection of the legal act). Avoidance actions	(5) In order to protect the value of the insolvency estate for creditors, national insolvency laws should include effective rules that enable the annulment of avoidance actions of legal acts, including legal transactions , that are detrimental to creditors and have been perfected prior to the opening of insolvency proceedings (avoidance actions). Given that avoidance actions aim at reversing The determination of whether a legal act is detrimental effects for the estate of the legal act, it is appropriate to refer to the completion general body of creditors is to be carried out against the background of national insolvency rules, in particular on the definition of the cause for this detriment as the insolvency estate and the participating creditors. This is especially relevant point in time, namely to the perfection of the legal act rather than to the	A new revised text to split the current one in two or three parts. Commission to reflect on this.

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	<p>rules should also allow for the compensation of the insolvency estate for the detriment caused to creditors by such legal acts.</p>	<p>rules should also allow for the compensation of the insolvency estate for the detriment caused to creditors by such legal acts.</p>	<p>execution of the performance. For instance, in the case of electronic money transfer, the relevant point in time should not be when the debtor instructs the financial institution to transfer the money to a creditor (performance of the legal act) but rather when the creditor's account is credited (perfection of the legal act). Avoidance actions rules should also allow for the compensation where certain rights do not form part of the insolvency estate for the detriment caused to under national law but pertain to the debtor's personal sphere, for example the right to enter into or end a marriage or adopt a child. The acceptance or rejection of an inheritance should not be subject to the avoidance rules under this Directive. As this Directive lays down minimum rules, Member States should be able to maintain or adopt provisions that are more favourable to the general body of creditors by such. In particular, Member States should be able to provide for longer look-back periods, extend the list of persons considered as parties closely related to the</p>	

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			debtor, or expand the range of legal acts that can be the subject of avoidance actions. Member States should also be able to provide for presumptions or requirements that alleviate the burden of proof in favour of the party claiming that the legal act is, voidable or unenforceable.	
Recital 5a				
18a			<p>(5a) Given that avoidance actions aim to reverse the detrimental effects of a legal act on the insolvency estate, it is appropriate to consider that the detriment is caused upon the perfection of the legal act and not upon the execution of the performance. A legal act should be considered perfected when it unfolds its legal effects in accordance with national law. Where, pursuant to national law, the legal effects of a legal act are conditional upon an entry of the legal act in a public register, since the time of the registration in a public register is beyond the control of the debtor or of the parties to the legal act concerned, it is advisable to consider the legal act to be perfected as soon</p>	<p><u>(5a) Given that avoidance actions aim to reverse the detrimental effects of a legal act on the insolvency estate, it is appropriate to consider that the detriment is caused upon the perfection of the legal act and not upon the execution of the performance. For the purposes of this Directive, a legal act is considered perfected when it produces legal effects in accordance with national law. However, where, pursuant to national law, the legal effects of a legal act are conditional upon an entry of the legal act in a public register, Member States should be able to provide that a legal act is considered perfected as soon as all the other requirements for its effectiveness have been met</u></p>

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			as all the other requirements for its effectiveness have been met.	<u>because the time of the registration in a public register is beyond the control of the debtor or of the parties to the legal act concerned.</u>
Recital 5a				
18b		<u>(5a) The minimum standards provided for in this Directive aim to approximate the insolvency laws of the Member States, taking into account, in particular, the following objectives: to maximise legal certainty as to the value of companies; to improve the efficiency of insolvency proceedings in terms of both costs and duration; to improve the predictability and fair distribution of value among creditors; and to preserve the operations and viability of companies.</u>		Combine text with Line 17a.
Recital 6				
19	(6) The scope of the legal acts that could be challenged under the avoidance actions rules should be drawn broadly, in order to cover any human behaviour with legal effects. The principle of equal treatment of creditors implies that legal acts should also include omissions, as it makes no	(6) The scope of the legal acts that could be challenged under the avoidance actions rules should be drawn <u>interpreted</u> broadly, in order to cover any human behaviour with legal effects <u>that is detrimental to the general body of creditors</u> . The principle of equal treatment of creditors implies that legal acts	(6) The scope of the legal acts that could be challenged under the avoidance actions rules should be drawn <u>interpreted</u> broadly, in order to cover any human <u>deliberate</u> behaviour with legal effects. The principle of equal treatment that is of detriment to the general body of creditors,	EP agrees with the exclusion of omissions

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		EP Mandate	Council Mandate	Draft Agreement
	<p>significant difference if creditors suffer a detriment as a consequence of an action or of the passivity of the party concerned. For instance, it makes no difference whether a debtor actively waives a claim against his or her obligor or whether he or she remains passive and accepts the claim to become time-barred. Further examples of omissions that may be subject to avoidance actions include the omission to challenge a disadvantageous judgement or other decisions of courts or public authorities or the omission to register an intellectual property right. For the same reason, avoidance rules should not be restricted to legal acts performed by the debtor, but should also include legal acts performed by the counterparty or by a third party. On the other hand, only legal acts should be subject to avoidance rules which are detrimental to the general body of creditors.</p>	<p>should also include omissions, as it makes no significant difference if creditors suffer a detriment as a consequence of an action or of the passivity of the party concerned. For instance, it makes no difference whether a debtor actively waives a claim against his or her obligor or whether he or she remains passive and accepts the claim to become time-barred. Further examples of omissions that may be subject to avoidance actions include the omission to challenge a disadvantageous judgement or other decisions of courts or public authorities or the omission to register an intellectual property right. For the same reason, avoidance rules should not be restricted to legal acts performed by the debtor, but should also include legal acts performed by the <u>debtor's</u> counterparty or by a third party. On the other hand, only legal acts should be subject to avoidance rules which are detrimental to the general body of creditors.</p>	<p>irrespective of whether the legal effects or the detriment is intended by the person performing the behaviour, including if there is no fraudulent purpose, notwithstanding the provisions of other areas of law. Acts where the person performing the behaviour does not act consciously or in any other way in line with their free will are not considered as legal acts. Member States should be able to provide implies that legal acts should also include omissions, as it makes no significant difference if whether creditors suffer a detriment as a consequence of an action or of the passivity of the party concerned. For instance, it makes no difference whether a debtor actively waives a claim against his or her obligor or whether he or she remains passive and accepts the claim to become time-barred. Further examples of omissions that may be subject to avoidance actions include the omission to challenge a disadvantageous judgement or other decisions of courts or public authorities or the omission to</p>	

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			register an intellectual property right. For the same reason. Similarly, avoidance rules should not be restricted to legal acts performed by the debtor, but should also include legal acts performed by the debtor's counterparty or by a third party. On the other hand, only legal acts should be subject to avoidance rules which are detrimental to the general body of creditors.	
Recital 7				
20	(7) To protect the legitimate expectations of the debtor's counterparty, any interference with the validity or enforceability of a legal act should be proportionate to the circumstances under which that act is perfected. Such circumstances should include the debtor's intent, the knowledge of the counterparty or the time-span between the perfection of the legal act and the commencement of the insolvency proceedings. Therefore, it is necessary to distinguish between a variety of specific avoidance grounds that are based on common and typical fact patterns and that should complement the general	(7) To protect the legitimate expectations of the debtor's counterparty, any interference with the validity or enforceability of a legal act should be proportionate to the circumstances under which that act is perfected. Such circumstances should include the debtor's intent, the knowledge of the counterparty or the time-span between the perfection of the legal act and the commencement of the insolvency proceedings. Therefore, it is necessary to distinguish between a variety of specific avoidance grounds that are based on common and typical fact patterns and that should complement the general	(7) To protect the legitimate expectations of the debtor's counterparty, any interference with the validity or enforceability of a legal act should be proportionate to the circumstances under which that act is perfected. Such circumstances should may include the debtor's intent, the knowledge of the counterparty or the time-span time that elapsed between the perfection of the legal act and the commencement of the insolvency proceedings. Therefore, it is necessary to distinguish between a variety of specific avoidance grounds that are based on common and typical fact patterns and that should complement the general	(7) To protect the legitimate expectations of the debtor's counterparty, any interference with the validity or enforceability of a legal act should be proportionate to the circumstances under which that act is perfected. Such circumstances should may include the debtor's intent, the knowledge of the counterparty or the time-span time that elapsed between the perfection of the legal act and the commencement of the insolvency proceedings. Therefore, it is necessary to distinguish between a variety of specific avoidance grounds that are based on common and typical fact patterns and that should complement the general

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	prerequisites for avoidance actions. Any interference should also respect the fundamental rights enshrined in the Charter of Fundamental Rights of the European Union.	prerequisites for avoidance actions. Any interference should also respect the fundamental rights enshrined in the Charter of Fundamental Rights of the European Union.	prerequisites for avoidance actions. Any interference should also respect the fundamental rights enshrined in the Charter of Fundamental Rights of the European Union.	prerequisites for avoidance actions. Any interference should also respect the fundamental rights enshrined in the Charter of Fundamental Rights of the European Union.
Recital 7a				
20a			(7a) In the case of due payments made by the debtor, specific circumstances may justify their voidness, voidability or unenforceability, such as the creditor's special knowledge of the debtor's situation. Generally, the avoidance action should cover a certain minimum period prior to the date of the submission of the request for the opening of insolvency proceedings, or in those Member States where the insolvency proceedings can also be opened by the resolution of the members of the debtor, prior to the date of the resolution to commence insolvency proceedings. On principle, the voidness, voidability or unenforceability of a legal act should not depend on the time that the court takes to examine a request to open insolvency proceedings or for a	EP to check

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			resolution to be passed, pursuant to national law.	
Recital 8				
21	<p>(8) In the context of avoidance actions, a distinction should be made between legal acts where the claim of the counterparty was due and enforceable and has been satisfied in the owed manner (congruent coverages) and those where performance was not entirely in accordance with the creditor’s claim (incongruent coverage). Incongruent coverages include, in particular, premature payments, the satisfaction with unusual means of payments, the subsequent collateralisation of a so far unsecured claim which was not already agreed upon in the original debt agreement, granting an extraordinary termination right or other amendments not provided for in the underlying contract, the waiver of legal defences or objections or the acknowledgement of disputable debts. In the case of congruent coverages, the avoidance ground of preferences can only be invoked if the creditor of the legal act that can be declared void knew, or should have known, at the time</p>	<p>(8) In the context of avoidance actions, a distinction should be made between legal acts where the claim of the counterparty was due and enforceable and has been satisfied in the owed manner (congruent coverages) and those where performance was not entirely in accordance with the creditor’s claim (incongruent coverage). Incongruent coverages include, in particular, premature payments, the satisfaction with unusual means of payments, the subsequent collateralisation of a so far unsecured claim which was not already agreed upon in the original debt agreement, granting an extraordinary termination right or other amendments not provided for in the underlying contract, the waiver of legal defences or objections or the acknowledgement of disputable debts. In the case of congruent coverages, the avoidance ground of preferences can only be invoked if the creditor of the <u>void, voidable or unenforceable</u> legal act that can be declared void knew,</p>	<p>(8) In the context of avoidance actions, a distinction should be made between legal acts where the claim of the counterparty was due and enforceable and has been satisfied or secured in the owed manner (“congruent coveragescoverage”) and those where the performance was not entirely in accordance with the creditor’s claim (“incongruent coverage”). In the context of congruent and incongruent coverages satisfaction and collateralisation of the claim of the counterparty should be interpreted broadly, also including acts such as creating a right to set-off or granting creditors a privileged status. Examples of incongruent coverages include, in particular, premature payments, the satisfaction with unusual means of payments, the subsequent collateralisation of a so far unsecured claim which was not already agreed upon in the original debt agreement, granting an</p>	<p>(8) In the context of avoidance actions, a distinction should be made between legal acts where the claim of the counterparty was due and enforceable and has been satisfied <u>or secured</u> in the owed manner (“congruent coverages<u>coverage</u>”) and those where <u>the</u> performance was not entirely in accordance with the creditor’s claim (“incongruent coverage”). <u>In the context of congruent and incongruent coverages, the terms satisfaction and collateralisation of the claim of the counterparty should be interpreted broadly, also including acts such as creating a right to set-off or granting creditors a privileged status.</u> Examples of incongruent coverages include, in particular, premature payments, the satisfaction with unusual means of payments, the subsequent collateralisation of a so far unsecured claim which was not already agreed upon in the original debt agreement, granting an extraordinary termination right or</p>

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	of the transaction that the debtor was insolvent.	or should have known <u>knew</u> , at the time of the transaction, that the debtor was insolvent.	extraordinary termination right or other amendments not provided for in the underlying contract, the waiver of legal defences or , objections or the acknowledgement of disputable debts. In the case of congruent coverages, the avoidance ground of preferences can only be invoked if the creditor of the legal act that can be declared void is void, voidable or unenforceable knew, or should have known , at the time of the transaction that the debtor was insolvent.	other amendments not provided for in the underlying contract, the waiver of legal defences or , objections or the acknowledgement of disputable debts. In the case of congruent coverages, the avoidance ground of preferences can only be invoked if the creditor of the legal act that can be declared void is void, voidable or unenforceable knew, or should have known , at the time of the transaction that the debtor was insolvent. EP to check Text Origin: Council Mandate
Recital 9				
22	(9) Certain congruent coverages, namely legal acts that are performed directly against fair consideration to the benefit of the insolvency estate, should be exempted from the scope of legal acts that can be declared void. Those legal acts aim at supporting the ordinary daily activity of the debtor's business. Legal acts falling under this exception should have a contractual basis, and require the direct exchange of the mutual performances, but not	(9) Certain congruent coverages, namely legal acts that are performed directly against fair consideration to the benefit of the insolvency estate <u>debtor's asset</u> , should be exempted from the scope of <u>voidable and unenforceable</u> legal acts that can be declared void . Those legal acts aim at supporting the ordinary daily activity of the debtor's business. Legal acts falling under this exception <u>exemption</u> should have a contractual basis, and require the	(9) Certain congruent coverages, namely legal acts that are performed directly against fair consideration to the benefit of the insolvency estate <u>debtor's assets</u> , should be exempted from the scope of legal acts that can be declared void are void, voidable or unenforceable . Those legal acts aim at supporting the ordinary daily activity of the debtor's business. Such legal acts falling under this exception should have a contractual basis, and require the	Netting and social security contributions (subject to political agreement on the latter) possibly to be put in a new recital linked to Article 6(3). EP will come back on the rest of the text.

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>necessarily a simultaneous exchange of performances, as, in some cases, unavoidable delays may result from practical circumstances. However, this exemption should not cover the granting of credit. Furthermore, performance and counter-performance in those legal acts should have an equivalence in value. At the same time, the counter-performance should benefit the estate and not a third party. This exception should cover, in particular, prompt payment of commodities, wages, or service fees, in particular for legal or economic advisors; cash or card payment of goods necessary for the debtor's daily activity; delivery of goods, products, or services against payment by return; creation of a security right against disbursement of the loan; prompt payment of public fees against consideration (e.g. admittance to public grounds or institutions).</p>	<p>direct exchange of the mutual performances, but not necessarily a simultaneous exchange of performances, as, in some cases, unavoidable delays may result from practical circumstances. However, this exemption should not cover the granting of credit. Furthermore, performance and counter-performance in those legal acts should have an equivalence in value. At the same time, the counter-performance should benefit the estate<u>debtor</u> and not a third party. This exception<u>exemption</u> should cover, in particular, prompt payment of commodities, wages, or service fees, in particular for legal or economic advisors; cash or card payment of goods necessary for the debtor's daily activity; delivery of goods, products, or services against payment by return; creation of a security right against disbursement of the loan; prompt payment of public fees against consideration (e.g. admittance to public grounds or institutions). <u>In addition, it should also cover, where relevant, contribution payments to social security authorities and entering into netting arrangements.</u></p>	<p>direct exchange of the mutual performances, but not necessarily a simultaneous exchange of performances, as, in some cases, unavoidable delays may result from practical circumstances. However, this exemption should not cover the granting of credit. Furthermore, performance and counter-performance in those legal acts should have an equivalence be equivalent in value. At the same time, the counter-performance should benefit the estatedebtor and not a third party. This exceptionexemption should cover, in particular, prompt payment of commodities, wages, or service fees, in particular for legal or economic advisors; cash or card payment of goods necessary for the debtor's daily activity; delivery of goods, products, or services against payment by return; creation of a security right against disbursement of the loan or during the continuation of a loan, if this is necessary against the background of national rules to maintain an equivalence in value between performance and counter-performance; prompt payment of public fees against</p>	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			consideration (e.g. such as admittance to public grounds or institutions). The payment of wages to the debtor's employees may, in accordance with national law, be deemed to be performed directly if it is made within three months of the performance of the services by the employee to be remunerated.	
Recital 10				
23	(10) New- or interim financing provided during a restructuring attempt, including in the course of a preventive insolvency procedure under Title II of Directive (EU) 2019/1023 of the European Parliament and of the Council ¹ , should be protected in subsequent insolvency proceedings. Consequently, avoidance actions on the ground of preferences should not be permitted against payments to or collateralisation in favour of the providers of such new- or interim financing, if those payments or collateralisations are performed in accordance with the claims of the providers. Such payments or collateralisation should be considered, therefore, as legal acts performed directly	(10) New- financing or interim financing provided during a restructuring attempt, including in the course of a preventive insolvency procedure under Title II of Directive (EU) 2019/1023 of the European Parliament and of the Council ¹ , should be protected in subsequent insolvency proceedings. Consequently, avoidance actions on the ground of preferences should not be permitted against payments to or collateralisation in favour of the providers of such new- or interim financing, if those payments or collateralisations are performed in accordance with the claims of the providers. Such payments or collateralisation should be considered, therefore, as legal acts	(10) New- financing or interim financing provided during a restructuring attempt, in accordance with the requirements of national law , including in the course of a preventive insolvency procedure under Title II of Directive (EU) 2019/1023 of the European Parliament and of the Council ¹ , should be protected in subsequent insolvency proceedings. Consequently, avoidance actions on the ground of preferences should not be permitted against payments to or collateralisation in favour of the providers of such new- or interim financing, if those payments or collateralisations are performed in accordance with the claims of the providers. Such	Council deleted due to a possible misunderstanding on the interpretation of the Restructuring Directive. EP to check

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>against fair consideration to the benefit of the insolvency estate.</p> <p>1. Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 (Directive on restructuring and insolvency) (OJ L 172, 26.6.2019, p. 18).</p>	<p>performed directly against fair consideration to the benefit of the insolvency estate.</p> <p>1. Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 (Directive on restructuring and insolvency) (OJ L 172, 26.6.2019, p. 18).</p>	<p>payments or collateralisation should be considered, therefore, as legal acts performed directly against fair consideration to the benefit of the insolvency estate.</p> <p>1. Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 (Directive on restructuring and insolvency) (OJ L 172, 26.6.2019, p. 18).</p>	
Recital 10a				
23a			<p>(10a) As an instrument of minimum harmonisation, this Directive does not interfere with the national laws on the validity of legal acts subject to avoidance rules. It is, therefore, for Member States to decide if they consider the detrimental legal act ipso iure void, render it ineffective or unenforceable, or require the annulment of that legal act by the court.</p>	<p><u><i>(10a) As an instrument of minimum harmonisation, this Directive does not interfere with the national laws on the validity of legal acts subject to avoidance rules. It is, therefore, for Member States to decide if they consider the detrimental legal act ipso iure void, render it ineffective or unenforceable, or require the annulment of that legal act by the court.</i></u></p> <p>EP to check</p> <p>Text Origin: Council Mandate</p>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
Recital 11				
24	<p>(11) The main consequence of declaring a legal act void in avoidance proceedings is the obligation for the party benefiting from the legal act that has been declared void to compensate the insolvency estate for the detriment caused by such legal act. Compensation should include emoluments, where relevant, and interest, in accordance with the applicable general civil law. The compensation implies the payment of a sum equivalent to the value of the performance received if it cannot be returned in natura to the insolvency estate.</p>	<p>(11) The main consequence of declaring a legal act <u>being void, voidable or unenforceable</u> in avoidance proceedings is the obligation for the party benefiting from the <u>void, voidable or unenforceable</u> legal act that has been declared void to compensate the insolvency estate for the detriment caused by such legal act. Compensation should include emoluments, where relevant, and interest, in accordance with the applicable general civil law. The compensation implies the payment of a sum equivalent to the value of the performance received if it cannot be returned in natura to the insolvency estate. <u>It should be possible to bring avoidance actions against individual successors of the debtor if they acquired the asset against no or manifestly inadequate consideration or if they acquired the asset while knowing the circumstances on which the avoidance actions are based.</u></p>	<p>(11) The main consequence of declaring a legal act void voidness, voidability or unenforceability in avoidance proceedings is the obligation for the party benefiting benefitting from the legal act that has been declared void to compensate the insolvency estate for the detriment is void, voidable or unenforceable to return the benefits caused by such legal act to the insolvency estate. This Compensation should include emoluments, where relevant, and interest, in accordance with the applicable general civil law. The compensation implies and could be deemed fulfilled by the return of the consideration in kind or by the payment of a sum monetary equivalent, in accordance with national law. It should be possible to bring the avoidance actions against individual successors to the value of the performance received if it cannot be returned in natura to the insolvency estate debtor if they acquired the asset while knowing the circumstances on which the avoidance actions are based.</p>	<p>(11) The main consequence of declaring a legal act void voidness, voidability or unenforceability in avoidance proceedings is the obligation for the party benefiting benefitting from the legal act that has been declared void to compensate the insolvency estate for the detriment is void, voidable or unenforceable to return the benefits caused by such legal act to the insolvency estate. This Compensation should include emoluments, where relevant, and interest, in accordance with the applicable general civil law. The compensation implies and could be deemed fulfilled by the return of the consideration in kind or by the payment of a sum monetary equivalent, in accordance with national law. It should be possible to bring the avoidance actions against individual successors to the value of the performance received if it cannot be returned in natura to the insolvency estate debtor if they acquired the asset while knowing the circumstances on which the avoidance actions are based.</p>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				LL to work on the wording on "voidness" across the whole text. Text Origin: Council Mandate
Recital 12				
25	(12) Parties who are closely related to the debtor, such as relatives in case the debtor is a natural person or actors fulfilling decisive roles in relation to a debtor that is a legal entity, usually enjoy an information advantage with regard to the financial situation of the debtor. In order to prevent abusive behaviours, additional safeguards should be established. Consequently, in the context of avoidance actions, legal presumptions about the knowledge of the circumstances on which the conditions for avoidance were based should be introduced when the other party involved in the legal act that can be declared void is a party closely related to the debtor. These presumptions should be rebuttable and should aim at reversing the burden of proof to the benefit of the insolvency estate.	(12) Parties who are closely related to the debtor, such as relatives in case the debtor is a natural person or actors fulfilling decisive roles in relation to a debtor that is a legal entity, usually enjoy an information advantage with regard to the financial situation of the debtor. In order to prevent abusive behaviours, additional safeguards should be established. Consequently, in the context of avoidance actions, legal presumptions about the knowledge of the circumstances on which the conditions for avoidance were based should be introduced when the other party involved in the <u>void, voidable and unenforceable</u> legal act that can be declared void is a party closely related to the debtor. These presumptions should be rebuttable and should aim at reversing the burden of proof to the benefit of the insolvency estate.	(12) Parties who are closely related to the debtor, such as relatives in case the debtor is a natural person or actors fulfilling decisive roles in relation to a debtor that is a legal entity, usually enjoy an information advantage with regard to the financial situation of the debtor. In order to prevent abusive behaviours, additional safeguards should be established. Consequently, in the context of avoidance actions, legal presumptions about the knowledge of the circumstances on which the conditions for avoidance were based should be introduced when the other party involved in the legal act that can be declared void is void, voidable or unenforceable is a party closely related to the debtor. These Those presumptions should be rebuttable and should aim at reversing the burden of proof to the benefit of the insolvency estate.	(12) Parties who are closely related to the debtor, such as relatives in case the debtor is a natural person or actors fulfilling decisive roles in relation to a debtor that is a legal entity, usually enjoy an information advantage with regard to the financial situation of the debtor. In order to prevent abusive behaviours, additional safeguards should be established. Consequently, in the context of avoidance actions, legal presumptions about the knowledge of the circumstances on which the conditions for avoidance were based should be introduced when the other party involved in the legal act that can be declared void is <u>void, voidable or unenforceable</u> is a party closely related to the debtor. These Those presumptions should be rebuttable and should aim at reversing the burden of proof to the benefit of the insolvency estate. Text Origin: Council Mandate

	CLEAN Commission Proposal	V5.EC EP Mandate	V5.EC Council Mandate	V5.EC Draft Agreement
Recital 13				
26	<p>(13) Improving the possibilities of insolvency practitioners to identify and trace assets belonging to the insolvency estate is essential for the maximisation of the value of that estate. When performing their duties, insolvency practitioners may, already now, access information held in public data registers, partly set up by Union law and interconnected at European level, such as the Business Registers Interconnection System (BRIS), the system of Insolvency Registers Interconnection (IRI) or the Beneficial Ownership Registers Interconnection System (BORIS). Accessing the information held in public databases, however, is often not satisfactory to identify and trace important assets that are or should be in the perimeter of the insolvency estate. In particular, insolvency practitioners face practical difficulties when they try to access asset registers situated abroad.</p>	<p>(13) Improving the <i>possibilities of means available for</i> insolvency practitioners to identify and trace assets belonging to the insolvency estate, <i>including those subject to avoidance actions</i>, is essential for the maximisation of the value of that estate. When performing their duties, insolvency practitioners may, already now, access information held in public data registers, partly set up by Union law and interconnected at European level, such as the Business Registers Interconnection System (BRIS), the system of Insolvency Registers Interconnection (IRI) or the Beneficial Ownership Registers Interconnection System (BORIS). Accessing the information held in public databases, however, is often not satisfactory to identify and trace important assets that are or should be in the perimeter of the insolvency estate. In particular, insolvency practitioners face practical difficulties when they try to access asset registers situated <i>abroad in a Member State other than that in which they have been appointed</i>.</p>	<p>(13) Improving the possibilities of means available to insolvency practitioners in order to identify and trace assets belonging to the insolvency estate, as well as assets subject to avoidance actions, is essential for the maximisation of to maximise the value of that estate. When performing their duties, insolvency practitioners may, already now, can access information held in public data registers, partly set up by some of which have been established under Union law and are interconnected at European level, such as the Business Registers Interconnection System (BRIS); or the system of Insolvency Registers Interconnection (IRI) or the Beneficial Ownership Registers Interconnection System (BORIS). Accessing the. Having access only to information held in public databases, however, is often not satisfactory sufficient in order to identify and trace important assets that are, or should be in the perimeter form, part of the insolvency estate. In particular, insolvency practitioners face practical difficulties when they try</p>	<p>(13) Improving the <i>possibilities of means available to</i> insolvency practitioners in order to identify and trace assets belonging to the insolvency estate, <i>as well as assets subject to avoidance actions</i>, is essential for the maximisation of to maximise the value of that estate. When performing their duties, insolvency practitioners may, already now, can access information held in public data registers, partly set up by some of which have been established under Union law and are interconnected at European level, such as the Business Registers Interconnection System (BRIS); or the system of Insolvency Registers Interconnection (IRI) or the Beneficial Ownership Registers Interconnection System (BORIS). Accessing the. Having access only to information held in public databases, however, is often not satisfactory sufficient in order to identify and trace important assets that are, or should be in the perimeter form, part of the insolvency estate. In particular, insolvency practitioners face practical difficulties when they try</p>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			to access asset registers situated abroad located in Member States other than that in which they have been appointed.	to access asset registers situated abroad located in Member States other than that in which they have been appointed. Text Origin: Council Mandate
Recital 14				
27	(14) It is therefore necessary to lay down provisions to ensure that insolvency practitioners, when performing their duties in insolvency proceedings, can have, either directly or indirectly, access to information held in databases which are not publicly accessible.	(14) It is therefore necessary to lay down provisions to ensure that insolvency practitioners, when performing their duties in insolvency proceedings, can have, either directly or indirectly, access to information held in databases which are not publicly accessible.	(14) It is therefore necessary to lay down provisions to ensure that insolvency practitioners, when performing their duties in insolvency proceedings, can have, either directly or indirectly, access to information held in databases which are not publicly accessible.	(14) It is therefore necessary to lay down provisions to ensure that insolvency practitioners, when performing their duties in insolvency proceedings, can have, either directly or indirectly, access to information held in databases which are not publicly accessible.
Recital 15				
28	(15) Prompt direct access to centralised bank account registries or data retrieval systems is often indispensable for the maximisation of the value of the insolvency estate. Therefore, rules should be laid down granting direct access to information held in centralised bank account registries or data retrieval systems to designated Member States' courts that have jurisdiction in insolvency proceedings. Where a Member State provides access to bank account information through a	(15) Prompt direct access to centralised bank account registries or data retrieval systems registers is often indispensable for the maximisation of the value of the insolvency estate. Therefore, rules should be laid down granting direct access to information held in centralised bank account registries or data retrieval systems registers for the designated courts or authorities of the Member States' courts that have jurisdiction in insolvency proceedings. Where a Member	(15) Prompt Immediate direct access to centralised bank account registries or registers and electronic data retrieval systems is often indispensable for the maximisation of to maximise the value of the insolvency estate. Therefore, rules should be laid down granting providing for direct access to information held in centralised the bank account registries or registers and electronic data retrieval systems for the designated courts or authorities of the Member States'	(15) Prompt Immediate direct access to centralised bank account registries or data retrieval systems registers is often indispensable for the maximisation of to maximise the value of the insolvency estate. Therefore, rules should be laid down granting providing for direct access to information held in centralised the bank account registries or data retrieval systems or registers for the designated courts or administrative authorities of the Member States'


	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	central electronic data retrieval system, that Member State should ensure that the authority operating the retrieval system reports search results in an immediate and unfiltered way to the designated courts.	State provides access to bank account information through a central electronic data retrieval system, that Member State should ensure that the authority operating the retrieval system reports search results in an immediate and unfiltered way to the designated courts <u>or administrative authorities</u> .	courts that have jurisdiction in. For the purposes of tracing and identifying assets belonging to the insolvency proceedings estate, as well as assets subject to avoidance actions, it may be necessary that access be granted not only to the bank account information of the debtor but also to the bank account information of third parties where there are reasonable grounds to consider that they are beneficiaries of void, voidable or unenforceable legal acts. Where a Member State provides access to bank account information through a central electronic data retrieval system, that Member State should ensure that the authority operating the retrieval system reports search results in an immediate and unfiltered way to the designated courts or authorities.	courts that have jurisdiction in. <u>For the purposes of tracing and identifying assets belonging to the insolvency proceedings estate, as well as assets subject to avoidance actions, it may be necessary that access be granted not only to the bank account information of the debtor but also to the bank account information of third parties where there are reasonable grounds to consider that they are beneficiaries of void, voidable or unenforceable legal acts.</u> Where a Member State provides access to bank account information through a central electronic data retrieval system, that Member State should ensure that the authority operating the retrieval system reports search results in an immediate and unfiltered way to the designated courts <u>or administrative authorities</u> .
Recital 16				
29	(16) In order to respect the right to the protection of personal data and the right to privacy, direct and immediate access to bank account registries should be granted only to courts with jurisdiction in insolvency proceedings that are	(16) In order to respect the right to the protection of personal data and the right to privacy, direct and immediate access to bank account registries <u>registers</u> should be granted only to courts with jurisdiction in insolvency	(16) In order to respect the right to the protection of personal data and the right to privacy, direct and immediate access to bank account registries <u>registers</u> should be granted only to courts with jurisdiction in insolvency	(16) In order to respect the right to the protection of personal data and the right to privacy, direct and immediate access to bank account registries <u>registers</u> should be granted only to courts with jurisdiction in insolvency

CLEAN	Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>designated by the Member States for that purpose. Insolvency practitioners should therefore be allowed to access information held in the bank account registries only indirectly by requesting the designated courts in their Member State to access and run the searches.</p>	<p>proceedings <u>or administrative authorities</u> that are designated by the Member States for that purpose. Insolvency practitioners should therefore be allowed to access information held in the bank account registries only <u>registers</u> indirectly by requesting the designated courts <u>or administrative authorities</u> in their Member State to access <u>the bank account registers and perform</u> and run the searches. <u>Member States should be able to designate different courts or administrative authorities for the purpose of accessing bank account registers domestically or across borders through the bank account registers interconnection system (BARIS) referred to in Directive (EU) 2024/1640 of the European Parliament and of the Council^{1a}. Member States should be also able to provide that courts or authorities other than the courts or administrative authorities designated under this Directive verify the conditions for accessing and searching bank account information. Access to bank account information should be granted only on a case-by-case basis, where relevant to specific</u></p>	<p>proceedings <u>or to administrative authorities</u> that are designated by the Member States for that purpose. Insolvency practitioners should therefore be allowed to access information held in the bank account registries only <u>registers</u> indirectly by requesting the designated courts <u>or authorities</u> in their Member State to access <u>the registers and perform</u> and run the searches. <u>Member States should be able to designate different courts or authorities for the purposes of accessing national bank account registers or electronic data retrieval systems domestically or cross-border through the bank account registers interconnection system (BARIS). Member States should be also able to provide that the conditions for access and search of bank account information should be verified by courts or authorities other than the designated courts or authorities under this Directive. Access to information should be granted only on a case-by-case basis, where relevant to specific insolvency proceedings for the purpose of identifying and</u></p>	<p>proceedings <u>or to administrative authorities</u> that are designated by the Member States for that purpose. Insolvency practitioners should therefore be allowed to access information held in the bank account registries only <u>registers</u> indirectly by requesting the designated courts <u>or administrative authorities</u> in their Member State to access <u>the registers and perform</u> and run the searches. <u>Member States should be able to designate the same courts or administrative authorities for the purposes of accessing national bank account registers domestically or cross-border through the bank account registers interconnection system (BARIS) referred to in Directive (EU) 2024/1640 of the European Parliament and of the Council¹. Member States should be also able to provide that the conditions for access and search of bank account information should be verified by courts or authorities other than the designated courts or authorities under this Directive. Access to information should be granted only on a case-by-case basis, where relevant to specific</u></p>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
		<u><i>insolvency proceedings for the purpose of identifying and tracing assets belonging to the insolvency estate, as well as assets subject to avoidance actions. However, Member States should be able to adopt or maintain national rules that allow insolvency practitioners to access and search their bank account registers.</i></u>	tracing assets belonging to the insolvency estate, as well as assets subject to avoidance actions. However, Member States may, in line with the minimum harmonisation nature of this Directive, adopt or maintain national rules that provide for direct access and search for insolvency practitioners in their national bank account registers and electronic data retrieval systems, with or without judicial authorisation. Where such direct access and search is granted to insolvency practitioners, Member States should not designate courts or authorities for the purpose of access and search in their national bank account registers or electronic data retrieval systems.	<u><i>insolvency proceedings for the purpose of identifying and tracing assets belonging to the insolvency estate, as well as assets subject to avoidance actions. [However, Member States may, in line with the minimum harmonisation nature of this Directive, adopt or maintain national rules that provide for direct access and search for insolvency practitioners in their national bank account registers and electronic data retrieval systems, with or without judicial authorisation. Where such direct access and search is granted to insolvency practitioners, Member States should not designate courts or authorities for the purpose of access and search in their national bank account registers or electronic data retrieval systems.]</i></u> EP: The brackets, especially the last sentence, should be still discussed at technical level
Recital 17				
30	(17) Directive (EU) YYYY/XX of the European Parliament and of the Council ¹ [OP: Directive which replaces Directive 2015/849]	(17) Directive (EU) YYYY/XX 2024/1640 of the European Parliament and of the Council ¹ [OP: Directive which	(17) Directive (EU) YYYY/XX 2024/1640 of the European Parliament and of the Council ¹ [OP: Directive which	(17) Directive (EU) YYYY/XX 2024/1640 of the European Parliament and of the Council ¹ [OP: Directive which

CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
	<p>provides that the centralised automated mechanisms are interconnected via the bank account registers (BAR) single access point, to be developed and operated by the Commission. Considering the growing importance of insolvency cases with cross-border implications and the importance of relevant financial information for the purposes of maximising the value of the insolvency estate in insolvency proceedings, the designated national courts having jurisdiction in insolvency matters should be able to directly access and search the centralised bank account registries of other Member States through the BAR single access point put in place pursuant to Directive (EU) YYYY/XX [OP: Directive which replaces Directive 2015/849].</p> <hr/> <p>1. OJ</p>	<p>replaces Directive 2015/849] provides that the centralised automated mechanisms, <u>such as central registers or central electronic data retrieval systems</u>, are interconnected via the bank account registers (BAR) single access point, <u>BARIS, which is</u> to be developed and operated by the Commission. Considering the growing importance of insolvency cases with cross-border implications and the importance of relevant financial information for the purposes of maximising the value of the insolvency estate in insolvency proceedings, the designated national courts having jurisdiction in insolvency matters or <u>administrative authorities</u> should be able to directly access and search the centralised bank account registries <u>registers</u> of other Member States <u>directly</u> through the BAR single access point put in place pursuant to Directive (EU) YYYY/XX [OP: Directive which replaces Directive 2015/849] <u>BARIS</u>.</p> <hr/> <p>1. OJ <u>L, 2024/1640, 19.6.2024, ELI: http://data.europa.eu/eli/dir/2024/1640/oj</u>.</p>	<p>replaces Directive 2015/849] provides that the centralised automated mechanisms, such as central registers or central electronic data retrieval systems, are interconnected via the bank account registers (BAR) single access point BARIS, to be developed and operated by the Commission. Considering the growing importance of insolvency cases with cross-border implications and the importance of relevant financial information for the purposes of maximising the value of the insolvency estate in insolvency proceedings, the designated national courts having jurisdiction in insolvency matters or authorities should be able to directly access and search the centralised bank account registries registers and electronic data retrieval systems of other Member States directly, through BARIS. Access by courts or authorities designated under this Directive to bank account information across borders through the BAR single BARIS is based on the mutual trust among Member States derived from their respect of fundamental</p>	<p>replaces Directive 2015/849] provides that the centralised automated mechanisms, <u>such as central registers or central electronic data retrieval systems</u>, are interconnected via the bank account registers (BAR) single access point, <u>BARIS, which is</u> to be developed and operated by the Commission. Considering the growing importance of insolvency cases with cross-border implications and the importance of relevant financial information for the purposes of maximising the value of the insolvency estate in insolvency proceedings, the designated national courts having jurisdiction in insolvency matters or <u>administrative authorities</u> should be able to directly access and search the centralised bank account registries <u>registers</u> of other Member States <u>directly</u>, through the BAR single access point put in place pursuant to Directive (EU) YYYY/XX [OP: Directive which replaces Directive 2015/849] <u>BARIS</u>.</p> <hr/> <p>1. OJ</p>			

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			<p>rights and of the principles recognised by Article 6 of the Treaty on European Union (TEU) and by the Charter of Fundamental Rights of the European Union ('the Charter'), as well as the fundamental rights and principles provided for in international law and international agreements to which the Union or all the Member States are party, including the European Convention for the Protection of Human Rights and Fundamental Freedoms, and in Member States' constitutions, in their respective fields of application. The power to access point put in place pursuant to Directive (EU) YYYY/XX [OP: Directive which replaces and search bank account information through the BARIS in this Directive 2015/849] should be exercised in compliance with Union and national rules, as well as national procedural safeguards on the protection of personal data.</p> <p>1. OJ</p>	
Recital 17a				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
30a		<p><u>(17a) Access by the courts or administrative authorities designated under this Directive to bank account information across borders through BARIS is based on the mutual trust among Member States derived from their respect of fundamental rights and of the principles recognised by Article 6 of the Treaty on European Union (TEU) and by the Charter of Fundamental Rights of the European Union (the ‘Charter’), as well as the fundamental rights and principles provided for in international law and international agreements to which the Union or all the Member States are party, including the European Convention for the Protection of Human Rights and Fundamental Freedoms, and in Member States’ constitutions, in their respective fields of application. The power to access and search bank account information through BARIS pursuant to this Directive should be exercised in compliance with Union and national rules, as well as national procedural safeguards on the protection of personal data.</u></p>		<p><u>(17a) Access by the courts or administrative authorities designated under this Directive to bank account information across borders through BARIS is based on the mutual trust among Member States derived from their respect of fundamental rights and of the principles recognised by Article 6 of the Treaty on European Union (TEU) and by the Charter of Fundamental Rights of the European Union (the ‘Charter’), as well as the fundamental rights and principles provided for in international law and international agreements to which the Union or all the Member States are party, including the European Convention for the Protection of Human Rights and Fundamental Freedoms, and in Member States’ constitutions, in their respective fields of application. The power to access and search bank account information through BARIS pursuant to this Directive should be exercised in compliance with Union and national rules, as well as national procedural safeguards on the protection of personal data.</u></p>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				Text Origin: EP Mandate
Recital 18				
31	(18) Any personal data obtained under this Directive should only be processed in accordance with the applicable data protection rules by designated courts and insolvency practitioners where it is necessary and proportionate for the purposes of identifying and tracing assets belonging to the insolvency estate of the debtor in on-going insolvency proceedings.	(18) Any personal data obtained under this Directive should only be processed in accordance with the applicable data protection rules by designated courts and insolvency practitioners where it is necessary and proportionate for the purposes of identifying and tracing assets belonging to the insolvency estate of the debtor in on-going insolvency proceedings.	(18) Any personal data obtained under this Directive should only be processed only in accordance with the applicable data protection rules by designated courts or authorities and insolvency practitioners and where it is necessary and proportionate for the purposes of identifying and tracing assets belonging to the insolvency estate of the debtor in on-going insolvency proceedings.	(18) Any personal data obtained <u>by designated courts or administrative authorities and insolvency practitioners</u> under this Directive should only be processed <u>only</u> in accordance with the applicable data protection rules by designated courts and insolvency practitioners <u>and</u> where it is necessary and proportionate for the purposes of identifying and tracing assets belonging to the insolvency estate of the debtor in on-going insolvency proceedings. Other option: "Any personal data obtained by designated courts or administrative authorities and insolvency practitioners under this Directive should be processed only where it is necessary and proportionate for the purposes of identifying and tracing assets belonging to the insolvency estate in on-going insolvency proceedings, in accordance with the applicable data protection rules."
Recital 19				
32	(19) Directive (EU) 2015/849	(19) Directive (EU) 2015/849	(19) Directive (EU) 2015/849	(19) Directive (EU) 2015/849 of

CLEAN	Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>of the European Parliament and the Council¹ ensures that persons who are able to demonstrate a legitimate interest are granted access to beneficial ownership information on trusts and other types of legal arrangements, in accordance with data protection rules. Those persons are granted access to information on the name, month and year of birth and the country of residence and nationality of the beneficial owner, as well as the nature and extent of beneficial interest held. It is essential that insolvency practitioners can quickly and easily access that set of information for performing their tasks to trace assets in the context of ongoing insolvency proceedings. It is therefore necessary to clarify that in such a case access by insolvency practitioners constitutes a legitimate interest. At the same time, the scope of data directly accessible by the insolvency practitioners should not be broader than the scope of data accessible by other parties having a legitimate interest.</p> <p><small>1. Directive (EU) 2015/849 of the European Parliament and of the Council of</small></p>	<p>of the European Parliament and the Council¹ 2024/1640 ensures that persons <i>who are able to demonstrate</i> with a legitimate interest are granted access to beneficial ownership information on trusts and other types of legal arrangements, in accordance with data protection rules. Those persons are For the purpose of tracing assets in the context of ongoing insolvency proceedings, insolvency practitioners should be granted access in a timely manner to specific categories of beneficial ownership to information, such as on the name, month and year of birth and the country of residence and nationality of the beneficial owner, as well as the nature and extent of beneficial interest held. It is essential that insolvency practitioners can quickly and easily access that set of information for performing their tasks to trace assets in the context of ongoing insolvency proceedings. It is therefore necessary to clarify that in such a case access by insolvency practitioners constitutes a legitimate interest. At the same time, the scope of data directly accessible by the insolvency</p>	<p>of the European Parliament and the Council¹ 2024/1640¹ ensures that persons who are able to demonstrate with legitimate interest are granted access to beneficial ownership information on trusts and other types of legal arrangements, in accordance with data protection rules. Those persons are granted access to information on the name, month and year of birth and the country of residence and nationality of the beneficial owner, as well as the nature and extent of beneficial interest held. It is essential that insolvency practitioners can quickly and easily access that set of information for performing their tasks to trace For the purpose of tracing assets in the context of ongoing insolvency proceedings. It is therefore necessary to clarify that in such a case access by insolvency practitioners constitutes a legitimate interest. At the same time, the scope of data directly accessible by the insolvency practitioners should not be broader than the scope of data accessible by other parties having a legitimate interest. be granted access in a timely manner to specific</p>	<p>the European Parliament and the Council¹ 2024/1640 ensures that persons <i>who are able to demonstrate</i> with a legitimate interest are granted access to beneficial ownership information on trusts and other types of legal arrangements, in accordance with data protection rules. Those persons are For the purpose of tracing assets in the context of ongoing insolvency proceedings, insolvency practitioners should be granted access in a timely manner to specific categories of beneficial ownership to information held in the interconnected central beneficial ownership registers, such as on the name, month and year of birth and the country of residence and nationality of the beneficial owner, as well as the nature and extent of beneficial interest held. It is essential that insolvency practitioners can quickly and easily access that set of information for performing their tasks to trace assets in the context of ongoing insolvency proceedings. It is therefore necessary to clarify that in such a case access by insolvency practitioners constitutes a legitimate interest. At the same</p>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141 5.6.2015, p. 73).</p>	<p>practitioners should not<u>could</u> be broader than the scope of data accessible by other parties having a legitimate interest.</p> <p>1. Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141 5.6.2015, p. 73).</p>	<p>categories of beneficial ownership information held in the interconnected central beneficial ownership registers.</p> <p>1. Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141 5.6.2015, p. 73).</p>	<p>time, the scope of data directly accessible by the insolvency practitioners should not be broader than the scope of data accessible by other parties having a legitimate interest.</p> <p>1. Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141 5.6.2015, p. 73).</p> <p>EP: OK in principle, but it should be still discussed at technical level on describing the type of access insolvency practitioners should have</p>
Recital 20				
33	<p>(20) To ensure that assets can be efficiently traced in the context of cross-border insolvency proceedings, insolvency practitioners appointed in a Member State should be granted expeditious access to asset registers also when these registers are located in a different Member</p>	<p>(20) To ensure that assets can be efficiently traced in the context of cross-border insolvency proceedings, insolvency practitioners appointed in a Member State should be granted expeditious access to <u>asset national registers also and databases, even</u> when these registers <u>and databases</u></p>	<p>(20) To ensure that assets can be traced efficiently traced in the context of cross-border insolvency proceedings, insolvency practitioners appointed in a Member State should be granted expeditious access to asset national registers also when these and databases, even if those registers</p>	<p>(20) To ensure that assets can be <u>traced</u> efficiently traced in the context of cross-border insolvency proceedings, insolvency practitioners appointed in a Member State should be granted expeditious access to <u>asset national registers also when these and databases, even if those</u> registers</p>

CLEAN	Commission Proposal	V.S.E.C	V.S.E.C	V.S.E.C
		EP Mandate	Council Mandate	Draft Agreement
	<p>State. Therefore, the access conditions applying to foreign insolvency practitioners should not be more cumbersome than those applying to domestic insolvency practitioners.</p>	<p>are located in a different Member State <u><i>other than that in which the insolvency practitioner was appointed. Access should be provided without the involvement of any intermediary court or authority, allowing insolvency practitioners to communicate directly with the entities operating or maintaining the national registers or databases concerned. Member States should provide that insolvency practitioners can directly search datasets contained in such registers or databases.</i></u> Therefore, the access conditions applying to foreign insolvency practitioners should not be more cumbersome than those applying to domestic insolvency practitioners. <u><i>Therefore, the Member States should ensure that access to national registers and databases is not denied solely on the basis that the applicant is an insolvency practitioner established in another Member State.</i></u></p>	<p>are located in a different Member State other than that in which the insolvency practitioner was appointed. Access should be provided without the involvement of any intermediary court or authority. Therefore, allowing insolvency practitioners to communicate directly with the entities operating or maintaining the national registers or databases concerned. In line with the minimum harmonization nature of this Directive, Member States should be able to provide for insolvency practitioners direct search in the datasets contained by such registers or databases. The access conditions applying to foreign insolvency practitioners should not be more cumbersome than those applying to domestic insolvency practitioners, thus Member States cannot apply different conditions solely on the basis that the applicant is a foreign insolvency practitioner. Procedural aspects of receiving and granting the requests submitted by domestic or foreign insolvency practitioners, such as language of the procedure or the verification of conditions of</p>	<p>are located in a different Member State <u><i>other than that in which the insolvency practitioner was appointed. Access should be provided without the involvement of any intermediary court or authority.</i></u> Therefore, allowing insolvency practitioners to communicate directly with the entities operating or maintaining the national registers or databases concerned. In line with the <u><i>minimum harmonization nature of this Directive, Member States can provide for insolvency practitioners direct search in the datasets contained by such registers or databases.</i></u> The access conditions applying to foreign insolvency practitioners should not be more cumbersome than those applying to domestic insolvency practitioners. <u><i>Therefore, Member States cannot apply different conditions solely on the basis that the applicant is an insolvency practitioner established in another Member State. Procedural aspects of receiving and granting the requests submitted by domestic or foreign insolvency practitioners, such as language of the procedure or the verification of conditions of</i></u></p>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			access, should be governed by the law of the Member State where the registers and databases are held.	<u>access, should be governed by the law of the Member State where the registers and databases are held.</u> EP believes that further reflection is needed on this recital in light of the text agreed on the operative part.
Recital 20a				
33a			(20a) In order to establish an effective and consistent system for the enforcement of debts against the assets of debtors, it is essential to prevent debtors from concealing their assets, including through the acquisition of financial instruments, such as securities. The differences between national settlement systems, as well as the varying types and characteristics of financial instruments, can give rise to difficulties accessing records and in identifying the ultimate beneficial owner of a financial instrument. Therefore, irrespective of the kind of existing register, database or other source of information a Member State uses, it is necessary for Member States to have in place the framework to	<i>deleted</i>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			facilitate the tracing and identification of the owners of financial instruments by making those national registers and databases accessible upon request under this Directive.	
Recital 20a				
33b		<i><u>(20a) In order to establish an effective and consistent system for the enforcement of debts against the assets of debtors, it is essential to prevent debtors from concealing their assets, including through the acquisition of financial instruments, such as securities. The differences between national settlement systems, as well as the varying types and characteristics of financial instruments, can give rise to difficulties in accessing records and in identifying the ultimate beneficial owner of a financial instrument. Therefore, irrespective of the kind of existing register, database or other source of information a Member State uses, it is necessary for Member States to have in place the framework to facilitate the tracing and identification of the owners of financial instruments by making</u></i>		<i><u>(20b) In order to establish an effective and consistent system for the enforcement of debts against the assets of debtors, it is essential to prevent debtors from concealing their assets, including through the acquisition of financial instruments, such as securities. The differences between national settlement systems, as well as the varying types and characteristics of financial instruments, can give rise to difficulties in accessing records and in identifying the ultimate beneficial owner of a financial instrument. Therefore, irrespective of the kind of existing register, database or other source of information a Member State uses, it is necessary for Member States to have in place the framework to facilitate the tracing and identification of the owners of financial instruments by making</u></i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		<u>those national registers and databases accessible upon request under this Directive.</u>		<u>those national registers and databases accessible upon request under this Directive.</u> Text Origin: EP Mandate
Recital 21				
34	(21) In the context of insolvent liquidation, national insolvency laws should allow for the realisation of the assets of the business to occur through the sale of the business or part thereof as a going concern. Sale as a going concern should mean, in this context, the transfer of the business, in whole or in part, to an acquirer in a way that the business (or part thereof) may continue to operate as an economically productive unit. Sale as a going concern should be understood as opposed to a sale of the assets of the business piece by piece (piecemeal liquidation).	(21) In the context of insolvent liquidation, national insolvency laws should allow for the realisation of the assets of the business to occur through the sale of the business or part thereof as a going concern. Sale as a going concern should mean, in this context, the transfer of the business, in whole or in part, to an acquirer in a way that the business (or part thereof) may continue to operate as an economically productive unit. Sale as a going concern should be understood as opposed to a sale of the assets of the business piece by piece (piecemeal liquidation).	(21) In the context of insolvent liquidation, national insolvency laws should allow for the realisation of the assets of thea business to occur through the sale of the business or part thereof as a going concern. ‘Sale as a going concern’ should be understood to mean, in this context for the purpose of this Directive , the transfer of thea business, in whole or in part, to an acquirer in such a way that thethat business, for a sufficiently significant part thereof) may, can continue to operate as an economically productive unit. Sale as a going concern and should not be understood as opposed to ato include the sale of the assets of the business piece by piece (piecemeal liquidation).	
Recital 22				
35	(22) It is generally assumed that more value can be recovered in	(22) It is generally assumed that more value can be recovered in	(22) It is generally assumed that more value can be recovered in	

CLEAN	Commission Proposal	V.S.E.C	V.S.E.C	V.S.E.C
		EP Mandate	Council Mandate	Draft Agreement
	<p>liquidation by selling the business (or part thereof) as a going concern rather than by piecemeal liquidation. In order to promote going-concern sales in liquidation, national insolvency regimes should include a pre-pack proceeding, where the debtor in financial distress, with the help of a “monitor”, seeks possible interested acquirers and prepares the sale of the business as a going concern before the formal opening of insolvency proceedings, so that the assets can be quickly realised shortly after the opening of the formal insolvency proceedings. The pre-pack proceedings should consist of two phases, namely a preparation phase and a liquidation phase.</p>	<p>liquidation by selling the business (or part thereof) as a going concern rather than by piecemeal liquidation. In order to promote going-concern sales in liquidation, national insolvency regimes should include a pre-pack proceeding, where the debtor in financial distress, with the help of a “monitor”, seeks possible interested acquirers and prepares the sale of the business as a going concern before the formal opening of insolvency proceedings, so that the assets can be quickly realised shortly after the opening of the formal insolvency proceedings. <u><i>In order to guarantee that the sale process is prepared in a fair way, the monitor should be independent of the debtor, the debtor’s shareholders, the creditors and any other party having a legal or economic interest in the debtor or the debtor’s business.</i></u> The pre-pack proceedings should consist of two phases, namely a preparation phase and a liquidation phase. <u><i>Those phases should respect the principles applicable to judicial proceedings in each Member State.</i></u></p>	<p>liquidation by selling the business, (or part thereof), as a going concern rather than by piecemeal liquidation. In order to promote going-concern sales in liquidation of a going concern, national insolvency regimes should include a pre-pack proceeding, where they provide for a mechanism by means of which a debtor in financial distress, with the help or under the supervision of a “monitor”, seeks possible, can seek interested acquirers and prepares prepare the sale of the business as a going concern (“pre-pack mechanism”) before the formal opening of insolvency proceedings, so that the The remaining assets of that business can therefore be quickly realised shortly after the formal opening of the formal insolvency proceedings. This Directive should lay down minimum standards for a pre-pack mechanism while allowing for sufficient flexibility of implementation by Members States adapting those standards in existing national insolvency law. The pre-pack proceedings mechanism should</p>	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			<p>consist of two phases, namely a preparation phase and a liquidation phase. The preparation phase should aim at finding an appropriate buyer for the debtor's business or part thereof and should be confidential at least as far as the efforts to find an appropriate buyer are concerned. The liquidation phase should aim at approving and executing the sale of the debtor's business or part thereof and at distributing the proceeds to the creditors, in accordance with national law. The liquidation phase should begin with a decision of a judicial body or any other competent body to formally open insolvency proceedings under national law leading to the winding-up of the debtor. It is not precluded that the debtor may continue its business activity after the termination of the liquidation phase with the remaining part of the economic activity. The liquidation phase should be carried out by means of insolvency proceedings other than preventive restructuring procedures. In Member States</p>	

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			<p>where Regulation (EU) 2015/848 of the European Parliament and of the Council¹ applies, the liquidation phase should be carried out by means of the insolvency proceedings that are included in Annex A other than preventive restructuring proceedings.</p> <p>¹ 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).</p>	
Recital 22a				
35a			<p>(22a) The pre-pack mechanism should be without prejudice to employees' rights under Union and national law, including the involvement of employees' representatives. Specifically, it should be governed by statutory or regulatory provisions and should be construed in a way where the transfer of all or part of an undertaking is prepared with the assistance of a monitor under the supervision of the court or competent authority, prior to the institution of formal insolvency proceedings that are instituted with a view to the liquidation of the assets of the</p>	

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			<p>debtor. While the primary aim of the pre-pack mechanism is to enable, in the interests of creditors, in the insolvency proceedings, a liquidation of the debtor's assets by the transfer of all or part of the undertaking as a going concern which satisfies to the greatest extent possible the claims of all the creditors, it can also serve employment preservation. Consequently, when it takes place in proceedings which could end in the liquidation of the debtor, the liquidation phase of the pre-pack mechanism in this Directive is an eligible procedure for the purposes of article 5(1) of Council Directive 2001/23/EC¹.</p> <p>¹ Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (OJ L 82, 22.3.2001, p. 16).</p>	
Recital 22a				
35b		<u>(22a) The introduction of pre-pack proceedings should not lead to restrictions in the scope of action of insolvency practitioners</u>		

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
		<u><i>in the context of regular insolvency proceedings. Such insolvency practitioners should continue to be authorised to seek a sale of the business.</i></u>		
Recital 22b				
35c			(22b) The pre-pack mechanism does not replace national substantive rules, in particular, on the ranking of creditors' claims, the distribution of proceeds, the participation of creditors or the remuneration of the monitor and insolvency practitioner. In the event that a court or competent authority does not authorise the sale of a business, or part thereof, as proposed by the monitor, insolvency proceedings should proceed in accordance with the applicable national insolvency law. The opening of the liquidation phase is subject to the requirements for the opening of insolvency proceedings under national law, such as the presence of a ground for the opening of proceedings.	
Recital 22c				
35d			(22c) The pre-pack mechanism	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			set out in this Directive should be applied to debtors that are legal persons. Member States may extend the application of the pre-pack mechanism to natural persons who are entrepreneurs.	
Recital 23				
36	(23) For the effective management of the pre-pack proceedings, the court before which such proceedings are brought should also have the power to decide on issues closely related to the pre-pack sale of the business or part thereof.	(23) For the effective management of the pre-pack proceedings, the court before which such proceedings are brought should also have the power to decide on issues closely related to the pre-pack sale of the business or part thereof.	<i>deleted</i>	
Recital 24				
37	(24) The pre-pack proceedings should ensure that the monitor appointed in the preparation phase might propose the best bid obtained during the sale process for authorisation by the court only if it declares that, in its view, piecemeal liquidation would not recover manifestly more value for creditors than the market price obtained for the business (or part thereof) as a going concern. The going-concern value is, as a rule, higher than the piecemeal liquidation value because it is based on the	(24) The pre-pack proceedings should ensure that the monitor appointed in the preparation phase might propose <u>submits for authorisation to the court or competent authority</u> the best bid obtained during the sale process for authorisation by the court only if it declares that, in its view, <u>preparation phase. It should be possible to require the monitor to assess and state whether the</u> piecemeal liquidation would not recover manifestly more value for creditors than the market price	(24) The pre-pack proceedings mechanism should ensure that the monitor appointed in best bid received during the preparation phase might propose the best bid obtained during the sale process is either submitted to the court or competent authority for authorisation, or to the creditors for approval. The monitor should assess and state whether the by the court only if it declares that, in its view, piecemeal liquidation would not recover manifestly more value for creditors	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>assumption that the business continues its activity with the minimum of disruption, has the confidence of financial creditors, shareholders and clients and continues to generate revenues. Therefore, the monitor's declaration should not require a valuation being made in every case. The monitor should only reasonably conclude that the sale price is not significantly lower than the proceeds that could be recovered through a piecemeal liquidation. However, an increased scrutiny should be required from the monitor or the insolvency practitioner in cases where the only existing offer is made by a party who is closely related to the debtor. In such situations, the monitor or the insolvency practitioner should reject the offer if it does not satisfy the best-interest-of-creditors test.</p>	<p>obtained for<u>through the sale of</u> the business (or part thereof) as a going concern. The going-concern value is, as a rule, higher than the piecemeal liquidation value because it is based on the assumption that the business continues its activity with the minimum of disruption, has the confidence of financial creditors, shareholders and clients and continues to generate revenues. Therefore, the monitor's declaration should not require a valuation being made in every case. <u>National law might require the monitor should only reasonably conclude that the sale to take into account elements other than price is not significantly lower than the proceeds that could be recovered through a piecemeal liquidation, including the public interest or ensuring the viability of a business.</u> However, an increased scrutiny should be required from the monitor or the insolvency practitioner in cases where the only existing offer is made by a party who is closely related to the debtor. In such situations, <u>a valuation should be required and</u> the monitor or the insolvency</p>	<p>than the market price obtained for<u>through the sale of</u> the business, (or part thereof), as a going concern. The going-concern value is, as a rule,<u>of a business may be reasonably expected to be</u> higher than theits piecemeal liquidation value because it is based on the assumption that the business continues<u>will continue</u> its activity with the minimum of disruption, has<u>maintain</u> the confidence of financial creditors, shareholders and clients and continues<u>continue</u> to generate revenuesrevenue. Therefore, the monitor's declaration should not require a valuation being made in every case. No undue burden is to be put on the monitor and the process and, in particular, a full-fledged valuation should only reasonably conclude that the sale price is not significantly lower than the proceeds that could be recovered through a piecemeal liquidationnot be required in the preparatory phase of the process, unless the prospective buyer is a party closely related to the debtor. National law may require the monitor to take into account elements other than price,</p>	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		practitioner should reject the offer if it does not satisfy the best-interest-of-creditors test.	including the public interest or ensuring the viability of a business. However, and requirement to impose increased scrutiny should be required from apply where the assessment of the monitor or the insolvency practitioner in cases involves a case where the only existing offer that is considered the best is made by a party who is closely related to the debtor. In such situations, Member States can require the monitor or the to justify that the bid identified as best offer does not put the creditors in a situation worse than that they would be under an alternative mechanism of addressing the debtor's insolvency. The monitor practitioner should reject the document the preparation of the sales process, so as to provide an appropriate basis for the authorization or approval of the best offer if it does not satisfy the best interest of creditors test.	
Recital 24a				
37a			(24a) Where it becomes evident in the course of the preparation phase that the objectives of the pre-pack cannot be achieved,	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			<p>Member States should be able to allow for the termination of the pre-pack proceedings. Such situations can occur where the debtor fails to cooperate with the monitor or to conduct the preparation phase with due diligence, or where there is no reasonable prospect of selling the business as a going concern. The latter could be the case, for example, where the books and records of the debtor are incomplete or deficient to a degree that makes it impossible to ascertain its business and financial situation. Furthermore, whenever it is required that the sale process conducted during the preparation phase is competitive, transparent, fair, and meets market standard, acts of the debtor that are not compliant with those requirements can be viewed as a failure to proceed with due diligence. Nevertheless, Member States may provide that, even if the debtor fails to cooperate with the monitor or to conduct the preparation phase with due diligence, where the continuation of the preparatory phase is in the</p>	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			general interest of the creditors, the court or competent authority may limit the debtor's rights to administer its business in accordance with applicable insolvency law, with a view to finalising the pre-pack mechanism.	
Recital 25				
38	(25) In order to guarantee that the business is sold at the best market value during the pre-pack proceedings, Member States should either ensure high standards of competitiveness, transparency and fairness of the sale process conducted in the preparation phase, or provide that the court runs a brief public auction after the opening of the liquidation phase of the proceedings.	(25) In order to guarantee that the business is sold at the best market value during the pre-pack proceedings, Member States should either ensure high standards of competitiveness, transparency and fairness of the sale process conducted in the preparation phase; or provide that. The court runs <u>should be able to decide to run</u> a brief public auction after the opening of the liquidation phase of the proceedings <u>if there are credible suspicions of abuse in the preparatory phase.</u>	(25) In order to guarantee that ensure that a business is sold at for the best market value during price through the pre-pack proceedings mechanism , Member States should either that the sale process in the preparation phase is conducted under high standards of competitiveness, transparency and fairness of the sale process conducted in the preparation phase, or. Alternatively, Member States may provide that the court runs a brief public auction, after the opening of the liquidation phase or the presentation of the proceedings recommended best bidder, a public auction is run to select the best bid or the bid recommended by the monitor is approved by the creditors. It is for Member States to decide	

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
			whether the approval of the creditors is given by the general meeting of creditors or creditors committee.	
Recital 25a				
38a			(25a) It is not precluded for the Member States to provide that a court or a competent authority that established that the sale process is not competitive, transparent, fair, and does not meet market standards can decide to proceed with a public auction, or piecemeal liquidation of debtor's assets in insolvency proceeding commenced within the pre-pack mechanism.	
Recital 25a				
38b		<u>(25a) In order to give full effect to the objective of insolvency proceedings, namely the collective realisation of claims against the debtor, it is necessary that all creditors holding claims against the insolvent debtor participate in the proceedings. By so participating, it should be possible for such claims to be duly recorded, examined and satisfied in accordance with the applicable insolvency framework.</u>		

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
Recital 25b				
38c			(25b) In insolvency systems that are based on the principle of creditor autonomy, Member States should be able to provide that it is for the general meeting of creditors or the creditors' committee to authorise the sale of the debtor's business or part thereof in accordance with national law.	
Recital 26				
39	(26) If a Member State opts to require high standards in the preparation phase, the monitor (subsequently to be appointed as insolvency practitioner in the liquidation phase) should be responsible for ensuring that the sale process is competitive, transparent, fair and meets market standards. Complying with market standards in this context should require that the process is compatible with the standard rules and practice on mergers and acquisitions in the Member State concerned, which includes an invitation to potentially interested parties to participate in the sale process, disclosing the same information to potential buyers,	(26) If a Member State opts to require high standards In the preparation phase, the monitor (subsequently to be appointed as insolvency practitioner in the liquidation phase, <u>unless the monitor resigns or is unable to perform the required functions</u>) should be responsible for ensuring that the sale process is competitive, transparent, fair and meets market standards. Complying with market standards in this context should require that the process is compatible with the standard rules and practice on mergers and acquisitions in the Member State concerned, which includes an invitation to potentially interested parties to participate in the sale	(26) If a Member State opts to require high standards in the preparation phase, the monitor, or, where and to the extent that Member States so decide, the debtor-in-possession, (subsequently to be appointed as insolvency practitioner in the liquidation phase) should be responsible for ensuring that the sale process is competitive, transparent, fair and meets market standards. Complying with market standards in this context should require that the process is compatible with the standard rules and practice on mergers and acquisitions in the Member State concerned, which includes include an invitation to potentially	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	enabling the exercise of due diligence by interested acquirers, and obtaining the offers from the interested parties through a structured process.	process, disclosing the same information to potential buyers, enabling the exercise of due diligence by interested acquirers, and obtaining the offers from the interested parties through a structured process.	interested parties to participate in the sale process, disclosing the same information to potential buyers, enabling the exercise of due diligence by interested acquirers, and obtaining the offers from the interested parties through a structured process.	
Recital 27				
40	(27) If a Member State opts to provide that the court runs a public auction after the opening of the liquidation phase, the offer selected by the monitor during the preparation phase should be used as an initial bid ('stalking horse bid') during the auction. The debtor should be able to offer incentives to the 'stalking horse bidder' by agreeing, in particular, to expense reimbursements or break-up fees in the case a better offer is selected through the public auction. Member States should, nevertheless, ensure that such incentives given by the debtors to the 'stalking horse bidders' during the preparation phase are commensurate and do not deter other potentially interested bidders from participating in the public auction in the liquidation phase.	(27) If a Member State opts to provide that the court <u>or the administrative authority</u> runs a public auction after the opening of the liquidation phase, the offer selected by the monitor during the preparation phase should be used as an initial bid ('stalking horse bid') during the auction. The debtor should be able to offer incentives to the 'stalking horse bidder' by agreeing, in particular, to expense reimbursements or break-up fees in the case a better offer is selected through the public auction. Member States should, nevertheless, ensure that such incentives given by the debtors to the 'stalking horse bidders' during the preparation phase are commensurate and do not deter other potentially interested bidders from participating in the public	(27) If a Member State opts to provide that the court runs require that a public auction is run prior to or after the opening of the liquidation phase, the offer selected by the monitor during the preparation phase should be used as an initial bid ('stalking horse bid') during for the purposes of the auction. The debtor should be able to offer incentives to the 'stalking horse bidder' by agreeing, in particular, to expense reimbursements or break-up fees in the case a better offer is selected through the public auction. Member States should, nevertheless, ensure that such incentives given by the debtors to the 'stalking horse bidders' during the preparation phase are commensurate and do not deter other potentially interested bidders	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		auction in the liquidation phase.	from participating in the public auction in the liquidation phase.	
Recital 27a				
40a		<u><i>(27a) Monitors should take their actions in writing and should make them available, in digital format and in a timely manner, only to the parties involved in the preparation phase in order to secure the necessary confidentiality of all information obtained in connection with the preparation phase.</i></u>		
Recital 28				
41	(28) The opening of insolvency proceedings should not result in the early termination of contracts under which the parties still have obligations to perform (executory contracts), which are necessary for the continuation of business operations. Such termination would unduly jeopardise the value of the business, or part thereof, to be sold in the pre-pack proceedings. It should, therefore, be ensured that those contracts are assigned to the acquirer of the business of the debtor or part thereof, even without the consent of the counterparty of the debtor to those contracts.	(28) The opening of insolvency proceedings should not result in the early termination of contracts under which the parties still have obligations to perform (executory contracts), which are necessary for the continuation of business operations. Such termination would unduly jeopardise the value of the business, or part thereof, to be sold in the pre-pack proceedings. It should, therefore, be ensured that those contracts are assigned to the acquirer of the business of the debtor or part thereof, even without the consent of the counterparty of the debtor to those contracts.	(28) To prevent a business from depreciating its value merely because it is subject to insolvency proceedings, it is important to ensure that operational counterparties, such as suppliers or customers of the debtor concerned, are taken over by the acquirer and not affected by insolvency proceedings. Therefore, the opening of insolvency proceedings should not result in the early termination of contracts under which the parties still have to perform certain obligations to perform (executory contracts), and which are necessary	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>Nonetheless, there are situations where the assignment of the executory contracts cannot be reasonably expected, such as when the acquirer is a competitor of the counterparty of the contract. Similarly, the court may come to the conclusion in an individual assessment of an executory contract that its termination would serve the interests of the business of the debtor better than its assignment, such as when the assignment of the contract would result in a disproportionate burden for the business. The court should not be allowed, however, to terminate executory contracts relating to licenses of intellectual and industrial property rights, as they are usually key components of the operations of the business being sold.</p>	<p><u>unless the court considers that consent is necessary to protect the interests of the debtor's counterparties.</u> Nonetheless, there are situations where the assignment of the executory contracts cannot be reasonably expected <u>allowed</u>, such as when the acquirer is a competitor of the counterparty of the contract. Similarly, the court may come to the conclusion in an individual assessment of an executory contract that its termination would serve the interests of the business of the debtor better than its assignment, such as when the assignment of the contract would result in a disproportionate burden for the business. The court should not be allowed, however, to terminate executory contracts relating to licenses of intellectual and industrial property rights, as <u>well as for credit or financial services contracts, as</u> they are usually key components of the operations of the business being sold.</p>	<p>for the continuation of business operations. Such termination would unduly jeopardise the value of the business, or part thereof, to be sold in <u>through</u> the pre-pack proceedings <u>mechanism</u>. It should, therefore, be ensured that those <u>such</u> contracts are assigned to the acquirer of the business of the debtor, or part thereof, even without the consent of the counterparty of the debtor to those <u>contracts</u>. Nonetheless <u>them</u>. Nevertheless, there are can be situations wherein which the assignment of the executory certain obligations under such contracts cannot be reasonably expected. Therefore, Member States should be able to provide that the consent, such as when the acquirer is a competitor of the debtor's counterparty of the contract. Similarly, the court may come to the conclusion in an individual assessment of an executory or counterparties is required for the assignment of contractual obligations, depending on the type of contract that its termination would serve the, quality of the parties, or interests of the business of the debtor better than its</p>	

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
						<p>assignment, such as when the assignment concerned. Member States should be able to require the consent of the contract would result in a disproportionate burden for the business. The court should not be allowed, however, licensee to terminate executory contracts relating to licenses of intellectual and industrial property rights, as they are usually key components of which the debtor is the licensor, as the protection of these rights in the case the operations of the business being sold insolvency of the licensor endorses investing in the development of such rights.</p>		
Recital 28a								
						<p>(28a) Member States should also be able to introduce an additional safeguard for the protection of the counterparty's legitimate interests by granting the right to the counterparty to terminate the assigned contract upon a notice period of three months.</p>		
Recital 28b								
						<p>(28b) The provisions of this Directive on the automatic assignment of contracts to the</p>		

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
						<p>acquirer are without prejudice to the right of the counterparty to terminate the contract in accordance with its applicable terms, or the right of the counterparty to resort to the measures granted by the applicable contract law that aim at ensuring a compliant performance of the obligation of the debtor for cases of non or faulty performance, such as the counterparty's right to require a deposit or security interests or the right of retention of performance before or after the assignment.</p>		
Recital 28c								
41c						<p>(28c) In order to increase the attractiveness of asset deals for potential buyers and, thereby, to achieve higher prices in going-concern sales, Member States should ensure that purchasers acquire businesses free and clear of debts and liabilities. Therefore, creditors' claims should be satisfied from the proceeds of sale and not asserted directly against the purchaser of a business. However, obligations arising from executory contracts</p>		

	<small>CLEAN</small> Commission Proposal	<small>VSE.C</small> EP Mandate	<small>VSE.C</small> Council Mandate	<small>VSE.C</small> Draft Agreement
			<p>or employment relations, for example any occupational benefit entitlements, which are transferred to the buyer remain with the acquirer. Additionally, Member States should be able to introduce or maintain rules providing that the conduct of the debtor is taken into account in the assessment of the acquirer's liability for damages, if that conduct is imputable to the acquirer under the applicable insolvency law. Such rules may apply to damages covered by environmental law or damages connected to the ownership or control of certain assets.</p>	
Recital 28d				
41d			<p>(28d) The release of security interests or other encumbrances over assets belonging to the debtor's business should be governed by national law. Where the law in a Member State requires the express consent of the holder of the security interests for the release of such interest, that Member States should be able to provide for a derogation from that requirement, provided that a</p>	

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
						holder of secured claims does not object to that release.		
Recital 28e								
41e						(28e) The best offer should not be disqualified from the preparation phase solely on the basis that it comes from a closely related party to a debtor. Closely related parties to the debtor should, therefore, be allowed to make a bid and, where their bid is successful, to benefit from the “free and clear” acquisition of the business concerned. The eligibility of closely related parties to bid should, nevertheless, be balanced with enhanced scrutiny of the bidding process. Providing equal opportunities for other bidders, particularly in relation to access to information and ensuring information symmetry, facilitates a quick and efficient pre-pack mechanism and allows other bidders to prepare their bids.		
Recital 28f								
41f						(28f) Where the offer made by a party closely related to the debtor is considered as the best offer, Member States should be		

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			able to introduce additional safeguards for the authorisation and execution of the sale of the debtor's business or part thereof. Such safeguards can include, for example, the obligation for the acquirer to ensure business continuity for a minimum period of time, or the maintenance of pending employment contracts.	
Recital 29				
42	(29) The possibility to enforce pre-emption rights in the course of the sale process would distort competition in the pre-pack proceedings. Potential bidders might abstain from bidding because of rights that would discard their offers at the holder's discretion, irrespective of the time and resources invested and the economic value of the offer. In order to ensure that the winning offer reflects the best available price on the market, pre-emption rights should not be conceded to bidders, nor should such rights be enforced in the course of the bidding process. Holders of pre-emption rights that were granted prior to the commencement of the pre-pack proceedings, instead of	(29) The possibility to enforce pre-emption rights in the course of the sale process would distort competition in the pre-pack proceedings. <u>That consideration cannot prevent a court from reserving a right of pre-emption for an undertaking participating in an essential strategic interest.</u> Potential bidders might abstain from bidding because of rights that would discard their offers at the holder's discretion, irrespective of the time and resources invested and the economic value of the offer. In order to ensure that the winning offer reflects the best available price on the market, pre-emption rights should not be conceded to bidders, nor should such rights be enforced in the course of the	(29) The possibility to enforce enforcing pre-emption rights in the course of the a sale process would distort competition in the pre-pack proceedings mechanism . Potential bidders might abstain from bidding because of where rights that would discard holders could, at their offers at the holder's discretion, discard those bids , irrespective of the time and resources invested and the economic value of the offer offers concerned . In order to ensure that the winning offer reflects offers reflect the best available price prices on the market, pre-emption rights should not be conceded to bidders, nor should such rights be enforced in the course of the bidding	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	invoking their option, should be invited to participate in the bidding.	bidding process. Holders of pre-emption rights that were granted prior to the commencement of the pre-pack proceedings, instead of invoking their option, should be invited to participate in the bidding.	process liquidation phase . Holders of pre-emption rights that were granted prior to the commencement of the pre-pack proceedings mechanism should , instead of invoking their option, should be invited to participate in the bidding. Nevertheless, Member States should be able to enforce statutory pre-emption rights.	
Recital 30				
43	(30) Member States should allow secured creditors to participate in the bidding process in the pre-pack proceedings by offering the amount of their secured claims as consideration for the purchase of the assets over which they hold a security (credit bidding). Credit bidding should not, however, be used in a way that provides secured creditors with an undue advantage in the bidding process, such as when the amount of their secured claim against the debtor's assets is above the market value of the business.	(30) Member States should allow secured creditors to participate in the bidding process in the pre-pack proceedings by offering the amount of their secured claims as consideration for the purchase of the assets over which they hold a security (credit bidding). Credit bidding should not, however, be used in a way that provides secured creditors with an undue advantage in the bidding process, such as when the amount of their secured claim against the debtor's assets is above the market value of the business.	(30) Member States should allow secured creditors to participate in the bidding process in the pre-pack proceedings mechanism by offering the amount of their secured claims as consideration for the purchase of the assets over which they hold a security (credit bidding). Credit bidding should not, however, be used in such a way that provides as to provide secured creditors with an undue advantage in the bidding process, such as when where the amount of their secured claim against the that debtor's business . As such, a secured creditor should not be able to bid the	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			<p>whole amount of a claim against the debtor's business that is worth less than the amount of that claim, thereby deterring potential competitors from participating in the bidding process. Therefore, this Directive should restrict the amount that a creditor can bid in cases where there are undersecured or undercollateralised claims. In such cases, a secured creditor should only be allowed to bid an amount that is to be offset against the purchase price, without exceeding the market value of the business. The restriction on a creditor's ability to bid the value of a secured claim does not mean that that claim loses its security interest in respect of the portion of the claim that cannot be used in the bidding process.</p>	
Recital 31				
44	<p>(31) This Directive should be without prejudice to the application of Union competition law, especially Council Regulation (EC) No 139/2004¹ nor should it prevent Member States from enforcing national merger control systems.</p>	<p>(31) This Directive should be without prejudice to the application of Union competition law, especially Council Regulation (EC) No 139/2004¹ nor should it prevent Member States from enforcing national merger control systems.</p>	<p>(31) This Directive should be without prejudice to the application of Union competition law, especially Council Regulation (EC) No 139/2004¹ nor should it prevent Member States from enforcing national merger control systems.</p>	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>When selecting the best offer, the monitor should be allowed to take into account the regulatory risks raised by offers requiring the authorisation of competition authorities and may consult with those authorities if allowed under applicable rules. It should remain the responsibility of the bidders to provide all necessary information to assess those risks and to engage in timely manner with competent competition authorities in order to mitigate those risks. In order to increase the likelihood that procedures are successful, in presence of an offer that raises such risks, the monitor should be required to perform its role in a way that facilitates the presentation of alternative bids.</p> <p>1. Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings (the EC Merger Regulation) (OJ L 024 29.01.2004, p. 1)</p>	<p>When selecting the best offer, the monitor should be allowed to take into account the regulatory risks raised by offers requiring the authorisation of competition authorities and may consult with those authorities if allowed under applicable rules. It should remain the responsibility of the bidders to provide all necessary information to assess those risks and to engage in timely manner with competent competition authorities in order to mitigate those risks. In order to increase the likelihood that procedures are successful, in presence of an offer that raises such risks, the monitor should be required to perform its role in a way that facilitates the presentation of alternative bids.</p> <p>1. Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings (the EC Merger Regulation) (OJ L 024 29.01.2004, p. 1)</p>	<p>When selecting the best offer, the monitor should be allowed to take into account the regulatory risks raised by offers requiring the authorisation of competition authorities and may consult with those authorities if allowed under applicable rules. The disclosure of information by the competition authority should not be contrary to national rules on the protection of business secrets. It should remain the responsibility of the bidders to provide all necessary information to assess those risks and to engage in timely manner with competent competition authorities in order to mitigate those risks. In order to increase the likelihood that procedures are successful, in presence of an offer that raises such risks, the monitor or the debtor should be required to perform itstheir role in a way that facilitates the presentation of alternative bids.</p> <p>1. Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings (the EC Merger Regulation) (OJ L 024 29.01.2004, p. 1)</p>	
Recital 32				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
45	<p>(32) Directors oversee the management of the affairs of a legal entity and have the best overview of its financial situation. Directors are therefore among the first to realise whether a legal entity is approaching or surpassing the brink of insolvency. A late filing for insolvency by directors may lead to lower recovery values for creditors Member States should therefore introduce an obligation on directors to submit a request for the opening of insolvency proceedings within a specified time-period. Member States should also define to whom the directors' duties should apply taking into account that the notion of "director" should be interpreted broadly, to cover all persons who are in charge of making or do in fact make or ought to make key decisions with respect to the management of a legal entity.</p>	<p>(32) Directors oversee the management of the affairs of a legal entity and have the best overview of its financial situation. Directors are therefore among the first to realise whether a legal entity is approaching or surpassing the brink of insolvency <u>insolvent</u>. A late filing for insolvency by directors may lead to lower recovery values for creditors Member States should therefore introduce an obligation on directors to submit a request for the opening of insolvency proceedings within a specified time-period. Member States should also define to whom the directors' duties should apply taking into account that the notion of "director" should be interpreted broadly, to cover all persons who are in charge of making or do in fact make or ought to make key decisions with respect to the <u>management of a legal entity</u>.</p>	<p>(32) Directors oversee the management of the affairs of a legal entity <u>company</u> and have the best overview of its financial situation. Directors are therefore among the first to realise whether a legal entity <u>company</u> is approaching or surpassing the brink of insolvency <u>or is insolvent</u>. A late filing for insolvency by directors may lead to lower recovery values for creditors. Member States should therefore introduce an obligation on directors to submit a request for the opening of insolvency proceedings within a specified time-period <u>period</u>. In the context of this duty Member States may define insolvency in a way that differs from the trigger for the opening of insolvency proceedings. Where a Member State has more than one insolvency threshold, it is for that Member State to determine which of those thresholds triggers the duty to submit a request for the opening of the insolvency proceedings. . For the purposes of this Directive, Member States should also define <u>provide for the persons to whom the duties of directors</u>²</p>	<p>(32) Directors oversee the management of the affairs of a legal entity <u>company</u> and have the best overview of its financial situation. Directors are therefore among the first to realise whether a legal entity is approaching or surpassing the brink of insolvency <u>company is insolvent</u>. A late filing for insolvency by directors may lead to lower recovery values for creditors. Member States should therefore introduce an obligation on directors to submit a request for the opening of insolvency proceedings within a specified time-period <u>period</u>. <u>In the context of this duty Member States may define insolvency in a way that differs from the trigger for the opening of insolvency proceedings. Where a Member State has more than one insolvency threshold, it is for that Member State to determine which of those thresholds triggers the duty to submit a request for the opening of the insolvency proceedings. For the purposes of this Directive, Member States should also define to whom the directors' duties should apply taking into account that the notion</u></p>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			duties should apply, taking into account the variety of responsibilities that certain that the notion of “director” should be interpreted broadly, to cover all persons who are in charge of making or do in fact make or ought to make key decisions or bodies may have with respect to decisions relating to the management of a legal entity the company.	of “director” should be interpreted broadly, to cover all <u>taking into account the variety of responsibilities that certain</u> persons who are in charge of making or do in fact make or ought to make key decisions <u>or bodies may have</u> with respect <u>to decisions relating</u> to the management of a legal entity <u>the company</u> .
Recital 32a				
45a			(32a) Member States should set a deadline for the duty to submit a request for the opening of insolvency proceedings that is no longer than three months of the directors having become aware, or being reasonably expected to have become aware that the company is insolvent. If the company regains its solvency before that deadline, Member States should be able to provide that a new period starts if the company becomes insolvent again thereafter.	<u>(32a) Member States should set a deadline for the duty to submit a request for the opening of insolvency proceedings that is no longer than three months of the directors having become aware, or being reasonably expected to have become aware that the company is insolvent. If the company regains its solvency before that deadline, Member States should be able to provide that a new period starts if the company becomes insolvent again thereafter.</u> Text Origin: Council Mandate
Recital 32a				
45b		<u>(32a) Member States should set</u>		


	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
				<u><i>a deadline for the duty to submit a request for the opening of insolvency proceedings. That deadline should be no later than three months from the date on which the directors became aware that the company was insolvent. If the company regains its solvency before that deadline, Member States should be able to provide that a new period starts if the company becomes insolvent again thereafter.</i></u>				<i>deleted</i>
<i>Recital 32b</i>								
45c				(32b) It is essential that when a company becomes insolvent, the protection of the general body of creditors is the primary responsibility of the directors. As such protection may be achieved in different ways, Member States should be able to provide that the duty to submit a request for the opening of insolvency proceedings can be discharged by informing the public of the company's insolvency through a notification in a public register in order to ensure that the creditors are able to apply for insolvency proceedings. Furthermore, Member States should also be				<u><i>(32c) When a company becomes insolvent, the protection of the general body of creditors may be achieved in different ways. Therefore, Member States should be able to provide that the duty to submit a request for the opening of insolvency proceedings can be discharged by informing the public of the company's insolvency through a notification in a public register in order to ensure that the creditors are able to apply for insolvency proceedings. Furthermore, Member States should also be able to suspend the duty of directors to submit a request for the opening</i></u>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			able to suspend the duty of directors to submit a request for the opening of insolvency proceedings, if they take measures with a view to protecting the interests of the general body of creditors of the insolvent company, provided that such measures ensure a level of protection to the general body of creditors which is equivalent to that provided by the duty to submit a request for the opening of insolvency proceedings. Those measures can include, for example initiating measures by the company's owners to restore solvency.	<u>of insolvency proceedings, if they take measures with a view to protecting the interests of the general body of creditors of the insolvent company, provided that such measures ensure a level of protection to the general body of creditors which is equivalent to that provided by the duty to submit a request for the opening of insolvency proceedings. Those measures can include, for example initiating measures by the company's owners to restore solvency.</u>
Recital 33				
46	(33) To ensure that directors do not act in their self-interest by delaying the submission of a request for the opening of insolvency proceedings, despite signs of insolvency, Member States should lay down provisions making directors civilly liable for a breach of the duty to submit such a request. In that case directors should compensate creditors for the damages resulting from the deterioration in the recovery value	(33) To ensure that directors do not act in their self-interest by delaying the submission of a request for the opening of insolvency proceedings, despite signs of insolvency, Member States should lay down provisions making directors civilly liable for a breach of the duty to submit such a request. In that case directors should compensate creditors for the damages resulting from the deterioration in the recovery value	(33) To ensure that directors do not act in their self-interest against the interests of creditors by delaying the submission of a request for the opening of insolvency proceedings, despite signs of insolvency, Member States should lay down provisions making directors civilly liable for a breach of the duty to submit such a request. In that case, directors should compensate creditors for the any damage resulting	(33) To ensure that directors do not act in their self-interest <u>against the interests of creditors</u> by delaying the submission of a request for the opening of insolvency proceedings, despite signs of insolvency, Member States should lay down provisions making directors civilly liable for a breach of the duty to submit such a request. In that case, directors should compensate creditors for the <u>any damage</u> resulting

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	<p>of the legal entity compared to the situation where the request would have been submitted on time. Member States should be able to adopt or maintain national rules on civil liability of directors related to the filing for insolvency that are stricter than those laid down by this Directive.</p>	<p>of the legal entity compared to the situation where the request would have been submitted on time. Member States should be able to adopt or maintain national rules on civil liability of directors related to the filing for insolvency that are stricter than those laid down by this Directive. <u>In some cases, the signs of insolvency can be circumstantial and temporary and skilled directors should be given the opportunity to explore restructuring measures that could reasonably lead to the same outcome for creditors. Therefore, Member States should be permitted to provide for a derogation from the obligation to commence insolvency procedures while ensuring that the rights of the creditors are equally protected. Where there is no duty to request the opening of insolvency proceedings, Member States should be able to take other, equivalent measures, such as making directors personally liable.</u></p>	<p>from the deterioration in the recovery value of the legal entity company compared to the situation where the request would have been submitted on time. Unless this Directive provides for specific rules, all other aspects of civil liability, such as the calculation of damages or the burden of proof, should be governed by national law. Member States should also be able to adopt or maintain national rules on civil liability of directors related to the filing for insolvency that are stricter than those laid down by this Directive.</p>	<p>from the deterioration in the recovery value of the legal entity company compared to the situation where the request would have been submitted on time. <u>Unless this Directive provides for specific rules, all other aspects of civil liability, such as the calculation of damages or the burden of proof, should be governed by national law.</u> Member States should also be able to adopt or maintain national rules on civil liability of directors related to the filing for insolvency that are stricter than those laid down by this Directive.</p> <p>EP would like to still discuss the text in brackets</p>
	Recital 33a			
6	46a		(33a) Where Member States allow directors to take measures to protect the interests of the	<u>(33a) Where Member States allow directors to take measures to protect the interests of the general</u>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			<p>general body of creditors, other than complying with the duty to submit a request for the opening of insolvency proceedings, they should also lay down provisions that ensure that directors are liable for any damage caused to the creditors resulting from the deterioration in the recovery value of the company compared to the situation where a request for the opening of insolvency proceedings would have been submitted. In such a case, creditors should be put in a position as they would be, if the request to open insolvency proceedings would have been submitted by the directors within the deadline set by the Member States. It should be possible for Member States to provide that directors be relieved of such liability, if and to the extent that those directors are able to demonstrate, on the basis of objective circumstances and of information ascertainable at the time of the respective measures, that the measures taken gave rise to a reasonable expectation that damage to creditors would thereby be avoided and that a</p>	<p><u>body of creditors, other than by complying with the duty to submit a request for the opening of insolvency proceedings, they should also lay down provisions that ensure that directors are liable for any damage caused to the creditors resulting from the deterioration in the recovery value of the company compared to the situation where a request for the opening of insolvency proceedings would have been submitted. In such a case, creditors should be put in a position as they would be, if the request to open insolvency proceedings would have been submitted by the directors within the deadline set by the Member States. It should be possible for Member States to provide that directors be relieved of such liability, if and to the extent that those directors are able to demonstrate, on the basis of objective circumstances and of information ascertainable at the time of the respective measures, that such measures were reasonably likely to secure an equivalent or better outcome for creditors than that provided by the duty to submit a request for the</u></p>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			level of protection of the general body of creditors equivalent to the protection provided by the duty to file for insolvency proceedings, would thereby be ensured. In such situations, national law on the discharge of the burden of proof should apply.	<u>opening of insolvency proceedings. In such situations, national law on the discharge of the burden of proof should apply.</u>
Recital 33a				
46b		<u>(33a) In order to promote an efficient and inclusive insolvency framework that supports entrepreneurship and economic renewal, Member States should be able to maintain or introduce simplified winding-up proceedings for microenterprises, while upholding the high standards of transparency and fairness provided for in this Directive and under other relevant instruments. Given the limited resources typically available to such businesses, it is essential that the Member States ensure that those proceedings are accessible even in cases where the debtor has no assets or where the available assets are insufficient to cover the procedural costs or the cost for the involvement of an insolvency</u>		

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		<p><u>practitioner. Such an approach would help avoid situations where honest but insolvent entrepreneurs are trapped in inactivity due to inaccessible formal procedures, thereby enabling a fresh start and contributing to a fairer and more resilient internal market.</u></p>		
Recital 34				
47	<p>(34) Microenterprises often take the form of sole proprietorships or small partnerships whose founders, owners or members do not enjoy limited liability protection and thus are exposed to unlimited liability for business debts. Where microenterprises operate as limited liability entities, limited liability protection is usually illusory for microenterprises owners because they are often expected to secure microenterprises business debts using their personal assets as collateral. Moreover, since microenterprises heavily depend on payments from their clients they often face cash-flow problems and higher default risks that follow from the loss of a significant business partner or from late payments by their clients. In</p>	<p><i>deleted</i></p>	<p><i>deleted</i></p>	<p><i>deleted</i></p>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	addition, microenterprises also face scarcity of working capital, higher interest rates and larger collateral requirements, which make raising finance, especially in situations of financial distress, difficult, if not impossible. As a consequence, they may be prone to insolvency more often than larger enterprises.			
<i>Recital 35</i>				
48	(35) National insolvency rules are not always fit to treat insolvent microenterprises properly and in a proportionate manner. Taking into account the unique characteristics of microenterprises and their specific needs in financial distress, in particular the need for faster, simpler, and affordable procedures should be acknowledged, separate insolvency proceedings should be developed at national level in accordance with the provisions of this Directive. Although the provisions of this Directive concerning simplified winding-up proceedings only apply to microenterprises, it should be possible for Member States to extend their application also to small and medium-sized enterprises that are not	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

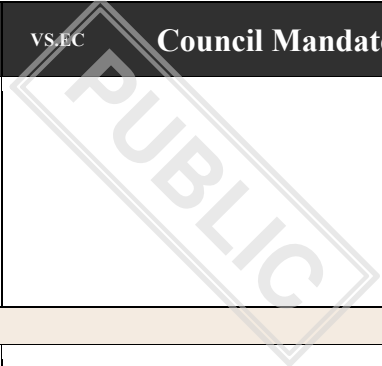
	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	microenterprises.			
<i>Recital 36</i>				
49	(36) It is appropriate to ensure that the conduct and oversight of simplified winding-up proceedings may be entrusted by Member States to a competent authority which is either a court or an administrative body. The choice would depend, among other things, on the administrative and legal systems of the Member States as well as the capacities of courts and the need to ensure cost-efficiency and speed of proceedings.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Recital 37</i>				
50	(37) The cessation of payments test and the balance sheet test are the two usual triggers among Member States for opening of standard insolvency proceedings. The balance sheet test may however be unfeasible for microenterprise debtors, particularly where the debtor is an individual entrepreneur, because of a possible lack of proper record and of a clear distinction between personal assets and liabilities and business assets and liabilities. Therefore, the inability to pay	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	debts as they mature should be the criterion for the opening of simplified winding-up proceedings. Member States should also define the specific conditions under which this criterion is met, as long as these conditions are clear, simple and easily ascertainable by the microenterprise concerned.		PUBLIC	
<i>Recital 38</i>				
51	(38) In order to establish cost-effective and expeditious simplified winding-up proceedings for microenterprises, short deadlines should be introduced. Similarly, formalities for all procedural steps, including for the opening of the proceedings, the lodgement and the admission of claims, the establishment of the insolvency estate and the realisation of the assets should be minimised. A standard form should be used for submitting a request to open simplified winding-up proceedings and electronic means should be used for all communications between the competent authority, and where relevant, the insolvency practitioner, and the parties to the proceedings.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
<i>Recital 39</i>				
52	(39) All microenterprises should be able to commence proceedings to address their financial difficulties and obtain a discharge. Access to simplified winding-up proceedings should not depend on the microenterprise's ability to cover the administrative costs of such proceedings. The laws of the Member States should introduce rules for covering the costs of administering simplified winding-up proceedings where assets and sources of revenue of the debtor are insufficient to cover those costs.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Recital 40</i>				
53	(40) In simplified winding-up proceedings, the appointment of an insolvency practitioner is usually unnecessary given the simple business operations carried out by the microenterprises that make their supervision by the competent authority possible and sufficient. Therefore, the debtor should remain in control of its assets and day-to-day operation of the business. At the same time, to ensure that simplified winding-up proceedings can be conducted	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>



	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	effectively and efficiently, the debtor should, upon commencement of and throughout the proceedings, provide accurate, reliable and complete information relating to its financial position and business affairs.			
<i>Recital 41</i>				
54	(41) A microenterprise debtor should be able to benefit from a temporary stay of individual enforcement actions, in order to be able to preserve the value of the insolvency estate and ensure a fair and orderly conduct of the proceedings. Member States, however, may allow competent authorities to exclude certain claims from the scope of the stay, in well-defined circumstances.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Recital 42</i>				
55	(42) Disputed claims should be dealt with in a way that does not unnecessarily complicate the conduct of simplified winding-up proceedings for microenterprises. If disputed claims cannot be quickly dealt with, the ability to dispute a claim may be used to create unnecessary delays. In deciding on the treatment of a	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>



	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	disputed claim, the competent authority should be empowered to allow the continuation of the simplified winding-up proceedings with respect to undisputed claims only.			
<i>Recital 43</i>				
56	(43) In the context of simplified winding-up proceedings, avoidance actions should only be brought by a creditor or, where appointed, by the insolvency practitioner. In taking the decision to convert the simplified winding-up proceedings to standard insolvency proceedings for the purpose of the conduct of avoidance proceedings, the competent authority should weigh various considerations, including the anticipated cost, duration and complexity of avoidance proceedings, the likelihood of the successful recovery of assets and expected benefits to all creditors.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Recital 44</i>				
57	(44) Member States should ensure that the assets of the insolvency estate in simplified winding-up proceedings can be realised through public on-line judicial auction, if the competent	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	authority considers this means of realisation of assets as appropriate. For this reason, Member States should ensure that one or more electronic auction systems are maintained in their territory for that purposes. This obligation should be without prejudice to the multiple platforms that exist in some Member States for on-line judicial auctions of specific types of assets.			
<i>Recital 45</i>				
58	(45) The auction systems operated for the purposes of realising the assets of debtors in simplified winding-up proceedings should be interconnected via the European e-Justice Portal. The e-Justice Portal should serve as a central electronic access point to the on-line judicial auction processes run in the national system or systems, provide a search functionality for users and guide them to the relevant national on-line platforms if they intend to participate in the bidding. When determining the technical specifications of that interconnection system by way of implementing act, the Commission should, in accordance with the	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>Commission's "Dual Pillar Approach"¹, present the result of the analysis of existing solutions already provided by the Commission with the potential for their reuse or should carry out a market screening for potential off-the shelf commercial solutions to use as such or with little customisation.</p> <p>¹ For digital solutions, the dual pillar approach is about reusing existing solutions, including corporate building blocks, before considering ready-made market solutions. Customised development is the last option. See European Commission digital strategy Next generation digital Commission, C(2022) 4388 final, p. 13.</p>			
<i>Recital 46</i>				
59	<p>(46) In the case of insolvency of an unlimited liability microenterprise debtor, individuals who are personally liable for the debtor's debts should not be personally liable for unsatisfied claims following liquidation of the insolvency estate of the debtor. Therefore, Member States should ensure that in simplified winding-up proceedings entrepreneur debtors, as well as those founders,</p>	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	owners or members of an unlimited liability microenterprise debtor who are personally liable for the debts of the microenterprise subject to simplified winding-up proceedings, are fully discharged from their debts. For the purpose of granting such discharge, Member States should apply Title III of Directive (EU) 2019/1023 mutatis mutandis.			
<i>Recital 47</i>				
60	(47) It is important to ensure a fair balance between the interests of the debtor and creditors in insolvency proceedings. Creditors' committees allow for better involvement of creditors in insolvency proceedings, in particular when creditors would otherwise be inhibited from doing so individually, due to limited resources, economic significance of their claims or the lack of geographic proximity. Creditors' committees can especially help cross-border creditors better exercise their rights and ensure their fair treatment. Member States should allow the establishment of a creditors' committee once proceedings are opened. A	(47) <u>In order to protect creditors, this Directive strengthens the provisions concerning creditors' committees, ensuring fair representation of all categories of creditors, including cross-border creditors, and increased transparency in the decision-making process.</u> It is important to ensure a fair balance between the interests of the debtor and creditors in insolvency proceedings. Creditors' committees allow for better involvement of creditors in insolvency proceedings, in particular when creditors would otherwise be inhibited from doing so individually, due to limited resources, economic significance	(47) It is important to ensure a fair balance between the that creditors are appropriately involved in the process, such that creditors' interests of the debtor and creditors in insolvency proceedings can be adequately considered. Creditors' committees allow for better involvement of creditors in insolvency proceedings, in particular when creditors would otherwise be inhibited from doing so individually, due to limited resources, economic significance of their claims or the lack of geographic proximity. Creditors' committees can especially help cross-border creditors better exercise their rights and ensure	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>creditors' committee should be established only provided that creditors agree. Member States may also allow to establish it before proceedings are opened and after the filing for insolvency. In this case, however, Member States should provide that creditors agree to its continuation and composition at the general meeting. If creditors disagree with the composition, they may also establish a new creditors' committee.</p>	<p>of their claims or the lack of geographic proximity. Creditors' committees can especially help cross-border creditors better exercise their rights and ensure their fair treatment. Member States should allow the establishment of a creditors' committee once proceedings are opened. A creditors' committee should be established only provided that creditors agree. Member States may also allow to establish it before proceedings are opened and after the filing for insolvency. In this case, however, Member States should provide that creditors agree to its continuation and composition at the general meeting. <i>If creditors disagree with the composition, they may also establish a new creditors' committee.</i></p>	<p>their fair treatment. Member States should allow the establishment of a creditors' committee once insolvency proceedings are opened. Member States should also be able to provide that a creditors' committee is established before insolvency proceedings are opened. Member States are not prevented from extending the application of those provisions to preventive restructuring proceedings. A creditors' committee should be established only provided that whenever the general meeting of creditors agrees or decides or requests or, where national law does not provide for a general meeting of creditors, if creditors so request in accordance with national law. Member States may also allow to decide that the courts, insolvency practitioners or competent authorities can establish it before proceedings are opened and after the filing for insolvency. In this case, however, Member States should provide that creditors agree to its continuation and composition at the general meeting. If creditors disagree with the composition, they may also</p>	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			establish a new the creditors' committee on their own motion or upon request of one or more creditors, the insolvency practitioner or the debtor.	
Recital 48				
61	(48) The cost of setting up and operating a creditors' committee should be commensurate to the value it generates. The establishment of the creditors' committee should not be justified in those instances where the cost of its set-up and operations is significantly higher than the economic relevance of the decisions it may take. This may be the case where there are too few creditors, where the large majority of creditors has a small share in the claim against the debtor or where the expected recovery from the insolvency estate in insolvency proceedings is significantly lower than the cost of the set-up and operation of the creditors' committee. This occurs in particular in insolvency cases of microenterprises.	(48) The cost of setting up and operating a creditors' committee should be commensurate to the value it generates. The establishment of the creditors' committee should not be justified in those instances where the cost of its set-up and operations is significantly higher than the economic relevance of the decisions it may take. This may be the case where there are too few creditors, where the large majority of creditors has a small share in the claim against the debtor or where the expected recovery from the insolvency estate in insolvency proceedings is significantly lower than the cost of the set-up and operation of the creditors' committee. This occurs in particular in insolvency cases of microenterprises.	(48) The cost of setting up and operating a creditors' committee should dought to be commensurate to the value with the benefits it generates. Therefore, Member State should be able to provide that the establishment of the creditors' committee should would not be justified in those instances where the cost and burden of its set-up and operations is significantly higher than the economic relevance of the decisions it may might take. This may be the case where there are too few creditors, where the large majority of creditors has a small share in the claim against the debtor, where possible delays caused by the establishment of a creditors' committee would lead to a deterioration of the financial situation of the debtor or where the expected recovery from the insolvency estate in insolvency proceedings is significantly lower	

	CLEAN	Commission Proposal	VSE.C	EP Mandate	VSE.C	Council Mandate	VSE.C	Draft Agreement
						<p>than the cost of the set-up and operation of the creditors' committee. This occurs Such situations occur in particular in insolvency cases concerning entrepreneur debtors and small enterprises or in discharge procedures.</p> <p>Member States should be able to provide for the establishment of the creditors committee only for large undertakings within the meaning of Article 3(4) of Directive 2013/34/EU of microenterprises. For smaller enterprises an adequate realization of creditors interests in insolvency proceedings may already be provided by national law in other ways.</p>		
Recital 48a								
						<p>(48a) The provisions on the establishment of the creditors' committee should apply to debtors that are legal persons. Member States may extend the application of those provisions to natural persons who are entrepreneurs.</p>		
Recital 49								
	62	(49) Member States should	(49)	Member States should	(49)	Member States should		

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	clarify the requirements, duties and procedures for the appointment of members of the creditors' committee, as well as the functions attributed to the creditors' committee. Member States should be given the option to decide whether the appointment should be done by the general meeting of creditors or by the court. To avoid undue delays in the set-up of the creditors' committee, the members should be appointed expeditiously. Member States should cater for a fair representation of creditors in the committee and ensure that the participation in the creditors' committee is not precluded to creditors whose claim is not yet admitted or to creditors that are resident in another Member State.	clarify the requirements, duties and procedures for the appointment of members of the creditors' committee, as well as the functions attributed to the creditors' committee. Member States should be given the option to decide whether the appointment should be done by the general meeting of creditors or by the court. To avoid undue delays in the set-up of the creditors' committee, the members should be appointed expeditiously. Member States should cater for a fair representation of creditors in the committee and ensure that the participation in the creditors' committee is not precluded to creditors whose claim is not yet admitted or to creditors that are resident in another Member State. <i><u>Member States should ensure that creditors are fairly represented within the committee. Member States should make sure that workers can be represented in the creditors' committee when they are creditors.</u></i>	clarify the requirements, duties and procedures for the appointment of members of the creditors' committee, as well as the its functions attributed to the creditors' committee. Member States should be given the option to decide whether the appointment should be done by the general meeting of creditors or by the court. To avoid undue delays in the set-up of the creditors' committee, the members should be appointed expeditiously to ensure an efficient running of the insolvency proceedings. Member States should cater for a fair representation of creditors in the creditors' committee and ensure that the participation in the creditors' committee is not precluded to creditors whose claim is not yet admitted or to creditors that are resident in another Member State are not precluded from participating in the creditors' committee.	
Recital 50				
63	(50) Fair representation of creditors in the creditors' committee is particularly important	(50) Fair representation of creditors in the creditors' committee is particularly important	(50) Fair representation of creditors in the creditors' committee is particularly important	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>in relation to unsecured creditors that are micro, small or medium-sized enterprises, which in the case of insolvency of a debtor which is a large enterprise, if not paid promptly, are also exposed to insolvency (domino effect). Proper representation in the creditors' committee of such creditors could ensure that in the course of the distribution of the recovered proceeds they receive their parts more expeditiously.</p>	<p><u>for workers who are creditors and for whom a delay in the payment of wages could pose an existential threat, as well as for</u>in relation to unsecured creditors that are micro, small or medium-sized enterprises, which in the case of insolvency of a debtor which is a large enterprise, if not paid promptly, are also exposed to insolvency (domino effect). Proper representation in the creditors' committee of such creditors could ensure that in the course of the distribution of the recovered proceeds they receive their parts more expeditiously.</p>	<p>in relation to unsecured creditors that are micro, including creditors with small claims. Member States should be able to provide that persons or entities other than creditors, such as employees' representatives or creditors' associations or medium-sized enterprises, which in the case of insolvency of a debtor which is a large enterprise, if not paid promptly, are also exposed to insolvency (domino effect). Proper representation ineligible for the appointment to the creditors' committee of such creditors could ensure that in the course of the distribution of the recovered proceeds they receive their parts more expeditiously.</p>	
Recital 51				
64	<p>(51) An important task of the creditors' committee should be to verify that insolvency proceedings are conducted in a way that protects creditors' interests. The committee's role in the monitoring of the fairness and integrity of the proceedings can only be performed effectively if the creditors' committee and its members act independently from the insolvency</p>	<p>(51) An important task of the creditors' committee should be to verify that insolvency proceedings are conducted in a <u>fair and unbiased</u> way that protects creditors' interests. The committee's role in the monitoring of the fairness and integrity of the proceedings can only be performed effectively if the creditors' committee and its members act</p>	<p>(51) An important task ofThe creditors' committee should be to verify thatinvolved in insolvency proceedings and ensure that they are conducted in a way that protects creditors' interests, including by following and being regularly informed of the activities of the insolvency practitioner, without requiring the insolvency practitioner to be</p>	

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	practitioner and are accountable only to the creditors who established it.	independently from the insolvency practitioner and are accountable only to the creditors who established it. <u>The members of the creditors' committee should act in good faith when carrying out the functions of the committee. They should have the power to share relevant and necessary information to represented creditors and to receive information from them. Creditors, members of the creditors' committee and any professionals employed by the creditors' committee should maintain the confidentiality of all information obtained in connection with the committee's activities.</u>	subordinate to the committee. The committee's role in the monitoring of the fairness and integrity of the proceedings can only be performed effectively if the creditors' committee and its members act independently from the insolvency practitioner and are accountable only to the creditors who established it.	
Recital 52				
65	(52) The number of members in the creditors' committee should, on the one hand, be sufficiently large to ensure diversity of views and interests in the committee and, on the other hand, remain relatively limited to deliver on its tasks effectively and timely. Member States should clarify when and how the composition of the committee needs to be altered, which could happen if representatives are no	(52) <u>Member States should clarify</u> the number of <u>the</u> members in the creditors' committee should, on the one hand, be sufficiently large to ensure diversity of views and interests in the committee and, on the other hand, remain relatively limited to deliver on its tasks effectively and timely. <u>Member States should clarify</u> and when and how the composition of the committee needs to be altered,	(52) The number of members in the creditors' committee should, on the one hand, be sufficiently large to ensure diversity of views and interests in the committee and, on the other hand, remain relatively limited to deliver on its tasks effectively and timely. Nevertheless, in particularly complex cases Member States should be able to increase the number of creditors' committee	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	longer able to act, including in the creditors’ best interests, or wish to withdraw. They should also clarify the conditions for the removal of members that acted relentlessly against creditors’ interest.	which could happen if representatives are no longer able to act, including in the creditors’ best interests, or wish to withdraw. They should also clarify the conditions for the removal of members that <i>have</i> acted relentlessly against creditors’ <u><i>interests or that have a conflict of interest.</i></u>	members to provide adequate protection of creditors’ interests. Member States should clarify when and how the composition of the committee needs to be altered, which could happen if representatives are no longer able to act, including in the creditors’ best interests, or wish to withdraw. They Member States should also clarify the conditions for the removal of members that acted relentlessly against who committed a violation of serious gravity of duties with respect to the creditors’ interest.	
Recital 53				
66	(53) Members of the creditors’ committee retain discretion in the organisation of the work, as long as the working methods are lawful, transparent and effective. Member States should therefore require that the creditors’ committee set out the working methods, specifying how meetings should be run, who could attend and vote, and how the impartiality and the confidentiality of the work of the committee is ensured. These working methods should be allowed to also set out a role for employers’ representatives	(53) Members of the creditors’ committee retain discretion in the organisation of the work, as long as the working methods are lawful, transparent and effective. Member States should therefore require that the creditors’ committee set out the working methods, specifying how meetings should be run, who could attend and vote, and how the impartiality and the confidentiality of the work of the committee is ensured. These working methods should be allowed to also set out a role for employers’ representatives	(53) Members The working methods of the creditors’ committee retain discretion in the organisation of the work, as long as the working methods are lawful, should be transparent and effective. Member States should therefore require that the creditors’ committee set out the working methods, specifying how meetings should be run, who could attend and vote procedures for voting and the necessary quorum, record keeping of the decisions taken by the creditors’	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	or transparency towards other creditors. Creditors should be able to participate and vote electronically or delegate the voting right to a third person, provided this person is duly authorised. This possibility would be particularly beneficial for creditors resident in other Member States.	or transparency towards other creditors. Creditors should be able to participate and vote electronically or delegate the voting right to a third person, provided this person is duly authorised. This possibility would be particularly beneficial for creditors resident in other Member States.	committee, and how the impartiality and the confidentiality of the work of the creditors' committee is ensured. These Those working methods should also be allowed to also set out a role for employers' non-creditors' representatives or transparency towards other creditors. Creditors should be able to participate and vote electronically or delegate the voting right to a third person, provided this person is duly authorised. This possibility would be particularly beneficial for creditors resident in other Member States may provide that the working methods may be further specified by means of protocols.	
Recital 53a				
66a			(53a) Creditors should be able to participate and vote electronically or delegate their voting rights to a duly authorised third person. This possibility would be particularly beneficial for creditors resident in other Member States.	
Recital 54				
67	(54) Member States should ensure that the court has the power	(54) Member States should ensure that the court has the power	<i>deleted</i>	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	to determine the working methods for the creditors' committee, if they are not established expeditiously. The Commission should establish standard working methods that should facilitate the task of the creditors' committee and reduce the need for courts to intervene in the case of missing working methods.	to determine the working methods for the creditors' committee, if they are not <u>have not been</u> established expeditiously <u>in the creditors' committee's protocol of working methods</u> . The Commission should establish standard working methods that should facilitate the task of the creditors' committee and reduce the need for courts to intervene in the case of missing working methods.		
<i>Recital 55</i>				
68	(55) The creditors' committee should be granted sufficient rights to perform its functions efficiently and effectively. Member States should ensure that the creditors' committee can interact with insolvency practitioners, courts, the debtor, external advisors and the creditors whom it represents, as necessary, to enable the committee to form and communicate a view on matters of direct interest and relevance to creditors, and for this view to be duly considered in proceedings. Member States could also empower the creditors' committee to make decisions..	(55) The creditors' committee should be granted sufficient rights to perform its functions efficiently and effectively. Member States should ensure that the creditors' committee can interact with insolvency practitioners, courts, the debtor, external advisors and the creditors whom it represents, as necessary, to enable the committee to form and communicate a view on matters of direct interest and relevance to creditors, and for this view to be duly considered in proceedings. Member States could <u>should</u> also empower the creditors' committee to <u>appoint a secretary, to request external consultations and to</u> make	(55) The creditors' committee should be granted sufficient rights to perform its functions efficiently and effectively. Member States should ensure that the creditors' committee acts in a transparent manner and can interact with insolvency practitioners, courts, the debtor debtor-in-possession , external advisors and the creditors whom that it represents, as necessary, to enable the creditors' committee to form and communicate a view its views on matters of direct interest and relevance to creditors, and for this view those views to be duly considered in proceedings. Member States should ensure the	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		decisions.-	right of the creditors' committee to request information from the insolvency practitioner and, where the debtor remains in possession, from the debtor. Member States could provide for a right of the creditors' committee to be consulted on major decisions. Member States could also empower the creditors' committee to make take decisions.-	
Recital 56				
69	(56) Since the operation of the creditors' committee incurs expenses, Member States should determine upfront who pays for them. Member States should also establish safeguards to prevent that the costs of the creditors' committee reduce the recovery value of the insolvency estate in a disproportionate manner.	(56) Since the operation of the creditors' committee incurs expenses, Member States should determine upfront who pays for them. Member States should also establish safeguards to prevent that the costs of the creditors' committee reduce the recovery value of the insolvency estate in a disproportionate manner.	(56) Since the operation of the creditors' committee incurs expenses, Member States should determine upfront establish clear rules as to who pays for them. Member States should also establish safeguards to prevent that the costs of the creditors' committee reduce the recovery value of the insolvency estate in a disproportionate manner.	
Recital 57				
70	(57) To encourage creditors to become members of the creditors' committee, Member States should limit their individual civil liability when they carry out functions in accordance with this Directive. Nonetheless, members of the	(57) To encourage creditors to become members of the creditors' committee, Member States should limit their individual civil liability when they carry out functions in accordance with this Directive. Nonetheless, members of the	(57) To encourage creditors to become members of the creditors' committee, Member States should limit their individual civil liability when they carry out functions in accordance with this Directive. Nonetheless, members of the	

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement	
		creditors' committee acting fraudulently or negligently, when carrying out those functions, can be removed and held liable for their actions. In those cases, Member States should provide that the members are held individually liable for the detriment caused by their misconduct.		creditors' committee acting fraudulently or negligently, when carrying out those functions, can be removed and held liable for their actions. In those cases, Member States should provide that the members are held individually liable for the detriment caused by their misconduct.		creditors' committee acting fraudulently or negligently, when carrying out those functions, that have violated their duties intentionally or in a grossly negligent manner can be removed and held liable for their actions. In those cases, Member States should provide that the members are held individually liable for the detriment caused by their misconduct. Member States may decide not to apply such limitation of the civil liability when the expenses for an insurance covering the personal liability of the members of the creditors' committee members is borne by the insolvency estate. Where Member States entrust the creditors' committee with greater powers, allowing it, for example, to take decisions concerning the assets of the debtor or to accept transactions in insolvency proceedings, Member States should be able to provide that the members of the creditors' committee are held liable in the same manner as an insolvency practitioner.			
	Recital 58								
Y	71	(58) To ensure an enhanced	(58)	To ensure an enhanced	(58)	To ensure an enhanced	(58)	To ensure an enhanced	Y

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>transparency of the key features of national insolvency proceedings and help especially cross-border creditors to estimate what would happen if their investments got involved in insolvency proceedings, investors and potential investors should be granted easy access to that information in a pre-defined, comparable and user-friendly format. A standardised key information factsheet should be prepared and made available to the public by Member States. This document would be key for potential investors to make a “glance-through” assessment of the insolvency proceedings rules in a given Member State. It should contain sufficient explanations to allow the reader to understand the information therein without having to resort to other documents. The key information factsheet should in particular include practical information on the insolvency trigger as well as on the steps to take to request the opening of insolvency proceedings or to lodge a claim.</p>	<p>transparency of the key features of national insolvency proceedings and help especially cross-border creditors to estimate what would happen if their investments got involved in insolvency proceedings, investors and potential investors should be granted easy access to that information in a pre-defined, comparable and user-friendly format. A standardised key information factsheet should be prepared and made available to the public by Member States. This document would be key for potential investors to make a “glance-through” assessment of the insolvency proceedings rules in a given Member State. It should contain sufficient explanations to allow the reader to understand the information therein without having to resort to other documents. The key information factsheet should in particular include practical information on the insolvency trigger as well as on the steps to take to request the opening of insolvency proceedings or to lodge a claim. <u><i>It should be prepared in a multilingual format.</i></u></p>	<p>transparency of the key features of all types of national insolvency proceedings and help especially cross-border creditors to estimate what would happen if their investments got involved in insolvency proceedings, investors and potential investors should be granted easy access to that information in a pre-defined, comparable and user-friendly format. A standardised key information factsheet should be prepared and made available to the public by Member States. ThisThat document would be keyimportant for potential investors to make a “glance-through” assessment of the insolvency proceedings rules in a given Member State. It should contain sufficient explanations to allow the reader to understand the information therein without having to resort to other documents. The key information factsheet should, in particular, include practical information on the conditions that trigger the opening of insolvency proceedings as well as on the steps to take to request the opening of insolvency proceedings or to lodge a claim. Since Member</p>	<p>transparency of the key features of national insolvency proceedings and help especially cross-border creditors to estimate what would happen if their investments got involved in insolvency proceedings, investors and potential investors should be granted easy access to that information in a pre-defined, comparable and user-friendly format. A standardised key information factsheet should be prepared and made available to the public by Member States <u><i>in a multilingual format.] Does not add anything to what is explained in the articles, in a much clearer manner. That-This</i></u> document would be keyimportant for potential investors to make a “glance-through” assessment of the insolvency proceedings rules in a given Member State. It should contain sufficient explanations to allow the reader to understand the information therein without having to resort to other documents. The key information factsheet should, in particular, include practical information on the <u><i>conditions that trigger the opening of</i></u> insolvency trigger<u><i>proceedings</i></u> as well as on</p>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			<p>States are already required to provide information on their national rules on insolvency procedures under Regulation (EU) 2015/848, it is important to ensure that information provided under this Directive is consistent with information provided under that Regulation. To that end, the Member States should be able to provide the information required by this Directive through the European Judicial Network in civil and commercial matters established by Council Decision 2001/470/EC¹.</p> <p>1. Council Decision 2001/470/EC of 28 May 2001 establishing a European Judicial Network in civil and commercial matters (OJ L 174, 27.6.2001, p. 25).</p>	<p>the steps to take to request the opening of insolvency proceedings or to lodge a claim. <u>Since Member States are already required to provide information on their national rules on insolvency procedures under Regulation (EU) 2015/848, it is important to ensure that information provided under this Directive is consistent with information provided under that Regulation. To that end, the Member States should be able to provide the information required by this Directive through the European Judicial Network in civil and commercial matters established by Council Decision 2001/470/EC¹.</u></p> <p>EP wants to keep the addition on "multilinguistic format".</p>
Recital 58a				
71a			<p>(58a) In the event of exceptional emergency situations stemming from natural disasters or other catastrophic events which seriously disrupt economic activities at the level of a Member State or its regions, Member States should be able to act quickly in order to minimise</p>	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			<p>the adverse impact of those situations on the economy. Such situations have arisen in the context of the Covid pandemic and may arise in the context of a systemic crisis as defined in Article 2(1), point (30), of Directive 2014/59/EU or in situations where State aid is compatible with the internal market to repair damage caused by natural disasters or exceptional occurrences pursuant to Article 107(2), point (b), TFEU. In such situations, which imply the risk of widespread insolvencies, including for companies that are viable under ordinary circumstances, Member States should be able to temporarily derogate from certain provisions of this Directive. The derogations should be limited in scope and time to what is essential to address the exceptional situation, for example by being restricted geographically to the region in the Member States that is affected by a natural disaster. Member States should notify the Commission of the measures which derogate from this</p>	

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
			<p>Directive, their territorial scope, their duration and a justification of the necessity of their implementation. The obligation of Member States to notify those measures should not affect their entry into force and application. The notification, which facilitates the Commission’s monitoring of the compliance of derogations with the relevant requirements, should be brought to the attention of other Member States without undue delay. The maximum time of the derogation should be one year comprising a possibility of extending it by six-month-periods with an additional controlling mechanism, obliging a Member State to notify the request no later than three months before its expiration and allowing the Commission to oppose it.</p>	
Recital 59				
72	<p>(59) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of</p>	<p>(59) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of</p>	<p>(59) In order to ensure uniform conditions for the implementation of this RegulationDirective, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation</p>	<p>(59) In order to ensure uniform conditions for the implementation of this RegulationDirective, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation</p>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	the European Parliament and of the Council.	the European Parliament and of the Council.	(EU) No 182/2011 of the European Parliament and of the Council.	(EU) No 182/2011 of the European Parliament and of the Council. <small>Text Origin: Council Mandate</small>
Recital 59a				
72a		<u><i>(59a) This Directive should be without prejudice to the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure pursuant to Directive (EU) 2016/943 of the European Parliament and of the Council^{1a}.</i></u> <u><i>1a. Directive (EU) 2016/943 of the European Parliament and of the Council of 8 June 2016 on the protection of undisclosed know-how and business information (trade secrets).</i></u>		
Recital 60				
73	(60) Since the objectives of this Directive cannot be sufficiently achieved by the Member States because differences between national insolvency frameworks would continue to raise obstacles to the free movement of capital and the freedom of establishment, but can rather be better achieved at Union level, the Union may adopt measures, in accordance with the	(60) Since the objectives of this Directive cannot be sufficiently achieved by the Member States because differences between national insolvency frameworks would continue to raise obstacles to the free movement of capital and the freedom of establishment, but can rather be better achieved at Union level, the Union may adopt measures, in accordance with the	(60) Since the objectives of this Directive cannot be sufficiently achieved by the Member States because differences between national insolvency frameworks would continue to raise obstacles to the free movement of capital and the freedom of establishment, but can rather be better achieved at Union level, the Union may adopt measures, in accordance with the	(60) Since the objectives of this Directive cannot be sufficiently achieved by the Member States because differences between national insolvency frameworks would continue to raise obstacles to the free movement of capital and the freedom of establishment, but can rather be better achieved at Union level, the Union may adopt measures, in accordance with the

	<small>CLEAN</small> Commission Proposal	<small>V.S.E.C</small> EP Mandate	<small>V.S.E.C</small> Council Mandate	<small>V.S.E.C</small> Draft Agreement
	principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.	principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.	principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.	principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.
Recital 61				
74	(61) This Directive respects the fundamental rights and observes the principles recognised by the Charter of the Fundamental Rights of the European Union, in particular the right to respect for private and family life (Article 7 of the Charter), the right to the protection of personal data (Article 8 of the Charter), the freedom to choose an occupation and right to engage in work (Article 15 of the Charter), the freedom to conduct a business (Article 16 of the Charter), the right to property (Article 17 of the Charter), workers' right to information and consultation (Article 27 of the Charter) as well as the right to a fair trial (Article 47(2) of the Charter).	(61) This Directive respects the fundamental rights and observes the principles recognised by the Charter of the Fundamental Rights of the European Union, in particular the right to respect for private and family life (Article 7 of the Charter), the right to the protection of personal data (Article 8 of the Charter), the freedom to choose an occupation and right to engage in work (Article 15 of the Charter), the freedom to conduct a business (Article 16 of the Charter), the right to property (Article 17 of the Charter), workers' right to information and consultation (Article 27 of the Charter) as well as the right to a fair trial (Article 47(2) of the Charter).	(61) This Directive respects the fundamental rights and observes the principles recognised by the Charter of the Fundamental Rights of the European Union, in particular the right to respect for private and family life (Article 7 of the Charter), the right to the protection of personal data (Article 8 of the Charter), the freedom to choose an occupation and right to engage in work (Article 15 of the Charter), the freedom to conduct a business (Article 16 of the Charter), the right to property (Article 17 of the Charter), workers' right to information and consultation (Article 27 of the Charter) as well as the right to a fair trial (Article 47(2) of the Charter).	(61) This Directive respects the fundamental rights and observes the principles recognised by the Charter of the Fundamental Rights of the European Union, in particular the right to respect for private and family life (Article 7 of the Charter), the right to the protection of personal data (Article 8 of the Charter), the freedom to choose an occupation and right to engage in work (Article 15 of the Charter), the freedom to conduct a business (Article 16 of the Charter), the right to property (Article 17 of the Charter), workers' right to information and consultation (Article 27 of the Charter) as well as the right to a fair trial (Article 47(2) of the Charter).
Recital 62				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
75	<p>(62) Regulation (EU) 2016/679 of the European Parliament and of the Council¹ applies to the processing of personal data for the purposes of this Directive. Regulation (EU) 2018/1725 of the European Parliament and of the Council² applies to the processing of personal data by the Union institutions and bodies for the purposes of this Directive.</p> <p>1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1). 2. Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).</p>	<p>(62) Regulation (EU) 2016/679 of the European Parliament and of the Council¹ applies to the processing of personal data for the purposes of this Directive. Regulation (EU) 2018/1725 of the European Parliament and of the Council² applies to the processing of personal data by the Union institutions and bodies for the purposes of this Directive.</p> <p>1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1). 2. Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).</p>	<p>(62) Regulation (EU) 2016/679 of the European Parliament and of the Council¹ applies to the processing of personal data for the purposes of this Directive. Regulation (EU) 2018/1725 of the European Parliament and of the Council² applies to the processing of personal data by the Union institutions and bodies for the purposes of this Directive.</p> <p>1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1). 2. Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).</p>	<p>(62) Regulation (EU) 2016/679 of the European Parliament and of the Council¹ applies to the processing of personal data for the purposes of this Directive. Regulation (EU) 2018/1725 of the European Parliament and of the Council² applies to the processing of personal data by the Union institutions and bodies for the purposes of this Directive.</p> <p>1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1). 2. Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).</p>
Recital 63				
76	<p>(63) The European Data Protection Supervisor was consulted in accordance with Article 42(1) of Regulation (EU)</p>	<p>(63) The European Data Protection Supervisor was consulted in accordance with Article 42(1) of Regulation (EU)</p>	<p>(63) The European Data Protection Supervisor was consulted in accordance with Article 42(1) of Regulation (EU)</p>	<p>(63) The European Data Protection Supervisor was consulted in accordance with Article 42(1) of Regulation (EU)</p>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	2018/1725 of the European Parliament and of the Council and delivered an opinion on [OP: add data of publication],	2018/1725 of the European Parliament and of the Council and delivered an opinion on [OP: add data of publication OP: add data of publication],	2018/1725 of the European Parliament and of the Council and delivered an opinion on [OP: add data of publication]OP: add data of publication],	2018/1725 of the European Parliament and of the Council and delivered an opinion on [OP: add data of publication OP: add data of publication], Text Origin: Council Mandate
Formula				
77	HAVE ADOPTED THIS DIRECTIVE:	HAVE ADOPTED THIS DIRECTIVE:	HAVE ADOPTED THIS DIRECTIVE:	HAVE ADOPTED THIS DIRECTIVE:
Title I				
78	Title I GENERAL PROVISIONS	Title I GENERAL PROVISIONS	Title I GENERAL PROVISIONS	Title I GENERAL PROVISIONS
Article 1				
79	Article 1 Subject matter and scope	Article 1 Subject matter and scope	Article 1 Subject matter and scope	Article 1 Subject matter and scope
Article 1(1)				
80	1. This Directive lays down common rules on:	1. <u>In order to maximise legal certainty concerning the value of companies, to improve the efficiency of insolvency proceedings both in terms of cost and length, to improve predictability and to ensure a fair distribution of value among creditors,</u> this Directive lays down common rules on:	1. This Directive lays down common rules on:	1. This Directive lays down common rules on: EP addition under line 18b Text Origin: Commission Proposal
Article 1(1), point (a)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
81	(a) avoidance actions;	(a) avoidance actions;	(a) avoidance actions;	(a) avoidance actions;
Article 1(1), point (b)				
82	(b) the tracing of assets belonging to the insolvency estate;	(b) the tracing of assets belonging to the insolvency estate;	(b) the tracing of assets belonging to the insolvency estate;	(b) the tracing of assets belonging to the insolvency estate;
Article 1(1), point (c)				
83	(c) pre-pack proceedings;	(c) pre-pack proceedings;	(c) the pre-pack mechanism pre-pack proceedings;	
Article 1(1), point (d)				
84	(d) the duty of directors to submit a request for the opening of insolvency proceedings;	(d) the duty of directors to submit a request for the opening of insolvency proceedings;	(d) the duty of directors to submit a request for the opening of insolvency proceedings;	(d) the duty of directors to submit a request for the opening of insolvency proceedings;
Article 1(1), point (e)				
85	(e) simplified winding-up proceedings for microenterprises;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 1(1), point (f)				
86	(f) creditors' committees;	(f) creditors' committees;	(f) creditors' committees;	(f) creditors' committees;
Article 1(1), point (g)				
87	(g) the drawing-up of a key information factsheet by Member States on certain elements of their national law on insolvency proceedings.	(g) the drawing-up of a key information factsheet by Member States on certain elements of their national law on insolvency proceedings.	(g) the drawing-up of a key information factsheet by Member States on certain elements of their national law on insolvency proceedings.	(g) the drawing-up of a key information factsheet by Member States on certain elements of their national law on insolvency proceedings.
Article 1(1a), first subparagraph				
87a			1a. Titles II, III and VII apply to collective proceedings	<u>1a. Titles II, III and VII of this Directive apply to collective</u>

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
			which are based on national laws relating to insolvency.	<u>proceedings, as defined in Article 2, point (1), of Regulation (EU) 2015/848, which are based on laws relating to insolvency, with the exception of preventive restructuring procedures. Title II does not apply to interim proceedings.</u>
Article 1(1a), second subparagraph				
87b			Title II, III and VII do not apply to preventive restructuring procedures and Title II does not apply to interim proceedings.	deleted
Article 1(2)				
88	2. This Directive does not apply to proceedings referred to in paragraph 1 of this Article that concern debtors that are:	2. This Directive does not apply to proceedings referred to in paragraph 1 of this Article that concern debtors that are:	2. This Directive does not apply to proceedings referred to in paragraph 1 of this Article that concern where debtors that are:	2. This Directive does not apply to proceedings referred to in paragraph 1 of this Article that concern <u>where</u> debtors that are: Text Origin: Council Mandate
Article 1(2), point (a)				
89	(a) insurance undertakings or reinsurance undertakings as defined in Article 13 points (1) and (4), of Directive 2009/138/EC of the European Parliament and of the Council;	(a) insurance undertakings or reinsurance undertakings as defined in Article 13 points (1) and (4), of Directive 2009/138/EC of the European Parliament and of the Council;	(a) insurance undertakings or reinsurance undertakings as defined in Article 13 points (1) and (4), of Directive 2009/138/EC of the European Parliament and of the Council;	(a) insurance undertakings or reinsurance undertakings as defined in Article 13 points (1) and (4), of Directive 2009/138/EC of the European Parliament and of the Council;
Article 1(2), point (b)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
90	(b) credit institutions as defined in Article 4(1), point (1), of Regulation (EU) No 575/2013 of the European Parliament and of the Council;	(b) credit institutions as defined in Article 4(1), point (1), of Regulation (EU) No 575/2013 of the European Parliament and of the Council;	(b) credit institutions as defined in Article 4(1), point (1), of Regulation (EU) No 575/2013 of the European Parliament and of the Council;	(b) credit institutions as defined in Article 4(1), point (1), of Regulation (EU) No 575/2013 of the European Parliament and of the Council;
Article 1(2), point (c)				
91	(c) investment firms or collective investment undertakings as defined in Article 4(1), points (2) and (7), of Regulation (EU) No 575/2013;	(c) investment firms or collective investment undertakings as defined in Article 4(1), points (2) and (7), of Regulation (EU) No 575/2013;	(c) investment firms or collective investment undertakings as defined in Article 4(1), points (2) and (7), of Regulation (EU) No 575/2013;	(c) investment firms or collective investment undertakings as defined in Article 4(1), points (2) and (7), of Regulation (EU) No 575/2013;
Article 1(2), point (d)				
92	(d) central counterparties as defined in Article 2, point (1), of Regulation (EU) No 648/2012 of the European Parliament and of the Council;	(d) central counterparties as defined in Article 2, point (1), of Regulation (EU) No 648/2012 of the European Parliament and of the Council;	(d) central counterparties as defined in Article 2, point (1), of Regulation (EU) No 648/2012 of the European Parliament and of the Council;	(d) central counterparties as defined in Article 2, point (1), of Regulation (EU) No 648/2012 of the European Parliament and of the Council;
Article 1(2), point (e)				
93	(e) central securities depositories as defined in Article 2(1), point (1) of Regulation (EU) No 909/2014 of the European Parliament and of the Council;	(e) central securities depositories as defined in Article 2(1), point (1) of Regulation (EU) No 909/2014 of the European Parliament and of the Council;	(e) central securities depositories as defined in Article 2(1), point (1) of Regulation (EU) No 909/2014 of the European Parliament and of the Council;	(e) central securities depositories as defined in Article 2(1), point (1) of Regulation (EU) No 909/2014 of the European Parliament and of the Council;
Article 1(2), point (f)				
94	(f) other financial institutions and entities listed in Article 1(1), first subparagraph of Directive 2014/59/EU of the European Parliament and of the Council;	(f) other financial institutions and entities listed in Article 1(1), first subparagraph of Directive 2014/59/EU of the European Parliament and of the Council;	(f) other financial institutions and entities listed in Article 1(1), first subparagraph of Directive 2014/59/EU of the European Parliament and of the Council;	(f) other financial institutions and entities listed in Article 1(1), first subparagraph of Directive 2014/59/EU of the European Parliament and of the Council;

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
Article 1(2), point (g)				
95	(g) public bodies under national law;	(g) public bodies under national law;	(g) public bodies under national law;	(g) public bodies under national law;
Article 1(2), point (h)				
96	(h) natural persons, except for entrepreneurs and, with regard to debt discharge procedures, those founders, owners or members of unlimited liability microenterprise debtors who are personally liable for the debts of the debtor.	(h) natural persons, except for entrepreneurs and, with regard to debt discharge procedures, those founders, owners or members of unlimited liability microenterprise debtors who are personally liable for the debts of the debtor.	(h) natural persons, except for who are not entrepreneurs and, with regard to debt discharge procedures, those founders, owners or members of unlimited liability microenterprise debtors who are personally liable for the debts of the debtor.	(h) natural persons, except for who are not entrepreneurs and, with regard to debt discharge procedures, those founders, owners or members of unlimited liability microenterprise debtors who are personally liable for the debts of the debtor. Text Origin: Council Mandate
Article 1(2a)				
96a				<u>2a. Member States may exclude from the scope of this Directive debtors that are financial entities, other than those referred to in paragraph 2, providing financial services that are subject to special arrangements under which the national supervisory or resolution authorities have wide-ranging powers of intervention comparable to those in relation to the financial entities referred to in paragraph 2. Member States shall communicate those special arrangements to the Commission.</u>

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
Article 1(3)								
96b					3.	Titles IV and VII apply to debtors that are legal persons.	3.	<u>Titles IV and VII apply to debtors that are legal persons.</u> Text Origin: Council Mandate
Article 1(4)								
96c					4.	Member States may decide to apply Title VII only to debtors that are large undertakings within the meaning of Article 3(4) of Directive 2013/34/EU.		EP considers political
Article 1(5)								
96d					5.	Member States may exclude from the scope of this Directive debtors that are financial entities, other than those referred to in paragraph 3, providing financial services that are subject to special arrangements under which the national supervisory or resolution authorities have wide-ranging powers of intervention comparable to those in relation to the financial entities referred to in paragraph 3. Member States shall communicate those special arrangements to the Commission.		<i>deleted</i> moved above in line 96a Text Origin: Council Mandate
Article 2								

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
97	Article 2 Definitions	Article 2 Definitions	Article 2 Definitions	Article 2 Definitions
Article 2, first paragraph				
98	For the purposes of this Directive, the following definitions apply:	For the purposes of this Directive, the following definitions apply:	1. For the purposes of this Directive, the following definitions apply:	For the purposes of this Directive, the following definitions apply: Text Origin: Commission Proposal
Article 2, first paragraph, point (a)				
99	(a) ‘insolvency practitioner’ means a practitioner appointed by a judicial or administrative authority in procedures concerning restructuring, insolvency and discharge of debt as referred to in Article 26 Directive (EU) 2019/1023;	(a) ‘insolvency practitioner’ means a <i>practitioner appointed by a judicial or administrative authority in procedures concerning restructuring, insolvency and discharge of debt as referred to person or body who has one or more of the functions listed in Article 2, point (5), of Regulation (EU) 2015/848 and</i> in Article <i>262(1), point (12), of</i> Directive (EU) 2019/1023;	(a) ‘insolvency practitioner’ means a practitioner appointed by a judicial or administrative authority in procedures concerning restructuring, insolvency and discharge of debt as any person or body whose functions comprise one or more of those referred to in Article 262, point (5), of Regulation (EU) 2015/848 and in Article 2(1), point (12), of Directive (EU) 2019/1023;	(a) ‘insolvency practitioner’ means a <i>practitioner appointed by a judicial or administrative authority in procedures concerning restructuring, insolvency and discharge of debt as referred to person or body who has one or more of the functions listed in Article 2, point (5), of Regulation (EU) 2015/848 and</i> in Article <i>262(1), point (12), of</i> Directive (EU) 2019/1023; Text Origin: EP Mandate
Article 2, first paragraph, point (b)				
100	(b) ‘court’ means the judicial body of a Member State;	(b) ‘court’ means <i>the judicial body of a Member State;</i>	(b) ‘court’ means the judicial body of a Member State;	(b) ‘court’ means <i>the</i> judicial body of a Member State; Text Origin: Council Mandate
Article 2, first paragraph, point (b)(i)				
100a		<i>(i) for the purposes of Article</i>		

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		<u>18a, Title IV, with the exception of Article 21, Title V and Title VII, with the exception of Article 59(5), a judicial body of a Member State or the authority of a Member State competent for insolvency proceedings;</u>		
Article 2, first paragraph, point (b)(ii)				
100b		<u>(ii) for the purposes of all other articles, a judicial body of a Member State;</u>		
Article 2, first paragraph, point (c)				
101	(c) ‘competent authority’ means a judicial or administrative authority of a Member State that is responsible for conduct or oversight, or both, of simplified winding-up proceedings, in accordance with Title VI of this Directive;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 2, first paragraph, point (d)				
102	(d) ‘centralised bank account registries’ means the centralised automated mechanisms, such as central registries or central electronic data retrieval systems, put in place in accordance with Article 32a(1) of Directive (EU) 2015/849;	(d) ‘ centralised bank account registries <u>registers</u> ’ means the centralised automated mechanisms, such as central registries or central electronic data retrieval systems, put in place in accordance with Article 32a <u>16</u> (1) of Directive (EU) 2015/849 <u>2024/1640</u> ;	(d) ‘ centralised bank account registries <u>registers and electronic data retrieval systems</u> ’ means the centralised automated mechanisms, such as central registries <u>registers</u> or central electronic data retrieval systems, put in place in accordance with Article 32a(1) <u>16(1)</u> of Directive (EU) 2015/849 <u>2024/1640</u>	(d) ‘ centralised bank account registries <u>registers</u> ’ means the centralised automated mechanisms, such as central registries <u>registers</u> or central electronic data retrieval systems, put in place in accordance with Article 32a(1) <u>16(1)</u> of Directive (EU) 2015/849 <u>2024/1640</u> <u>of the European Parliament and</u>

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
			of the European Parliament and of the Council ¹ ; 1. Directive (EU) /1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by the Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849 (OJ L..., ELI: ...).	<u>of the Council¹</u> ; <u>I. Directive (EU) /1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by the Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849 (OJ L..., ELI: ...).</u>
Article 2, first paragraph, point (e)				
103	(e) ‘beneficial ownership register’ means national central registers on beneficial ownership information referred to in Articles 30 and 31 of Directive (EU) 2015/849;	(e) ‘ <u>central</u> beneficial ownership register’ means national central registers on <u>holding</u> beneficial ownership information <u>and the systems of interconnection of those registers as</u> referred to in Articles 30 and 31 <u>Article 10</u> of Directive (EU) 2015/849 <u>2024/1640</u> ;	(e) ‘ central beneficial ownership register registers ’ means national central registers on holding the on beneficial ownership information and the systems of interconnection of those registers referred to in Articles 30 and 31 Article 10 of Directive (EU) 2015/849 2024/1640 of the European Parliament and of the Council;	(e) ‘ <u>central</u> beneficial ownership register’ means national central registers on <u>holding</u> beneficial ownership information <u>and the systems of interconnection of those registers as</u> referred to in Articles 30 and 31 <u>Article 10</u> of Directive (EU) 2015/849 <u>2024/1640</u> ; Text Origin: EP Mandate
Article 2, first paragraph, point (ea)				
103a			(ea) ‘ bank account information ’ means the information as listed in Article 16(3) of Directive (EU) 2024/1640 of the European Parliament and of the Council;	taken in 103b
Article 2, first paragraph, point (ea)				

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
103b		<u>(ea) ‘bank account information’ means the information listed in Article 16(3) of Directive (EU) 2024/1640;</u>		<u>(ea) ‘bank account information’ means the information listed in Article 16(3) of Directive (EU) 2024/1640;</u> Text Origin: EP Mandate
Article 2, first paragraph, point (f)				
104	(f) ‘legal act’ means any human behaviour, including an omission, producing a legal effect;	(f) ‘legal act’ means any human behaviour, including an omission, producing a legal effect;	(f) ‘legal act’ means, for the purposes of Title II, any deliberate any human behaviour, including an omission, producing a legal effect;	(f) ‘legal act’ means, <u>for the purposes of Title II, any deliberate any</u> human behaviour, including an omission, producing a legal effect; Text Origin: Council Mandate
Article 2, first paragraph, point (g)				
105	(g) ‘executory contract’ means a contract between a debtor and one or more counterparties under which the parties still have obligations to perform at the time of the opening of insolvency proceedings in the liquidation phase in Title IV;	(g) ‘executory contract’ means a contract between a debtor and one or more counterparties under which the parties still have obligations to perform at the time of the opening of insolvency proceedings in the liquidation phase in Title IV, <u>but does not include netting agreements;</u>	(g) ‘executory contract’ means a contract between a debtor and one or more counterparties under which the parties still have obligations to perform at the time of the opening of insolvency proceedings in the liquidation phase in Title IV;	(g) ‘executory contract’ means a contract between a debtor and one or more counterparties under which the parties still have obligations to perform at the time of the opening of insolvency proceedings in the liquidation phase in Title IV, <u>with the exception of netting agreements, including close-out netting arrangements on financial markets, energy markets and commodity markets if such arrangements are enforceable under national insolvency law, and of financial contracts;</u>
Article 2, first paragraph, point (h)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
G 106	(h) ‘best-interest-of-creditors test’ means the test whereby no creditor would be worse off under a liquidation in pre-pack proceedings than such a creditor would be if the normal ranking of liquidation priorities were applied in the event of a piecemeal liquidation;	(h) ‘best-interest-of-creditors test’ means the test whereby no creditor would be worse off under a liquidation in pre-pack proceedings than such a creditor would be if the normal ranking of liquidation priorities were applied in the event of a piecemeal liquidation <u>or the sale of the business, or a part thereof, as a going concern</u> ;	(h) ‘best-interest-of-creditors test’ means the test whereby no creditor would be worse off under a liquidation in the context of a pre-pack mechanism pre-pack proceedings than such a creditor would be if the normal ranking of liquidation priorities were applied in the event of a piecemeal liquidation or, where Member States so provide, in the event of the next-best-alternative scenario ;	(h) ‘best-interest-of-creditors test’ means the test whereby no creditor would be worse off under a liquidation in <u>the context of a pre-pack mechanism</u> pre-pack proceedings than such a creditor would be if the normal ranking of liquidation priorities were applied in the event of a piecemeal liquidation <u>or, where Member States so provide, in the event of the next-best-alternative scenario</u> ; <small>Text Origin: Council Mandate</small>
Article 2, first paragraph, point (i)				
Y 107	(i) ‘interim financing’ means any new financial assistance, provided by an existing or a new creditor, that includes, as a minimum, financial assistance during pre-pack proceedings, and that is reasonable and immediately necessary for the debtor’s business or part thereof to continue operating, or to preserve or enhance the value of that business;	(i) ‘interim financing’ means any new financial assistance, provided by an existing or a new creditor, that includes, as a minimum, financial assistance during pre-pack proceedings, and that is reasonable and immediately necessary for the debtor’s business or part thereof to continue operating, or to preserve or enhance the value of that business;	(i) ‘interim financing’ means any new financial assistance, provided by an existing or a new creditor, that includes, as a minimum, financial assistance during the pre-pack mechanism pre-pack proceedings , and that is reasonable and immediately necessary for the debtor’s business or part thereof to continue operating, or to preserve or enhance the value of that business;	
Article 2, first paragraph, point (j)				
G 108	(j) ‘microenterprise’ means a microenterprise within the meaning	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	of the Annex to Commission Recommendation 2003/361/EC;			
<i>Article 2, first paragraph, point (k)</i>				
109	(k) ‘unlimited liability microenterprise’ means a microenterprise with or without separate legal personality and without limited liability protection of any of its founders, owners or members;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 2, first paragraph, point (l)</i>				
110	(l) ‘entrepreneur’ means an entrepreneur as defined in Article 2(1), point (9) of Directive (EU) 2019/1023;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 2, first paragraph, point (m)</i>				
111	(m) ‘full discharge of debt’ means the situation in which either i) the enforcement of outstanding dischargeable debts against entrepreneurs or against those individuals who are founders, owners or members of an unlimited liability microenterprise and are personally liable for the debts of the microenterprise is precluded or ii) outstanding dischargeable debts as such are cancelled, as part of simplified winding-up proceedings;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 2, first paragraph, point (n)</i>				

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
112	(n) 'repayment plan' means a programme of payments of specified amounts on specified dates to creditors by a natural person benefiting from a full discharge of debt, or a plan setting out periodic transfers to creditors of a certain part of the disposable income of the natural person concerned during the discharge period;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 2, first paragraph, point (o)				
113	(o) 'creditors' committee' means a representative body of creditors appointed in accordance with the applicable law on insolvency proceedings with consultative and other powers as specified in that law;	(o) 'creditors' committee' means a representative body of creditors appointed in accordance with the applicable law on insolvency proceedings with consultative and other powers as specified in that law;	(o) 'creditors' committee' means a representative body of creditors, appointed in accordance with the applicable national law on insolvency proceedings, with consultative and other powers as specified in that law;	(o) 'creditors' committee' means a representative body of creditors appointed in accordance with the applicable law on insolvency proceedings with consultative and other powers as specified in that law Title VII ;
Article 2, first paragraph, point (p)				
114	(p) 'pre-pack proceedings' means expedited liquidation proceedings that allow for the sale of the business of the debtor, in whole or in part, as a going-concern to the best bidder, with a view to the liquidation of the assets of the debtor as a result of the established insolvency of the debtor;	(p) 'pre-pack proceedings' means expedited liquidation proceedings that allow for the sale of the business of the debtor, in whole or in part, as a going-concern to the best bidder, with a view to the liquidation of the assets of the debtor as a result of the established insolvency of the debtor;	(p) 'pre-pack proceedings mechanism ' means expedited a mechanism, comprising a preparation phase and a liquidation proceedings that allow phase, that allows for the sale of the business of the debtor, in whole or in part, as a going-concern to the best bidder, with a view to the liquidation of the assets of the debtor as a result of the	(p) 'pre-pack proceedings [mechanism/proceedings] ' means expedited a [mechanism/proceedings], comprising a preparation phase and a liquidation proceedings that allow phase, that allows for the sale of the business of the debtor, in whole or in part, as a going-concern to the best bidder, with a view to the liquidation of the assets

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			established in the course of insolvency proceedings for the debtor;	<p>of the debtor as a result of the established <u>in the course of</u> insolvency of <u>proceedings for</u> the debtor;</p> <p>COM compromise proposal linked to 228-228a;</p> <p>"...with the primary aim of satisfying to the greatest extent possible the claims of the creditors;"</p> <p>Text Origin: Council Mandate</p>
Article 2, first paragraph, point (pa)				
114a			(pa) 'preparation phase' means the phase of the pre-pack mechanism aiming at finding an appropriate buyer for the debtor's business or part thereof;	<p><u>(pa) 'preparation phase' means the phase of the pre-pack [mechanism/proceedings] aiming at finding an appropriate buyer for the debtor's business or part thereof;</u></p> <p>Text Origin: Council Mandate</p>
Article 2, first paragraph, point (pb)				
114b			(pb) 'liquidation phase' means the phase of the pre-pack mechanism aiming at approving and executing the sale of the debtor's business or part thereof and at distributing the proceeds to the creditors;	<p><u>(pb) 'liquidation phase' means the phase of the pre-pack [mechanism/proceedings] aiming at approving and executing the sale of the debtor's business or part thereof and at distributing the proceeds to the creditors;</u></p> <p>Text Origin: Council Mandate</p>

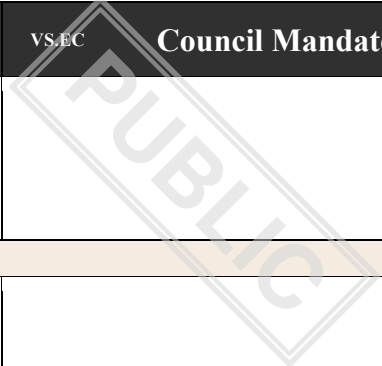
	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
Article 2, first paragraph, point (q)				
115	(q) 'party closely related to the debtor' means persons, including legal persons, with preferential access to non-public information on the affairs of the debtor.	<i>deleted</i>	(q) 'party closely related to the debtor' means persons, including legal persons, with preferential access to non-public information on the affairs of the debtor.:	<i>deleted</i>
Article 2, second paragraph				
116	Where the debtor is a natural person, closely related parties shall include in particular:	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 2, second paragraph a				
116a			(a) for the purposes of Title II, the following:	<i>deleted</i>
Article 2, second paragraph, point (i)				
117	(i) the spouse or partner of the debtor;	<i>deleted</i>	(i) the spouse or partner of the debtor;	<i>deleted</i>
Article 2, second paragraph, point (ii)				
118	(ii) ascendants, descendants, and siblings of the debtor, or of the spouse or partner, and the spouses or partners of these persons;	<i>deleted</i>	(ii) ascendants, descendants, and siblings of the debtor, or of the spouse or partner of the debtor , and the spouses or partners of these those persons;	<i>deleted</i>
Article 2, second paragraph, point (iii)				
119	(iii) persons living in the household of the debtor;	<i>deleted</i>	(iii) persons living in the household of the debtor;	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
<i>Article 2, second paragraph, point (iv)</i>				
120	(iv) persons who are working for the debtor under a contract of employment with access to non-public information on the affairs of the debtor, or otherwise performing tasks through which they have access to non-public information on the affairs of the debtor, including advisers, accountants or notaries;	<i>deleted</i>	(iv) persons who are working for the debtor under a contract of employment with access to non-public information on the affairs of the debtor, or otherwise performing tasks through which they have access to non-public information on the affairs of the debtor, including advisers, accountants or notaries; who have the possibility:	<i>deleted</i>
<i>Article 2, second paragraph, point (iv)(1)</i>				
120a			(a) to control the debtor's operations, including where they work for the debtor under a contract of employment or are in an employment relationship with the debtor or	<i>deleted</i> <i>Text Origin: Council Mandate</i>
<i>Article 2, second paragraph, point (iv)(2)</i>				
120b			(b) to benefit from the debtor's financial position, as external advisers, accountants or auditors;	<i>deleted</i> <i>Text Origin: Council Mandate</i>
<i>Article 2, second paragraph, point (v)</i>				
121	(v) legal entities in which the debtor or one of the persons referred to in points (i) to (iv) of this subparagraph is a member of the administrative, management or supervisory bodies or performs	<i>deleted</i>	(v) legal entities in which the debtor or one of the persons referred to in points (i) to (iv) of this subparagraph is a member of the administrative, management or supervisory bodies, or that or	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	duties which provide for access to non-public information on the affairs of the debtor.		performs duties which provide for access to non-public information on the affairs of the debtor-;	
<i>Article 2, third paragraph</i>				
122	Where the debtor is a legal entity, closely related parties shall include in particular:	<i>deleted</i>	Where the debtor is a legal entity, closely related parties shall include in particular:	<i>deleted</i>
<i>Article 2, third paragraph, point (i)</i>				
123	(i) any member of the administrative, management or supervisory bodies of the debtor;	<i>deleted</i>	(i) any member of the administrative, management or supervisory bodies of the debtor;	<i>deleted</i>
<i>Article 2, third paragraph, point (ii)</i>				
124	(ii) equity holders with a controlling interest in the debtor;	<i>deleted</i>	(ii) equity holders with a controlling interest in the debtor;	<i>deleted</i>
<i>Article 2, third paragraph, point (iii)</i>				
125	(iii) persons which perform functions similar to those performed by persons under point (i);	<i>deleted</i>	(iii) persons which who perform functions similar to those performed by persons under point (i);	<i>deleted</i>
<i>Article 2, third paragraph, point (iv)</i>				
126	(iv) persons which are closely related in accordance with the second subparagraph to the persons listed in points (i), (ii) and (iii) of this subparagraph.	<i>deleted</i>	(iv) persons which who are closely related in accordance with the second subparagraph points (i) to (iv) to the persons listed referred to in points (i), (ii) (vi), (vii), and (iii) viii of this subparagraph-;	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
<i>Article 2, third paragraph a</i>				
126a			(b) for the purposes of Title IV, the persons listed under point (a) and any other persons, including legal persons, with preferential access to non-public information on the affairs of the debtor.	<i>deleted</i> <small>Text Origin: Council Mandate</small>
<i>Article 2, third paragraph a</i>				
126b		<u>For the purposes of this Directive, the concepts of “insolvency” and “directors” are to be understood as defined by national law.</u>		<u>For the purposes of this Directive, the concepts of “insolvency” and “directors” are to be understood as defined by national law.</u>
<i>Article 2, second paragraph</i>				
126c			2. For the purposes of this Directive, the concepts of “insolvency” and “directors” shall be understood in accordance with national law.	<i>deleted</i>
<i>Article 3</i>				
127	Article 3 Relevant point in time in relation to close relatedness	Article 3 Relevant point in time in relation to close relatedness <u>Party closely related to the debtor</u>	Article 3 Relevant point in time in relation to close relatedness	Article 3 Relevant point in time in relation to close relatedness <u>Party closely related to the debtor</u> <small>Text Origin: EP Mandate</small>
<i>Article 3, first paragraph -a</i>				
127a		<u>For the purposes of this Directive, parties closely related to</u>		<u>I. For the purposes of Title II, parties closely related to the</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		<u><i>the debtor shall include:</i></u>		<u><i>debtor shall include:</i></u>
Article 3, first paragraph -a, point (a)				
127b		<u><i>(a) where the debtor is a natural person:</i></u>		<u><i>(a) where the debtor is a natural person:</i></u> <small>Text Origin: EP Mandate</small>
Article 3, first paragraph -a, point (a)(i)				
127c		<u><i>(i) the spouse or partner of the debtor;</i></u>		<u><i>(i) the spouse or partner of the debtor;</i></u> <small>Text Origin: EP Mandate</small>
Article 3, first paragraph -a, point (a)(ii)				
127d		<u><i>(ii) ascendants, descendants, and siblings of the debtor, or of the spouse or partner of the debtor, and the spouses or partners of these persons;</i></u>		<u><i>(ii) ascendants, descendants, and siblings of the debtor, or of the spouse or partner of the debtor, and the spouses or partners of those persons;</i></u> <small>Text Origin: EP Mandate</small>
Article 3, first paragraph -a, point (a)(iii)				
127e		<u><i>(iii) persons living in the household of the debtor;</i></u>		<u><i>(iii) persons living in the household of the debtor;</i></u> <small>Text Origin: EP Mandate</small>
Article 3, first paragraph -a, point (a)(l)				
127f		<u><i>(iv) persons who are working for the debtor under a contract of employment with access to non-public information on the affairs of the debtor;</i></u>		<u><i>(iv) persons with access to non-public information on the affairs of the debtor, who have the possibility to control the debtor's operations, including where they</i></u>



	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				<u>work for the debtor under a contract of employment or are in an employment relationship with the debtor;</u>
Article 3, first paragraph -a, point (a)(m)				
127g		<u>(v) legal entities in which the debtor or one of the persons referred to in points (i) to (iv) of this subparagraph is a member of the management or supervisory bodies or performs duties which provide for access to non-public information on the affairs of the debtor;</u>		<u>(v) legal entities in which the debtor or one of the persons referred to in points (i) to (iv) is a member of the administrative, management or supervisory bodies or that performs duties which provide for access to non-public information on the affairs of the debtor;</u>
Article 3, first paragraph -a, point (b), first subparagraph				
127h		<u>(b) where the debtor is a legal entity;</u>		<u>(b) where the debtor is a legal entity;</u> <small>Text Origin: EP Mandate</small>
Article 3, first paragraph -a, point (b), first subparagraph, point (i)				
127i		<u>(i) any member of the management or supervisory bodies of the debtor;</u>		<u>(i) any member of the administrative, management or supervisory bodies of the debtor;</u>
Article 3, first paragraph -a, point (b), first subparagraph, point (ii)				
127j		<u>(ii) equity holders with a controlling interest in the debtor;</u>		<u>(ii) equity holders with a controlling interest in the debtor;</u> <small>Text Origin: EP Mandate</small>
Article 3, first paragraph -a, point (b), first subparagraph, point (iii)				


	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
127k		<u>(iii) persons which perform functions similar to those performed by persons under point (i);</u>		<u>(iii) persons who perform functions similar to those performed by persons under point (i);</u> Text Origin: EP Mandate
Article 3, first paragraph -a, point (b), second subparagraph				
127l		<u>(iv) persons which are closely related in accordance with the second subparagraph to the persons listed in points (i), (ii) and (iii) of this subparagraph.</u>		<u>(iv) persons who are closely related in accordance with the first subparagraph to the persons listed in points (i), (ii) and (iii) of this subparagraph.</u> Text Origin: EP Mandate
Article 3, first paragraph -b				
127m				<u>1a. For the purposes of Title IV, parties closely related to the debtor shall include the persons listed in paragraph 1 and any other persons, including legal persons, with preferential access to non-public information on the affairs of the debtor.</u>
Article 3, first paragraph				
128	The point in time for determining whether a party is closely related to the debtor shall be:	The point in time for determining whether a party is closely related to the debtor shall be:	The point in time for determining whether a party is closely related to the debtor shall be:	<u>2.</u> The point in time for determining whether a party is closely related to the debtor shall be:
Article 3, first paragraph, point (a)				
129	(a) for the purposes of Title II,	(a) for the purposes of Title II,	(a) for the purposes of Title II,	(a) for the purposes of Title II,

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	the day when the legal act subject to an avoidance action was perfected or three months prior to the perfection of the legal act;	the day when the legal act subject to an avoidance action was perfected or three months prior to the perfection of the legal act;	the day when the legal act subject to an avoidance action was perfected or during a period falling three months prior to the perfection of the legal act;	the day when the legal act subject to an avoidance action was perfected or during a period falling three months prior to the perfection of the legal act; Text Origin: Council Mandate
Article 3, first paragraph, point (b)				
130	(b) for the purposes of Title IV, the day when the preparation phase starts or three months prior to the start of the preparation phase.	(b) for the purposes of Title IV, the day when the preparation phase starts or three months prior to the start of the preparation phase.	(b) for the purposes of Title IV, the day when the preparation liquidation phase of the pre-pack mechanism starts or three during a period falling at least six months prior to the start commencement of the preparation liquidation phase.	(b) for the purposes of Title IV, the day when the preparation liquidation phase of the pre-pack [mechanism] starts or three during a period falling at least six months prior to the start commencement of the preparation liquidation phase. Text Origin: Council Mandate
Article 3, first paragraph a				
130a		<u>Paragraph -1 and paragraph 1, point (a), of this Article shall apply mutatis mutandis to the concept of persons closely related to parties which have benefitted from a void, voidable or unenforceable legal act as referred to in Article 11(2), second subparagraph.</u>		<u>Paragraph -1 and paragraph 1, point (a), of this Article shall apply mutatis mutandis to the concept of persons closely related to parties which have benefitted from a void, voidable or unenforceable legal act as referred to in Article 11(2), second subparagraph.</u> Council to prepare recital Text Origin: EP Mandate

	CLEAN	Commission Proposal	VSE.C	EP Mandate	VSE.C	Council Mandate	VSE.C	Draft Agreement
Article 3a								
G		130b				Article 3a National law and minimum harmonisation		G
Article 3a, first paragraph								
G		130c				1. Member States may adopt or maintain laws in conformity with Union law which provide for a greater level of protection for the general body of creditors than that provided for under Titles II and V.	<u>1. Member States may adopt or maintain laws in conformity with Union law which provide for a greater level of protection for the general body of creditors than that provided for under Titles II and V.</u> Text Origin: Council Mandate	G
Article 3a, second paragraph								
G		130d				2. Member States may adopt or maintain laws which facilitate access by insolvency practitioners to bank account information held in their national bank account registers and electronic data retrieval systems, beneficial ownership information and national registers and databases, to a greater extent than the rules provided for in Title III.	<i>deleted</i>	G
Article 3a, third paragraph								
G		130e				3. Member States may adopt or maintain laws relating	<u>3. Member States may adopt or maintain laws relating to the</u>	G

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			to the establishment, functioning, tasks and members of creditors' committees which provide for a greater participation of creditors in insolvency proceedings than that provided for in Title VII.	<u><i>establishment, functioning, tasks and members of creditors' committees which provide for a greater participation of creditors in insolvency proceedings than that provided for in Title VII.</i></u>
Article 3a				
130f		<u><i>Article 3a National law and minimum harmonisation</i></u>		
Article 3a, first paragraph				
130g		<u><i>1. Member States may adopt or maintain laws which provide for a greater level of protection for the general body of creditors than that provided for under Titles II, IV and VII, provided that they comply with Union law.</i></u>		deleted Text Origin: EP Mandate
Article 3a, second paragraph				
130h		<u><i>2. Member States may adopt or maintain laws which facilitate access by insolvency practitioners to bank account information held in their bank account registers, beneficial ownership information and national registers and databases to a greater extent than the rules provided for in Title III.</i></u>		<u><i>2. Member States may adopt or maintain laws which facilitate access by insolvency practitioners to bank account information held in their bank account registers, beneficial ownership information and national registers and databases to a greater extent than the rules provided for in Title III.</i></u> Recital 33: "In line with the minimum

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				<p>harmonization nature of this Directive, a Member State should be able to provide for insolvency practitioners direct search in the datasets contained in its national registers or databases.”</p> <p>Text Origin: EP Mandate</p>
Article 3a, third paragraph				
130i		<p><u>3. Member States shall ensure that, when insolvent, microenterprises have access to insolvency proceedings in situations where the debtor has no assets or its assets are not sufficient to cover the cost of the proceedings or the cost for the involvement of the insolvency practitioner.</u></p>		
Article 3a, fourth paragraph				
130j		<p><u>4. Member States may adopt or maintain laws which establish simplified winding-up proceedings for microenterprises.</u></p>		
Article 3b				
130k		<p><u>Article 3b Protection of workers</u></p>		
Article 3b, first paragraph				
130l		<p><u>This Directive is without prejudice to the application of national</u></p>		

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
		<p><u>labour law and Union law with regard to workers' rights, in particular Council Directives 98/59/EC^{1a} and 2001/23/EC^{1b} and Directives 2002/14/EC^{1c}, 2009/38/EC^{1d}, (EU) 2016/2341^{1e} and 2008/94/EC^{1f} of the European Parliament and of the Council. This Directive shall not prevent Member States from introducing or maintaining provisions relating to Title IV which provide for a greater level of protection for workers or their representatives.</u></p> <p><u>1a. Council Directive 98/59/EC of 20 July 1998 on the approximation of the laws of the Member States relating to collective redundancies (OJ L 225, 12.8.1998, p. 16, ELI: http://data.europa.eu/eli/dir/1998/59/oj).</u></p> <p><u>1b. Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (OJ L 82, 22.3.2001, p. 16, ELI: http://data.europa.eu/eli/dir/2001/23/oj).</u></p> <p><u>1c. 1c Directive 2002/14/EC of the European Parliament and of the Council of 11 March 2002 establishing a general framework for informing and consulting employees in the European Community (OJ L 80, 23.3.2002, p. 29, ELI: http://data.europa.eu/eli/dir/2002/14/oj).</u></p>		

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
		<p><u>Id. Directive 2009/38/EC of the European Parliament and of the Council of 6 May 2009 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (OJ L 122, 16.5.2009, p. 28, ELI: http://data.europa.eu/eli/dir/2009/38/oj).</u></p> <p><u>Ie. Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) (OJ L 354, 23.12.2016, p. 37, ELI: http://data.europa.eu/eli/dir/2016/2341/oj).</u></p> <p><u>If. Directive 2008/94/EC of the European Parliament and of the Council of 22 October 2008 on the protection of employees in the event of the insolvency of their employer (OJ L 283, 28.10.2008, p. 36, ELI: http://data.europa.eu/eli/dir/2008/94/oj).</u></p>		
Title II				
131	Title II AVOIDANCE ACTIONS	Title II AVOIDANCE ACTIONS	Title II AVOIDANCE ACTIONS	Title II AVOIDANCE ACTIONS
Chapter 1				
132	Chapter 1 General provisions regarding avoidance actions	Chapter 1 General provisions regarding avoidance actions	Chapter 1 General provisions regarding avoidance actions	Chapter 1 General provisions regarding avoidance actions <small>Text Origin: Council Mandate</small>
Article 4				

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
133	Article 4 General prerequisites for avoidance actions	Article 4 General prerequisites for avoidance actions	Article 4 General prerequisites for avoidance actions	Article 4 General prerequisites for avoidance actions
Article 4, first paragraph				
134	Member States shall ensure that legal acts which have been perfected prior to the opening of insolvency proceedings to the detriment of the general body of creditors can be declared void under the conditions laid down in Chapter 2 of this Title.	Member States shall ensure that legal acts which have been perfected prior to the opening of insolvency proceedings to the detriment of the general body of creditors can be declared void <u>are void, voidable or unenforceable</u> under the conditions laid down in Chapter 2 of this Title.	Member States shall ensure that legal acts which have been perfected prior to the opening of insolvency proceedings to the detriment of the general body of creditors can be declared void are void, voidable or unenforceable under the conditions laid down in Chapter 2 of this Title.	Member States shall ensure that legal acts which have been perfected prior to the opening of insolvency proceedings to the detriment of the general body of creditors can be declared void <u>are void, voidable or unenforceable</u> under the conditions laid down in Chapter 2 of this Title. Text Origin: Council Mandate
Article 4, first paragraph a				
134a		<u>Member States may adopt or maintain rules that establish that, where a legal act requires registration in a public register for its perfection, the point in time from which the legal act is considered perfected can exceptionally be before the date on which the registration takes place.</u>		<u>Member States may provide that a legal act, the effects of which are conditional upon its entry in a public register, is considered perfected as soon as all the other requirements for its effectiveness have been met.</u>
Article 5				
135	Article 5 Relationship to national provisions	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
<i>Article 5, first paragraph</i>				
136	This Directive shall not prevent Member States from adopting or maintaining provisions relating to the voidness, voidability or unenforceability of legal acts detrimental to the general body of creditors in the context of insolvency proceedings where such provisions provide a greater protection of the general body of creditors than those set out in Chapter 2 of this Title.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Chapter 2</i>				
137	Chapter 2 Specific conditions for avoidance actions	Chapter 2 Specific conditions for avoidance actions	Chapter 2 Specific conditions for avoidance actions	Chapter 2 Specific conditions for avoidance <i>actions</i> <small>Text Origin: Council Mandate</small>
<i>Article 6</i>				
138	Article 6 Preferences	Article 6 Preferences	Article 6 Preferences	Article 6 Preferences
<i>Article 6(1), first subparagraph</i>				
139	1. Member States shall ensure that legal acts benefitting a creditor or a group of creditors by satisfaction, collateralisation or in any other way can be declared void if they were perfected:	1. Member States shall ensure that <u>detrimental</u> legal acts benefitting a creditor or a group of creditors by satisfaction, or collateralisation or in any other way can be declared void <u>are void, voidable or unenforceable</u> if they	1. Member States shall ensure that detrimental legal acts benefitting a creditor or a group of creditors by satisfaction, or collateralisation or in any other way can be declared void are void, voidable or unenforceable if they	1. Member States shall ensure that <u>detrimental</u> legal acts benefitting a creditor or a group of creditors by satisfaction, or collateralisation or in any other way can be declared void <u>are void, voidable or unenforceable</u> if they

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		were perfected:	were perfected:	were perfected: <small>Text Origin: Council Mandate</small>
Article 6(1), first subparagraph, point (a)				
140	(a) within three months prior to the submission of the request for the opening of insolvency proceedings, under the condition that the debtor was unable to pay its mature debts; or	(a) within three months prior to the submission of the request for the opening of insolvency proceedings, under the condition <u>or, in the absence of a formal request, prior to the date of the resolution to commence insolvency proceedings, provided</u> that the debtor was unable to pay its mature debts <u>under national law</u> ; or	(a) within three months prior to the submission of the request for that led to the opening of the insolvency proceedings, under the condition <u>or, in the absence of a formal request, of the date of the resolution to commence insolvency proceedings, provided</u> that the debtor was generally unable to pay its mature debts as they fall due in accordance with national law ; or	(a) within three months prior to the submission of the request for that led to the opening of <u>the</u> insolvency proceedings, under the condition <u>or, in the absence of a formal request, of the date of the resolution to commence insolvency proceedings, provided</u> that the debtor was unable to pay its mature debts <u>as they fall due in accordance with national law</u> ; or <small>explanation on "generally" in recitals</small> <small>Text Origin: Council Mandate</small>
Article 6(1), first subparagraph, point (b)				
141	(b) after the submission of the request for the opening of insolvency proceedings.	(b) after the submission of the request for <u>or the date of the resolution referred to in point (a) and before</u> the opening of insolvency proceedings.	(b) after the submission of the request for <u>or the date of the resolution referred to in point (a) and before</u> the opening of insolvency proceedings.	(b) after the submission of the request for <u>or the date of the resolution referred to in point (a) and before</u> the opening of insolvency proceedings.
Article 6(1), second subparagraph				
142	Where several persons have submitted a request for the opening of insolvency proceedings against the same debtor, the point in time when the first admissible request is	Where several persons have submitted a request for the opening of insolvency proceedings against the same debtor, the point in time when the first admissible request is	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	submitted shall be considered the beginning of the three-month period referred to in the first subparagraph, point (a).	submitted shall be considered the beginning of the three-month period referred to in the first subparagraph, point (a).		
Article 6(2), first subparagraph				
143	2. If a due claim of a creditor was satisfied or secured in the owed manner, Member States shall ensure that the legal act can be declared void only if:	2. If a due claim of a creditor was satisfied or secured in the owed manner, Member States shall ensure that the legal act can be declared void <u>are void, voidable or unenforceable</u> only if:	2. If a due claim of a creditor was satisfied or secured in the owed manner <u>as owed</u> , Member States shall ensure that the <u>detrimental</u> legal act can be declared void only if <u>is void, voidable or unenforceable at least where:</u>	2. If a due claim of a creditor was satisfied or secured in the owed manner <u>as owed</u> , Member States shall ensure that the <u>detrimental</u> legal act can be declared void only if <u>is void, voidable or unenforceable at least where:</u> EP to check; for the moment, political Text Origin: Council Mandate
Article 6(2), first subparagraph, point (a)				
144	(a) the conditions laid down in paragraph 1 are met; and	(a) the conditions laid down in paragraph 1 are met; and	(a) the conditions laid down in paragraph 1 are met; and	(a) the conditions laid down in paragraph 1 are met; and
Article 6(2), first subparagraph, point (b)				
145	(b) that creditor knew, or should have known, that the debtor was unable to pay its mature debts or that a request for the opening of insolvency proceedings has been submitted.	(b) that creditor knew, or should have known, that the debtor was unable to pay its mature debts or that a request for the opening of insolvency proceedings has been submitted. <u>or that, in the absence of a formal request, a resolution to commence insolvency proceedings had been made.</u>	(b) that creditor knew, or should have known, that the debtor was generally unable to pay its mature debts <u>as they fall due in accordance with national law</u> , that a request for the opening of insolvency proceedings has had been submitted. <u>or that in the absence of a formal request a</u>	(b) that creditor knew, or should have known, that the debtor was unable to pay its mature debts <u>as they fall due in accordance with national law</u> , that a request for the opening of insolvency proceedings has had been submitted. <u>or that in the absence of a formal request a resolution to</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			resolution to commence insolvency proceedings had been made.	<u>commence insolvency proceedings had been made.</u>
Article 6(2), second subparagraph				
146	The creditor's knowledge referred to in the first subparagraph, point (b), shall be presumed if the creditor was a party closely related to the debtor.	The creditor's knowledge referred to in the first subparagraph, point (b), shall be presumed if the creditor was a party closely related to the debtor. <u>That presumption shall be rebuttable.</u>	For the purposes of The creditor's knowledge referred to in the first subparagraph, point (b), such knowledge shall be presumed if the creditor was a party closely related to the debtor. That presumption shall be rebuttable.	<u>For the purposes of</u> The creditor's knowledge referred to in the first subparagraph, point (b), <u>such knowledge</u> shall be presumed if the creditor was a party closely related to the debtor. <u>That presumption shall be rebuttable.</u> Text Origin: Council Mandate
Article 6(3), first subparagraph				
147	3. By way of derogation from paragraphs 1 and 2, Member States shall ensure that the following legal acts cannot be declared void:	3. By way of derogation from paragraphs 1 and 2, Member States shall ensure that the following legal acts cannot be declared void, <u>voidable or unenforceable</u> :	3. By way of derogation from paragraphs 1 and 2, Member States shall ensure may provide that the following detrimental legal acts cannot be declared void are not void, voidable or unenforceable pursuant to this Directive :	3. By way of derogation from Paragraphs 1 and 2, Member States shall ensure that <u>do not apply to</u> the following legal acts cannot be declared void :
Article 6(3), first subparagraph, point (a)				
148	(a) legal acts performed directly against fair consideration to the benefit of the insolvency estate;	(a) legal acts performed directly against fair consideration to the benefit of the insolvency estate <u>debtor's assets</u> ;	(a) legal acts performed directly against fair consideration to the benefit of the insolvency estate <u>debtor's assets</u> ;	(a) legal acts performed directly against fair consideration to the benefit of the insolvency estate <u>debtor's assets</u> ; Text Origin: Council Mandate
Article 6(3), first subparagraph, point (b)				
149	(b) payments on bills of	(b) payments on bills of	(b) payments on bills of	(b) payments on bills of

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	exchange or cheques where the law that governs bills of exchange or cheques bars the recipient's claims arising from the bill or cheque against other bill or cheque debtors such as endorsers, the drawer, or drawee if it refuses the debtor's payment;	exchange or cheques where the law that governs bills of exchange or cheques bars the recipient's claims arising from the bill or cheque against other bill or cheque debtors such as endorsers, the drawer, or drawee if it refuses the debtor's payment;	exchange or cheques where the law that governs bills of exchange or cheques bars the recipient's claims arising from the bill or cheque against other bill or cheque debtors such as endorsers, the drawer, or the drawee if the drawee refuses the debtor's payment;	exchange or cheques where the law that governs bills of exchange or cheques bars the recipient's claims arising from the bill or cheque against other bill or cheque debtors such as endorsers, the drawer, or <u>the</u> drawee if the drawee refuses the debtor's payment; Text Origin: Council Mandate
Article 6(3), first subparagraph, point (c)				
150	(c) legal acts that are not subject to avoidance actions in accordance with Directive 98/26/EC and Directive 2002/47/EC.	(c) legal acts that are not subject to avoidance actions in accordance with Directive 98/26/EC and Directive 2002/47/EC.	(c) legal acts that are not subject to avoidance actions in accordance with Directive 98/26/EC and Directive 2002/47/EC-;	(c) legal acts that are not subject to avoidance actions in accordance with Directive 98/26/EC and Directive 2002/47/EC-; Text Origin: Council Mandate
Article 6(3), first subparagraph, point (ca)				
150a			(ca) the entering into netting arrangements, including close-out netting, in financial markets, energy markets or other commodity markets as well as legal acts supporting the operation of such arrangements.	<i>deleted</i> <i>identical to line 150c</i>
Article 6(3), first subparagraph, point (ca)				
150b		<u>(ca) where relevant, in accordance with national law, legal acts the purpose of which is to satisfy or collateralise claims by</u>		<i>political</i>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
		social security authorities.		
Article 6(3), first subparagraph, point (cb)				
150c		(cb) the entering into netting arrangements, including close-out netting, in financial markets, energy markets or other commodity markets as well as legal acts supporting the operation of such arrangements.		(cc) the entering into netting arrangements, including close-out netting, in financial markets, energy markets or other commodity markets as well as legal acts supporting the operation of such arrangements. identical to line 150a Text Origin: EP Mandate
Article 6(3), second subparagraph				
151	Member States shall ensure that where payments on bills of exchange or cheques are concerned as referred to in the first subparagraph, point (b), the amount paid on the bill or cheque shall be restituted by the last endorser or, if the latter endorsed the bill on account of a third party, by such party if the last endorser or the third party knew or should have known that the debtor was unable to pay its mature debts or that a request for the opening of insolvency proceedings has been submitted at the moment of endorsing the bill or having it	Member States shall ensure that where payments on bills of exchange or cheques are concerned as referred to in the first subparagraph, point (b), the amount paid on the bill or cheque shall be restituted by the last endorser or, if the latter endorsed the bill on account of a third party, by such party if the last endorser or the third party knew or should have known that the debtor was unable to pay its mature debts or that a request for the opening of insolvency proceedings has been submitted at the moment of endorsing the bill or having it	Member States shall ensure that where payments on bills of exchange or cheques are concerned as referred to in For the purposes of the first subparagraph, point (b), Member States shall ensure that the amount paid on the bill or cheque shall be restituted by the last endorser or, if the latter endorsed the bill on account of a third party, by such party, if the last endorser or the third party knew or should have known that the debtor was generally unable to pay its mature debts or that a request for the opening of insolvency proceedings has had	Member States shall ensure that where payments on bills of exchange or cheques are concerned as referred to in For the purposes of the first subparagraph, point (b), Member States shall ensure that the amount paid on the bill or cheque shall be restituted by the last endorser or, if the latter endorsed the bill on account of a third party, by such party, if the last endorser or the third party knew or should have known that the debtor was unable to pay its mature debts as they fall due in accordance with national law or that a request for the opening of

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	endorsed. This knowledge is presumed if the last endorser or the third party was a party closely related to the debtor.	endorsed. This knowledge is presumed if the last endorser or the third party was a party closely related to the debtor. <u>That presumption shall be rebuttable.</u>	been submitted at the moment of endorsing the bill or having it endorsed. This Such knowledge is shall be presumed if the last endorser or the third party was a party closely related to the debtor.	insolvency proceedings has had been submitted at the moment of endorsing the bill or having it endorsed. This Such knowledge is shall be presumed if the last endorser or the third party was a party closely related to the debtor. <u>That presumption shall be rebuttable.</u>
Article 7				
152	Article 7 Legal acts against no or a manifestly inadequate consideration	Article 7 Legal acts against no or a manifestly inadequate consideration	Article 7 Legal acts against no consideration or against a manifestly inadequate consideration	Article 7 Legal acts against no <u>consideration or against</u> a manifestly inadequate consideration <small>Text Origin: Council Mandate</small>
Article 7(1)				
153	1. Member States shall ensure that legal acts of the debtor against no or a manifestly inadequate consideration can be declared void where they were perfected within a time period of one year prior to the submission of the request for the opening of insolvency proceedings or after the submission of such request.	1. Member States shall ensure that legal acts of the debtor against no or a manifestly inadequate consideration can be declared void <u>are void, voidable or unenforceable</u> where they were perfected within a time period of one year prior to the submission of the request for the opening of insolvency proceedings or, <u>in the absence of a formal</u> after the submission of such request, <u>prior to the date on which a resolution to commence insolvency proceedings</u>	1. Member States shall ensure that legal acts of the debtor against no consideration or against a manifestly inadequate consideration can be declared void <u>are void, voidable or unenforceable</u> where they were perfected within a time period of one year prior to the submission of the request for that led to the opening of insolvency proceedings, or in the absence of such a formal request, the date of the resolution to commence	1. Member States shall ensure that legal acts of the debtor against no <u>consideration or against</u> a manifestly inadequate consideration can be declared void <u>are void, voidable or unenforceable</u> where they were perfected within a time period of one year prior to the submission of the request for that led to the opening of insolvency proceedings, <u>or in the absence of such a formal request, the date of the resolution to commence insolvency</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		<p><u>had been made. The payment of a third-party debt in a three-person relationship shall not be automatically considered as a legal act against no or manifestly inadequate consideration.</u></p> <p><u>Member States may provide that the fact that the enrichment resulting from a void legal act is no longer the property of the party which benefited from that legal act can be invoked if that party was not aware of the circumstances on which the avoidance action is based.</u></p>	<p>insolvency proceedings, or after the submission of such request and before the opening of the insolvency proceedings.</p>	<p><u>proceedings</u>, or after the submission of such request <u>and before the opening of the insolvency proceedings</u>.</p> <p>Agreement on corresponding recital in relation to third-party debt</p> <p>"The debtor's payment of an outstanding debt to a third party in a three-person relationship, such as when a subsidiary company pays the parent company's debt to a third party, should not automatically be considered as a legal act of the debtor against no or manifestly inadequate consideration. In such cases the debtor's payment can be reciprocal to the performance which the parent company received from the third party and which may have given the debtor a direct or indirect advantage, and the third party may not have had the possibility to reject the debtor's payment. "</p>
Article 7(1), second subparagraph				
153a			<p>Member States may provide that the fact that the enrichment resulting from the legal act that has been declared void is no longer the property of the party which benefited from</p>	<p><u>Member States may provide that the fact that the enrichment resulting from the void, voided or unenforceable legal act is no longer the property of the party which benefited from</u></p>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			that legal act can be invoked if that party was not aware of the circumstances on which the avoidance action is based.	<u>that legal act can be invoked if that party was not aware of the circumstances on which the avoidance action is based.</u>
Article 7(2)				
154	2. Paragraph 1 shall not apply to gifts and donations of symbolic value.	2. Paragraph 1 shall not apply to gifts and donations of symbolic value.	2. Paragraph 1 shall not apply to gifts and donations of symbolic value.	2. Paragraph 1 shall not apply to gifts and donations of symbolic value.
Article 7(3)				
155	3. Where several persons have submitted a request for the opening of insolvency proceedings against the same debtor, the point in time when the first admissible request is submitted shall be considered the beginning of the one-year period referred to in paragraph 1.	3. Where several persons have submitted a request for the opening of insolvency proceedings against the same debtor, the point in time when the first admissible request is submitted shall be considered the beginning of the one-year period referred to in paragraph 1.	<i>deleted</i>	<i>deleted</i>
Article 8				
156	Article 8 Legal acts intentionally detrimental to creditors	Article 8 Legal acts intentionally detrimental to creditors	Article 8 Legal acts intentionally detrimental to creditors	Article 8 Legal acts intentionally detrimental to creditors
Article 8(1), first subparagraph				
157	1. Member States shall ensure that legal acts by which the debtor has intentionally caused a detriment to the general body of creditors can be declared void where both of the following	1. Member States shall ensure that legal acts by which the debtor has intentionally caused a detriment to the general body of creditors can be declared void <u>are void, voidable or unenforceable</u>	1. Member States shall ensure that legal acts by which the debtor has intentionally caused a detriment to the general body of creditors can be declared void <u>are void, voidable or unenforceable</u>	1. Member States shall ensure that legal acts by which the debtor has intentionally caused a detriment to the general body of creditors can be declared void <u>are void, voidable or unenforceable</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	conditions are met:	where both of the following conditions are met:	where both of the following conditions are met:	where both of the following conditions are met:
Article 8(1), first subparagraph, point (a)				
158	(a) those acts were perfected either within a time period of four years prior to the submission of the request for the opening of insolvency proceedings or after the submission of such request;	(a) those acts were perfected either within a time period of four <u>three</u> years prior to the submission of the request for the opening of insolvency proceedings or, in the absence of a formal <u>after the submission of such</u> request, <u>prior to the date on which a resolution to commence insolvency proceedings had been made</u> ;	(a) those acts were perfected either within a time period of four <u>two</u> years prior to the submission of the request for that led to the opening of the insolvency proceedings or, in the absence of such a formal request, of the date of the resolution to commence insolvency proceedings , or after the submission of such request and before the opening of the insolvency proceedings ;	EP considers political
Article 8(1), first subparagraph, point (b)				
159	(b) the other party to the legal act knew or should have known of the debtor's intent to cause a detriment to the general body of creditors.	(b) the other party to the legal act knew or should have known of the debtor's intent to cause a detriment to the general body of creditors.	(b) the other party to the legal act knew or should have known of the debtor's intent to cause a detriment to the general body of creditors-	(b) the other party to the legal act knew or should have known of the debtor's intent to cause a detriment to the general body of creditors. Text Origin: Council Mandate
Article 8(1), second subparagraph				
160	The knowledge referred to in the first subparagraph, point (b), shall be presumed if the other party to the legal act was a party closely related to the debtor.	The knowledge referred to in the first subparagraph, point (b), shall be presumed if the other party to the legal act was a party closely related to the debtor. <u>That</u>	For the purposes of The knowledge referred to in the first subparagraph, point (b), such knowledge shall be presumed if the other party to the legal act was	<u>For the purposes of</u> The knowledge referred to in the first subparagraph, point (b), <u>such knowledge</u> shall be presumed if the other party to the legal act was a

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		<u>presumption shall be rebuttable.</u>	a party closely related to the debtor. That presumption shall be rebuttable.	party closely related to the debtor. <u>That presumption shall be rebuttable.</u> <small>Text Origin: Council Mandate</small>
Article 8(2)				
161	2. Where several persons have submitted a request for the opening of insolvency proceedings against the same debtor, the point in time when the first admissible request is submitted shall be considered the beginning of the four-year period referred to in paragraph 1, first subparagraph, point (a).	2. Where several persons have submitted a request for the opening of insolvency proceedings against the same debtor, the point in time when the first admissible request is submitted shall be considered the beginning of the four-year <u>three-year</u> period referred to in paragraph 1, first subparagraph, point (a).	<i>deleted</i>	<i>deleted</i>
Chapter 3				
162	Chapter 3 Consequences of avoidance actions	Chapter 3 Consequences of avoidance actions	Chapter 3 Consequences of avoidance actions	Chapter 3 Consequences of avoidance actions
Article 9				
163	Article 9 General consequences	Article 9 General consequences	Article 9 General consequences	Article 9 General consequences
Article 9(1)				
164	1. Member State shall ensure that the claims, rights or obligations resulting from legal acts that have been declared void pursuant to Chapter 2 of this Title may not be invoked to obtain	1. Member State shall ensure that the claims, rights or obligations resulting from legal acts that have been declared void <u>are void, voidable or unenforceable</u> pursuant to Chapter	1. Member State shall ensure that the claims, rights or obligations resulting from legal acts that have been declared void <u>which are void, were voided or deemed unenforceable</u>	1. Member State shall ensure that the claims, rights or obligations resulting from legal acts that <u>which are void, unenforceable or</u> have been declared void <u>voided</u> pursuant to

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	satisfaction from the insolvency estate concerned.	2 of this Title may not be invoked to obtain satisfaction from the insolvency estate concerned.	pursuant to Chapter 2 of this Title may not cannot be invoked to obtain satisfaction from the insolvency estate concerned.	Chapter 2 of this Title may not cannot be invoked to obtain satisfaction from the insolvency estate concerned.
Article 9(2), first subparagraph				
165	2. Member States shall ensure that the party which benefitted from the legal act that has been declared void is obliged to compensate in full the insolvency estate concerned for the detriment caused to creditors by that legal act.	2. Member States shall ensure that the party which benefitted from the <u>void, voidable or unenforceable</u> legal act that has been declared void is obliged to compensate in full the insolvency estate concerned for the detriment caused to creditors by that legal act.	2. Member States shall ensure that the party which benefitted from the legal act that has been declared void is void, was voided or deemed unenforceable is obliged to compensate in full the insolvency estate concerned for the detriment caused to creditors by that legal act return the benefits obtained in kind, or in their monetary equivalent.	2. Member States shall ensure that the party which benefitted from the legal act that <u>is void, unenforceable or</u> has been declared void <u>voided</u> is obliged to compensate in full the insolvency estate concerned for the detriment caused to creditors by that legal act <u>return the benefits obtained in kind, or in their monetary equivalent.</u>
Article 9(2), second subparagraph				
166	The fact that the enrichment resulting from the legal act that has been declared void is not available anymore in the property of the party which benefitted from that legal act ('lapse of enrichment') can only be invoked if that party was neither aware, nor should have been aware, of the circumstances on which the avoidance action is based.	The fact that the enrichment resulting from the <u>void, voidable or unenforceable</u> legal act that has been declared void is not available anymore in the property of the party which benefitted from that legal act ('lapse of enrichment') can only be invoked if that party was neither not <u>neither</u> aware, nor should have been aware, of the circumstances on which the avoidance action is based.	<i>deleted</i>	<i>political</i>
Article 9(3)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
167	3. Member States shall ensure that the limitation period for all claims resulting from the legal act that can be declared void against the other party is three years from the date of the opening of insolvency proceedings.	3. Member States shall ensure that the limitation period for all claims resulting from the <u>void, voidable or unenforceable</u> legal act that can be declared void against the other party is three years from the date of the opening of insolvency proceedings.	<i>deleted</i>	<i>EP considers political</i>
Article 9(4)				
168	4. Member States shall ensure that a claim to obtain full compensation pursuant to paragraph 2, first subparagraph, may be assigned to a creditor or a third party.	4. Member States shall ensure that a claim to obtain full compensation pursuant to paragraph 2, first subparagraph, may be assigned to a creditor or a third party.	4. Member States shall ensure that a claim to obtain full compensation for the return of benefits obtained in kind or in their monetary equivalent pursuant to paragraph 2, first subparagraph, may can be assigned to a creditor or a third party under the rules governing the management of the insolvency debtor's estate.	4. Member States shall ensure that a claim to obtain full compensation for the return of benefits obtained in kind or in their monetary equivalent pursuant to paragraph 2, first subparagraph, may can be assigned to a creditor or a third party.
Article 9(5)				
169	5. Member States shall ensure that the party that has been obliged to compensate the insolvency estate pursuant to paragraph 2, first subparagraph, cannot set-off this obligation with its claims against the insolvency estate.	5. Member States shall ensure that the party that has been obliged to compensate the insolvency estate pursuant to paragraph 2, first subparagraph, cannot set-off this obligation with its claims against the insolvency estate.	5. Member States shall ensure that the party that has been obliged to compensate the insolvency estate return benefits obtained in kind or in their monetary equivalent pursuant to paragraph 2, first subparagraph, cannot set-off this offset that obligation with its claims against that it would otherwise have to pursue in the	5. Member States shall ensure that the party that has been obliged to compensate the insolvency estate return benefits obtained in kind or in their monetary equivalent pursuant to paragraph 2, first subparagraph, cannot set-off this offset that obligation with its claims against that it would otherwise have to pursue in the

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			insolvency estate proceedings.	insolvency estate proceedings. <small>Text Origin: Council Mandate</small>
Article 9(6)				
170	6. This Article is without prejudice to actions based on general civil and commercial law for compensation of damages suffered by creditors as a result of a legal act that can be declared void.	6. This Article is without prejudice to actions based on general civil and commercial law for compensation of damages suffered by creditors as a result of a legal act that can be declared void.	6. This Article is without prejudice to actions based on general governed by civil and commercial law for compensation of damages suffered by creditors as a result of a legal act that can be declared void are void, voidable or unenforceable.	6. This Article is without prejudice to actions based on general governed by civil and commercial law for compensation of damages suffered by creditors as a result of a legal act that can be declared void are void, voidable or unenforceable. <small>Text Origin: Council Mandate</small>
Article 10				
171	Article 10 Consequences for the party which benefitted from the legal act that has been declared void	Article 10 Consequences for the party which benefitted from the void, voidable or unenforceable legal act that has been declared void	Article 10 Consequences for the party which that benefitted from the legal act that has been declared void is void, voidable or unenforceable	Article 10 Consequences for the party which that benefitted from the legal act that has been declared void is void, voidable or unenforceable <small>Text Origin: Council Mandate</small>
Article 10(1)				
172	1. Member States shall ensure that if and to the extent that the party which benefitted from the legal act that has been declared void compensates the insolvency estate for the detriment caused by that legal act, any claim of that party which was satisfied with that	1. Member States shall ensure that if and to the extent that the party which benefitted from the void, voidable or unenforceable legal act that has been declared void compensates the insolvency estate for the detriment caused by that legal act, any claim of that	1. Member States shall ensure that if, and to the extent that, the party which that benefitted from the legal act that has been declared void compensates the insolvency estate for the detriment caused by that legal act is void, voidable or unenforceable returns the	1. Member States shall ensure that if, and to the extent that, the party which that benefitted from the legal act that has been declared void compensates the insolvency estate for the detriment caused by that legal act is void, voidable or unenforceable returns the benefits

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	legal act revives.	party which was satisfied with that legal act revives.	benefits obtained in kind or in their monetary equivalent in accordance with Article 9, any claim of that party which was satisfied with that legal act revives in accordance with national law.	<u>obtained in kind or in their monetary equivalent in accordance with Article 9</u> , any claim of that party which was satisfied with that legal act revives <u>in accordance with national law</u> . Text Origin: Council Mandate
Article 10(2), first subparagraph				
173	2. Member States shall ensure that any counter-performance of the party which benefitted from the legal act that has been declared void performed after or in an instant exchange for the performance of the debtor under that legal act shall be refunded from the insolvency estate to the extent that the counter-performance is still available in the estate in a form that can be distinguished from the rest of the insolvency estate or the insolvency estate is still enriched by its value.	2. Member States shall ensure that any counter-performance of the party which benefitted from the <u>void, voidable or unenforceable</u> legal act that has been declared void performed after or in an instant exchange for the performance of the debtor under that legal act shall be refunded from the insolvency estate to the extent that the counter-performance is still available in the estate in a form that can be distinguished from the rest of the insolvency estate or the insolvency estate is still enriched by its value.	<i>deleted</i>	2. Member States shall ensure that any counter-performance of the party which benefitted from the <u>void, voidable or unenforceable</u> legal act that has been declared void performed after or in an instant exchange for the performance of the debtor under that legal act shall be refunded from the insolvency estate to the extent that the counter-performance is still available in the estate in a form that can be distinguished from the rest of the insolvency estate or the insolvency estate is still enriched by its value. Text Origin: EP Mandate
Article 10(2), second subparagraph				
174	In all cases not covered by the first subparagraph, the party which benefitted from the legal act that has been declared void may file	In all cases not covered by the first subparagraph, the party which benefitted from the <u>void, voidable or unenforceable</u> legal act that has	<i>deleted</i>	In all cases not covered by the first subparagraph, the party which benefitted from the <u>void, voidable or unenforceable</u> legal act that has

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	claims for the compensation of the counter-performance. For the purposes of the ranking of claims in insolvency proceedings, this claim shall be deemed to have arisen before the opening of insolvency proceedings	been declared void may file claims for the compensation of the counter-performance. For the purposes of the ranking of claims in insolvency proceedings, this claim shall be deemed to have arisen before the opening of insolvency proceedings.	PUBLIC	been declared void may file claims for the compensation of the counter-performance. For the purposes of the ranking of claims in insolvency proceedings, this claim shall be deemed to have arisen before the opening of insolvency proceedings Text Origin: EP Mandate
Article 11				
175	Article 11 Liability of third parties	Article 11 Liability of third parties	Article 11 Liability of third parties	Article 11 Liability of third parties
Article 11(1)				
176	1. Member States shall ensure that the rights laid down in Article 9 are enforceable against an heir or another universal successor of the party which benefitted from the legal act that has been declared void.	1. Member States shall ensure that the rights laid down in Article 9 are enforceable against <u>Articles 9 and 10 are applicable to</u> an heir or another universal successor of the party which benefitted from the <u>void, voidable or unenforceable</u> legal act that has been declared void .	1. Member States shall ensure that the rights laid down in Article 9 are enforceable against an Articles 9 and 10 are applicable to any heir or another universal successor of the party which that benefitted from the legal act that has been declared void is void, voidable or unenforceable. The extent of the liability of the heirs shall be governed by national law.	1. Member States shall ensure that the rights laid down in Article 9 are enforceable against an <u>Articles 9 and 10 are applicable to any</u> heir or another universal successor of the party which that benefitted from the legal act that has been declared void is void, voidable or unenforceable. The extent of the liability of the heirs shall be governed by national law. Text Origin: Council Mandate
Article 11(2), first subparagraph				
177	2. Member States shall ensure that the rights laid down in Article 9 are also enforceable	2. Member States shall ensure that the rights laid down in Article 9 <u>are also enforceable</u>	2. Member States shall ensure that the rights laid down in Article 9 are also enforceable against is	2. Member States shall ensure that the rights laid down in Article 9 <u>are also enforceable against</u> is

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	against any individual successor of the other party to the legal act that has been declared void if one of the following conditions is fulfilled:	against <u>applicable to</u> any individual successor of the other party to the <u>void, voidable or unenforceable</u> legal act that has been declared void if one of the following conditions is fulfilled:	<u>applicable to</u> any individual successor of the other party to the legal act that has been declared void <u>void, voidable or unenforceable</u> if one of the following conditions is fulfilled:	<u>applicable to</u> any individual successor of the other party to the legal act that has been declared void <u>is void, voidable or unenforceable</u> if one of the following conditions is fulfilled: Text Origin: Council Mandate
Article 11(2), first subparagraph, point (a)				
178	(a) the successor acquired the asset against no or a manifestly inadequate consideration;	(a) the successor acquired the asset against no or a manifestly inadequate consideration;	<i>deleted</i>	<i>deleted</i>
Article 11(2), first subparagraph, point (b)				
179	(b) the successor knew or should have known the circumstances on which the avoidance action is based.	(b) the successor knew or should have known the circumstances on which the avoidance action is based.	(b) the successor knew or should have known the circumstances on which the avoidance action is based.	(b) the successor knew or should have known the circumstances on which the avoidance action is based.
Article 11(2), second subparagraph				
180	The knowledge referred to in the first subparagraph, point (b), shall be presumed if the individual successor is a party closely related to the party which benefitted from the legal act that has been declared void.	The knowledge referred to in the first subparagraph, point (b), shall be presumed if the individual successor is a party closely related to the party which benefitted from the <u>void, voidable or unenforceable</u> legal act. <u>That presumption shall be rebuttable that has been declared void.</u>	<i>deleted</i>	The knowledge referred to in the first subparagraph, point (b), shall be presumed if the individual successor is a party closely related to the party which benefitted from the <u>void, voidable or unenforceable</u> legal act. <u>That presumption shall be rebuttable that has been declared void.</u> Text Origin: EP Mandate
Article 12				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
181	Article 12 Relation to other instruments	Article 12 Relation to other instruments	Article 12 Relation to other instruments	Article 12 Relation to other instruments
Article 12(1)				
182	1. The provisions of this Title shall not affect Articles 17 and 18 of Directive (EU) 2019/1023.	1. The provisions of this Title shall not affect Articles 17 and 18 of Directive (EU) 2019/1023.	1. The provisions of This Title shall does not affect Articles 17 Directives 98/26/EC, 2002/47/EC and 18 of Directive (EU) 2019/1023.	1. The provisions of This Title shall does not affect Articles 17 Directives 98/26/EC, 2002/47/EC and 18 of Directive (EU) 2019/1023. Text Origin: Council Mandate
Article 12(1a)				
182a			Where, during preventive restructuring proceedings under Directive (EU) 2019/1023, the debtor becomes unable to pay its debts as they fall due and the benefit of a stay is kept in place in accordance with Article 7(3) of that Directive, Member States may provide that, with respect to legal acts performed during the stay, a party's knowledge that the debtor was generally unable to pay its debts as they fall due in accordance with national law does not give rise to avoidance actions under Article 6 (2) of this Directive.	<u>Where, during preventive restructuring proceedings under Directive (EU) 2019/1023, the debtor becomes unable to pay its debts as they fall due and the benefit of a stay is kept in place in accordance with Article 7(3) of that Directive, Member States may provide that, with respect to legal acts performed during the stay, a party's knowledge that the debtor was unable to pay its debts as they fall due in accordance with national law does not give rise to avoidance actions under Article 6 (2) of this Directive.</u>
Title III				
183	Title III	Title III	Title III	Title III

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	TRACING ASSETS BELONGING TO THE INSOLVENCY ESTATE	TRACING ASSETS BELONGING TO THE INSOLVENCY ESTATE	TRACING ASSETS BELONGING TO THE INSOLVENCY ESTATE	TRACING ASSETS BELONGING TO THE INSOLVENCY ESTATE
Chapter 1				
184	Chapter 1 Access to bank account information by designated courts	Chapter 1 Access to bank account information by designated courts <u>and administrative authorities</u>	Chapter 1 Access by designated courts and authorities to bank account information by designated courts	Chapter 1 Access <u>by designated courts and administrative authorities</u> to bank account information by designated courts
Article 13				
185	Article 13 Designated courts	Article 13 Designated courts <u>and administrative authorities</u>	Article 13 Designated courts and authorities	Article 13 Designated courts <u>and administrative authorities</u> <small>Text Origin: EP Mandate</small>
Article 13(1)				
186	1. Each Member State shall designate, among its courts that are competent to hear cases related to procedures in restructuring, insolvency or discharge of debt, the courts empowered to access and search its national centralised bank account registry established pursuant to Article 32a of Directive (EU) 2015/849 ('designated courts').	1. Each Member State shall designate, among its courts that are competent to hear cases related to procedures in restructuring, insolvency or discharge of debt, the courts <u>or administrative authorities that are empowered to access and search its national centralised bank account registry established pursuant to Article 32a of Directive (EU) 2015/849 ('designated courts')</u> . <u>registers</u>	1. Each Member State shall designate, among its courts that are competent to hear cases related to procedures in restructuring, insolvency or discharge of debt, the courts empowered or administrative authorities as authorised to access and search its national centralised bank account registry established pursuant to Article 32a of Directive (EU) 2015/849 registers and electronic data retrieval systems ('designated courts or	1. Each Member State shall designate, among its courts that are competent to hear cases related to procedures in restructuring, insolvency or discharge of debt, the courts <u>empowered or administrative authorities that are authorised</u> to access and search its national centralised bank account registry <u>registers and those authorized to access and search cross-border according</u> to Article 32a of Directive (EU)

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			authorities’).	2015/849 <u>14(2)</u> (‘designated courts <u>or administrative authorities</u> ’). In connection to this, it should also be mentioned in the recitals that Member State may designate the same courts or administrative authorities that are authorised to access and search its national bank account registers and cross-border according to Article 14(2).
Article 13(2)				
187	2. Each Member State shall notify the Commission of its designated courts by [6 months from transposition date], and shall notify the Commission of any amendment thereto. The Commission shall publish the notifications in the Official Journal of the European Union.	2. Each Member State shall notify the Commission of its designated courts <u>or administrative authorities by ... by</u> [63 months from transposition date], and shall <u>immediately</u> notify the Commission of any amendment thereto. The Commission shall publish the notifications in the Official Journal of the European Union <u>and on the European e-Justice Portal</u> .	2. Each Member State shall notify the Commission of its designated courts or authorities by ... by [642 months from transposition date the date of entry into force of this Directive], and shall notify the Commission of any amendment changes thereto. The Commission shall publish the notifications in the Official Journal of the European Union e-Justice Portal .	2. Each Member State shall notify the Commission of its designated courts <u>or authorities by ... by</u> [6x months from transposition date <u>the date of entry into force of this Directive</u>], and shall notify the Commission of any amendment <u>changes</u> thereto. The Commission shall publish the notifications in the Official Journal of the European Union <u>in the European e-Justice Portal</u> . Timelines for trilogue
Article 14				
188	Article 14 Access to and searches of bank account information by designated courts	Article 14 Access to and searches of bank account information by designated courts <u>and administrative</u>	Article 14 Access to and searches of bank account information by designated courts and authorities	Article 14 Access to and searches of bank account information by designated courts <u>and administrative</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		authorities		authorities Text Origin: EP Mandate
Article 14(1)				
189	1. Member States shall ensure that, upon request of the insolvency practitioner appointed in ongoing insolvency proceedings, the designated courts have the power to access and search, directly and immediately, bank account information listed in Article 32a(3) of Directive (EU) 2015/849, where necessary for the purposes of identifying and tracing assets belonging to the insolvency estate of the debtor in that proceedings, including those subject to avoidance actions.	1. Member States shall ensure that, upon request of the insolvency practitioner appointed in ongoing insolvency proceedings, including interim proceedings , the designated courts or administrative authorities have the power to access and search, directly and immediately, bank account information listed in Article 32a(3) of Directive (EU) 2015/849 , where necessary for the purposes of identifying and tracing assets belonging to the insolvency estate of the debtor in that proceedings, including those subject to avoidance actions.	1. Member States shall ensure that, upon request of the insolvency practitioner appointed in ongoing insolvency proceedings, the designated courts or authorities have the power to access and search, directly and immediately, bank account information listed in Article 32a(3) of Directive (EU) 2015/849, where necessary for the purposes of identifying and tracing assets belonging to the insolvency estate of the debtor in that proceedings, including those subject to avoidance actions. the following conditions are met:	1. Member States shall ensure that, upon request of the insolvency practitioner appointed in ongoing insolvency proceedings , the designated courts or administrative authorities have the power to access and search, directly and immediately, bank account information listed in Article 32a(3) of Directive (EU) 2015/849 , where necessary for the purposes of identifying and tracing assets belonging to the insolvency estate of the debtor in that proceedings, including those subject to avoidance actions. the following conditions are met:
Article 14(1), point (a)				
189a			(a) the insolvency practitioner appointed in ongoing insolvency proceedings, including interim proceedings, requests bank account information; and	(a) the insolvency practitioner appointed in ongoing insolvency proceedings, including interim proceedings, requests bank account information; and Text Origin: Council Mandate
Article 14(1), point (b)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
189b			(b) the bank account information is necessary for the purposes of identifying and tracing assets belonging to the insolvency estate in those proceedings, as well as assets subject to avoidance actions.	<u>(b) the bank account information is necessary for the purposes of identifying and tracing assets belonging to the insolvency estate in those proceedings, as well as assets subject to avoidance actions.</u> Text Origin: Council Mandate
Article 14(2)				
190	2. Member States shall ensure that, upon request of the insolvency practitioner appointed in ongoing insolvency proceedings, the designated courts have the power to access and search, directly and immediately, bank account information in other Member States available through the bank account registers (BAR) single access point set up pursuant to Article XX of Directive (EU) YYYY/XX [OP: the new Anti-Money Laundering Directive] where necessary for the purposes of identifying and tracing assets belonging to the insolvency estate of the debtor in that proceedings, including those subject to avoidance actions.	2. Member States shall ensure that, upon request of the insolvency practitioner appointed in ongoing insolvency proceedings, <u>including interim proceedings</u> , the designated courts <u>or administrative authorities</u> have the power to access and search, directly and immediately, bank account information in other Member States available through the bank account registers <u>interconnection system (BARBARIS) single access point set up pursuant to referred to in</u> Article <u>XX16(6)</u> of Directive (EU) <u>YYYY/XX [OP: the new Anti-Money Laundering Directive]</u> <u>2024/1640</u> , where necessary for the purposes of identifying and tracing assets belonging to the insolvency estate of the debtor in that <u>those</u>	2. In facilitating cross-border access , Member States shall ensure that, upon request of the insolvency practitioner appointed in ongoing insolvency proceedings , the designated courts or authorities have the power to access and search, directly and immediately, bank account information in other Member States available through the bank account registers interconnection system (BARBARIS) single access point set up pursuant to referred to in Article XX16(6) of Directive (EU) YYYY/XX [OP: the new Anti-Money Laundering Directive] where necessary for the purposes of identifying and tracing assets belonging to the insolvency estate 2024/1640 of the European Parliament and of the debtor in	2. <u>In facilitating cross-border access</u> , Member States shall ensure that, upon request of the insolvency practitioner appointed in ongoing insolvency proceedings , the designated courts <u>or administrative authorities</u> have the power to access and search, directly and immediately, bank account information in other Member States available through the bank account registers <u>interconnection system (BARBARIS) single access point set up pursuant to referred to in</u> Article <u>XX16(6)</u> of Directive (EU) <u>YYYY/XX [OP: the new Anti-Money Laundering Directive]</u> <u>where necessary for the purposes of identifying and tracing assets belonging to the insolvency estate</u> <u>2024/1640 of the European</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		proceedings, including those <u>assets</u> subject to avoidance actions.	that proceedings, including those subject to avoidance actions. Council ¹ where the following conditions are met: 1. Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849 (OJ L, 2024/1640, 19.6.2024, ELI: http://data.europa.eu/eli/dir/2024/1640/oj).	Parliament and of the debtor in that proceedings, including those subject to avoidance actions. Council ¹ where the following conditions are met: <u>1. Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849 (OJ L, 2024/1640, 19.6.2024, ELI: http://data.europa.eu/eli/dir/2024/1640/oj)</u> Text Origin: Council Mandate
Article 14(2), point (a)				
g	190a		(a) the insolvency practitioner appointed in ongoing insolvency proceedings, including interim proceedings, requests bank account information in other Member States; and	<u>(a) the insolvency practitioner appointed in ongoing insolvency proceedings, including interim proceedings, requests bank account information in other Member States; and</u> Text Origin: Council Mandate
Article 14(2), point (b)				
g	190b		(b) the bank account information is necessary for the purposes of identifying and	<u>(b) the bank account information is necessary for the purposes of identifying and</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			tracing assets belonging to the insolvency estate of the debtor in those proceedings, as well as assets subject to avoidance actions.	<u>tracing assets belonging to the insolvency estate of the debtor in those proceedings, as well as assets subject to avoidance actions.</u> Text Origin: Council Mandate
Article 14(3)				
191	3. The additional information that Member States consider essential and include in the centralised bank account registries pursuant to Article 32a(4) of Directive (EU) 2015/849 shall not be accessible and searchable by designated courts.	3. The additional information that Member States consider essential and include in the centralised bank account registries <u>registers</u> pursuant to Article 32a(4) <u>16(5)</u> of Directive (EU) 2015/849 <u>2024/1640</u> shall not be accessible and <u>or</u> searchable by designated courts <u>or administrative authorities</u> .	3. The Information additional information to that referred to in paragraphs 1 and 2 that Member States consider deem essential and include in the centralised bank account registries registers and electronic data retrieval systems pursuant to Article 32a(4) <u>16(5)</u> of Directive (EU) 2015/849 2024/1640 shall not be accessible and searchable by designated courts or authorities .	3. The Information additional information <u>to that referred to in paragraphs 1 and 2</u> that Member States consider deem essential and include in the centralised bank account registries <u>registers</u> pursuant to Article 32a(4) <u>16(5)</u> of Directive (EU) 2015/849 <u>2024/1640</u> shall not be accessible and searchable by designated courts <u>or administrative authorities</u> .
Article 14(3a)				
191a			3a. Member States shall ensure that the designated courts or authorities referred to in Article 13 or other competent courts or authorities verify whether the conditions referred to in paragraphs 1 and 2 are met. If those conditions are met, Member States shall ensure that the designated courts or	<i>deleted</i>

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
						authorities transmit the relevant bank account information obtained as a result of the access and search pursuant to paragraphs 1 and 2 to the insolvency practitioner who requested it.		
Article 14(3a)								
6	191b			<u>3a. Member States shall ensure that the designated courts or administrative authorities or other competent courts or authorities verify whether the conditions referred to in paragraphs 1 and 2 are met. If those conditions are met, Member States shall ensure that the designated courts or administrative authorities transmit the relevant bank account information obtained by accessing and searching bank account information pursuant to paragraphs 1 and 2 to the insolvency practitioner who requested it.</u>				<u>3b. Member States shall ensure that the designated courts or administrative authorities or other competent courts or authorities verify whether the conditions referred to in paragraphs 1 and 2 are met. If those conditions are met, Member States shall ensure that the designated courts or administrative authorities transmit the relevant bank account information obtained by accessing and searching bank account information pursuant to paragraphs 1 and 2 to the insolvency practitioner who requested it.</u> Text Origin: EP Mandate
Article 14(3b)								
6	191c					3b. Access and searches pursuant to this Article shall be		<i>deleted</i>

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
						without prejudice to national procedural safeguards and Union and national rules on the protection of personal data. Member States shall ensure that bank account information obtained pursuant to paragraphs 1 and 2 is processed, including by insolvency practitioners, only for the purposes for which it was obtained.		
Article 14(3b)								
				<u>3b. Access and searches pursuant to paragraphs 1 and 2 shall be without prejudice to national procedural safeguards and Union and national rules on the protection of personal data. Member States shall ensure that bank account information obtained pursuant to paragraphs 1 and 2 is processed only for the purposes for which it was obtained, including where it is processed by insolvency practitioners.</u>				<u>3d. Access and searches pursuant to paragraphs 1 and 2 shall be without prejudice to national procedural safeguards and Union and national rules on the protection of personal data. Member States shall ensure that bank account information obtained pursuant to paragraphs 1 and 2 is processed only for the purposes for which it was obtained, including where it is processed by insolvency practitioners.</u> Text Origin: EP Mandate
Article 14(3c)								
						3c. Member States shall ensure that insolvency		<u>3e. Member States shall ensure that insolvency</u>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			practitioners, when processing bank account information obtained pursuant to paragraphs 1 and 2, have in place relevant internal procedures for appropriate management of confidential information.	<u>practitioners, when processing bank account information obtained pursuant to paragraphs 1 and 2, have in place relevant internal procedures for appropriate management of confidential information.</u> identical to line 191f Text Origin: Council Mandate
Article 14(3c)				
191f		<u>3c. Member States shall ensure that insolvency practitioners, when processing bank account information obtained pursuant to paragraphs 1 and 2, have in place relevant internal procedures for the appropriate management of confidential information.</u>		delete
Article 14(4)				
192	4. For the purpose of paragraphs 1 and 2, access and searches shall be considered to be direct and immediate, inter alia, where the national authorities operating the central bank account registries transmit the bank account information expeditiously by an automated mechanism to the	4. For the purpose of paragraphs 1 and 2, access <u>to</u> and searches <u>of bank account information</u> shall be considered to be direct and immediate, inter alia, where the national authorities operating the central bank account registries registers transmit the bank account information	4. For the purpose purposes of paragraphs 1 and 2, access to and searches of bank account information shall be considered to be direct and immediate, inter alia, where the national authorities operating the central bank account registries registers and electronic data retrieval systems transmit	4. For the purpose purposes of paragraphs 1 and 2, access <u>to</u> and searches <u>of bank account information</u> shall be considered to be direct and immediate, inter alia, where the national authorities operating the central bank account registries registers transmit the bank account information

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	designated courts, provided that no intermediary institution is able to interfere with the requested data or the information to be provided.	expeditiously by an automated mechanism to the designated courts <u>or administrative authorities</u> , provided that no intermediary institution is able to interfere with the requested data or the information to be provided.	the bank account information expeditiously by an automated mechanism to the designated courts or authorities , provided that no intermediary institution is able to interfere with the requested data or the information to be provided.	expeditiously by an automated mechanism to the designated courts <u>or administrative authorities</u> , provided that no intermediary institution is able to interfere with the requested data or the information to be provided.
Article 15				
193	Article 15 Conditions for access and for searches by designated courts	Article 15 Conditions for access <u>to</u> and for searches <u>of bank account information</u> by designated courts <u>and administrative authorities</u>	Article 15 Conditions for access to and for searches of bank account information by designated courts and authorities	Article 15 Conditions for access <u>to</u> and for searches <u>of bank account information</u> by designated courts <u>and administrative authorities</u>
Article 15(1)				
194	1. Access to and searches of bank account information in accordance with Article 14 shall be performed only on a case-by-case basis by the staff of each designated court that have been specifically appointed and authorised to perform those tasks.	1. Access to and searches of bank account information in accordance with Article 14 shall be performed only on a case-by-case basis by the staff of each designated court <u>or administrative authority</u> that have been specifically appointed and authorised to perform those tasks.	1. Member States shall ensure that access to and searches of bank account information in accordance with Article 14 shall be performed only on a case-by-case basis by the staff of each designated court or authority that has that have been specifically appointed and authorised to perform those tasks.	1. <u>Member States shall ensure that</u> access to and searches of bank account information in accordance with Article 14 shall be performed only on a case-by-case basis by the staff of each designated court <u>or administrative authority that has</u> that have been specifically appointed and authorised to perform those tasks.
Article 15(2)				
195	2. Member States shall ensure that:	2. Member States shall ensure that:	2. Member States shall ensure that:	2. Member States shall ensure that:
Article 15(2), point (a)				
196	(a) the staff of the designated	(a) the staff of the designated	(a) the staff of the designated	(a) the staff of the designated

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	courts maintain high professional standards of confidentiality and data protection, and that they are of high integrity and are appropriately skilled;	courts referred to in paragraph 1 maintain high professional standards of confidentiality and data protection, and that they are of high integrity and are appropriately skilled;	courts referred to in paragraph 1 maintain high professional standards of confidentiality and data protection, and that they are of high integrity and are appropriately skilled;	courts referred to in paragraph 1 maintain high professional standards of confidentiality and data protection, and that they <u>and</u> are of high integrity and are appropriately skilled; Text Origin: Council Mandate
Article 15(2), point (b)				
197	(b) technical and organisational measures are in place to ensure the security of the data to high technological standards for the purposes of the exercise by designated courts of the power to access and search bank account information in accordance with Article 14.	(b) technical and organisational measures are in place to ensure the security of the data to high technological standards for the purposes of the exercise by designated courts <u>and administrative authorities</u> of the power to access and search bank account information in accordance with Article 14.	(b) technical and organisational measures are in place to ensure the security of the data to high technological standards for the purposes of the exercise by designated courts and authorities of the power to access and search bank account information, in accordance with Article 14.	(b) technical and organisational measures are in place to ensure the security of the data to high technological standards for the purposes of the exercise by designated courts <u>and administrative authorities</u> of the power to access and search bank account information in accordance with Article 14. Text Origin: EP Mandate
Article 16				
198	Article 16 Monitoring access and searches by designated courts	Article 16 Monitoring access <u>to</u> and searches <u>of bank account information</u> by designated courts <u>and administrative authorities</u>	Article 16 Monitoring access to and searches of bank account information by designated courts and authorities	Article 16 Monitoring access <u>to</u> and searches <u>of bank account information</u> by designated courts <u>and administrative authorities</u> Text Origin: EP Mandate
Article 16(1)				
199	1. Member States shall	1. Member States shall	1. Member States shall	1. Member States shall

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement	
		provide that the authorities operating the centralised bank account registries ensure that logs are kept for each time a designated court accesses and searches bank account information. The logs shall include, in particular, the following:		provide that the authorities operating the centralised bank account registries ensure that logs are kept for each time a designated court accesses and searches bank account information. The logs shall include, in particular, the following:		provide that the authorities operating the centralised bank account registries registers and electronic data retrieval systems ensure that logs are kept for each time a designated court or authority accesses and searches bank account information. The logs shall include, in particular, the following:		provide that the authorities operating the centralised bank account registries registers ensure that logs are kept for each time a designated court <u>or administrative authority</u> accesses and searches bank account information. The logs shall include, in particular, the following:	
Article 16(1), point (a)									
G	200	(a) the case reference number;		(a) the case reference number;		(a) the case reference number;		(a) the case reference number;	G
Article 16(1), point (b)									
G	201	(b) the date and time of the query or search;		(b) the date and time of the query or search;		(b) the date and time of the query or search;		(b) the date and time of the query or search;	G
Article 16(1), point (c)									
G	202	(c) the type of data used to launch the query or search;		(c) the type of data used to launch the query or search;		(c) the type of data used to launch the query or search;		(c) the type of data used to launch the query or search;	G
Article 16(1), point (d)									
G	203	(d) the unique identifier of the results;		(d) the unique identifier of the results;		(d) the unique identifier of the results;		(d) the unique identifier of the results;	G
Article 16(1), point (e)									
G	204	(e) the name of the designated court consulting the registry;		(e) the name of the designated court consulting the registry <u>or administrative authority accessing or searching the bank account register</u> ;		(e) the name of the designated court consulting the registry or authority accessing or searching the register or electronic data retrieval system ;		(e) the name of the designated court consulting the registry <u>or administrative authority accessing or searching the register</u> ;	G
Article 16(1), point (f)									

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
205	(f) the unique user identifier of the staff member of the designated court who made the query or performed the search and, where applicable, of the judge who ordered the query or search and, as far as possible, the unique user identifier of the recipient of the results of the query or search.	(f) the unique user identifier of the staff member of the designated court <u>or administrative authority</u> who made the query or performed the search and, where applicable, of the judge <u>or the official</u> who ordered the query or search and, as far as possible, the unique user identifier of the recipient of the results of the query or search <u>requesting insolvency practitioner</u> .	(f) the unique user identifier of the staff member of the designated court or authority who made the query or performed the search and, where applicable, of the judge or official who ordered the query or search and, as far as possible, the unique user identifier of the recipient of the results of the query or search where available, the unique user identifier of the recipient of the results of the query or search requesting insolvency practitioner .	(f) the unique user identifier of the staff member of the designated court <u>or administrative authority</u> who made the query or performed the search and, where applicable, of the judge <u>or official</u> who ordered the query or search and, as far as possible, the unique user identifier of the recipient of the results of the query or search <u>where available, the unique user identifier of the recipient of the results of the query or search requesting insolvency practitioner</u> . Text Origin: Council Mandate
Article 16(2)				
206	2. The authorities operating the centralised bank account registries shall check the logs referred to in paragraph 1 regularly.	2. The authorities operating the centralised bank account registries <u>registers</u> shall check the logs referred to in paragraph 1 regularly.	2. The authorities operating the centralised bank account registries registers and electronic data retrieval systems shall check the logs referred to in paragraph 1 regularly.	2. The authorities operating the centralised bank account registries <u>registers systems</u> shall check the logs referred to in paragraph 1 regularly.
Article 16(3)				
207	3. The logs referred to in paragraph 1 shall be used only for the monitoring of compliance with this Directive and obligations stemming from the applicable Union legal instruments on data protection. The monitoring shall include verifying the admissibility	3. The logs referred to in paragraph 1 shall be used only for the monitoring of compliance with this Directive and obligations stemming from the applicable Union legal instruments on data protection. The monitoring shall include verifying the admissibility	3. The logs referred to in paragraph 1 shall be used only for the monitoring of to monitor compliance with this Directive and obligations stemming from the with applicable Union legal instruments law on data protection. The monitoring shall include	3. The logs referred to in paragraph 1 shall be used only for the monitoring of <u>to monitor</u> compliance with this Directive and obligations stemming from the <u>with</u> applicable Union legal instruments <u>law</u> on data protection. The monitoring shall include

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	of a request and the lawfulness of personal data processing, and whether the integrity and confidentiality of personal data is ensured. The logs shall be protected by appropriate measures against unauthorised access and shall be erased five years after their creation, unless they are required for monitoring procedures that are ongoing.	of a request and the lawfulness of personal data processing, and whether the integrity and confidentiality of personal data is ensured. The logs shall be protected by appropriate measures against unauthorised access and shall be erased five years after their creation, unless they are required for monitoring procedures that are ongoing.	verifying the admissibility of a request and the lawfulness of personal data processing, and whether the integrity and confidentiality of personal data is ensured. The logs shall be protected by appropriate measures against unauthorised access and shall be erased five years after their creation, unless they are required for monitoring procedures that are ongoing.	verifying the admissibility of a request and the lawfulness of personal data processing, and whether the integrity and confidentiality of personal data is ensured. The logs shall be protected by appropriate measures against unauthorised access and shall be erased five years after their creation, unless they are required for monitoring procedures that are ongoing.
Chapter 2				
208	Chapter 2 Access by insolvency practitioners to beneficial ownership information	Chapter 2 Access by insolvency practitioners to beneficial ownership information	Chapter 2 Access by insolvency practitioners to beneficial ownership information	Chapter 2 Access by insolvency practitioners to beneficial ownership information
Article 17				
209	Article 17 Access by insolvency practitioners to beneficial ownership information	Article 17 Access by insolvency practitioners to beneficial ownership information	Article 17 Access by insolvency practitioners to beneficial ownership information	Article 17 Access by insolvency practitioners to beneficial ownership information
Article 17(1)				
210	1. Member States shall ensure that insolvency practitioners, when identifying and tracing assets relevant for the insolvency proceedings for which they are appointed, have timely access to the information referred	1. Member States shall ensure that insolvency practitioners, when identifying and tracing assets relevant for the insolvency proceedings for which they are appointed, have timely access to the information referred	1. Member States shall ensure that insolvency practitioners, when, for the purposes of identifying and tracing assets relevant for the insolvency proceedings for which they are appointed, insolvency practitioners have timely access to	1. Member States shall ensure that insolvency practitioners, when, for the purposes of identifying and tracing assets relevant for the insolvency proceedings for which they are appointed, insolvency practitioners have timely access to

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	to in Article 30(5), second subparagraph, and in Article 31(4), second subparagraph, of Directive (EU) 2015/849 which is held in the beneficial ownership registers set up in the Member States and is accessible through the system of interconnection of beneficial ownership registers set up in accordance with Article 30(10) and Article 31(9) of Directive (EU) 2015/849.	<i>to in Article 30(5), second subparagraph, and in Article 31(4), second subparagraph, of Directive (EU) 2015/849 which is on the beneficial owners of legal entities and of legal arrangements held in the central beneficial ownership registers set up in the Member States and is accessible through the system of interconnection of, and that such access is provided without alerting the entity, the legal arrangement or the beneficial ownership registers set up in accordance with Article 30(10) and Article 31(9) of Directive (EU) 2015/849 owner concerned.</i>	the following information referred to in Article 30(5), second subparagraph, and in Article 31(4), second subparagraph, of Directive (EU) 2015/849 which is on the beneficial owners of legal entities and of legal arrangements held in the interconnected central beneficial ownership registers set up in the Member States and is accessible through the system of interconnection of, and that such access is provided without alerting the entity, the arrangement or the beneficial ownership registers set up in accordance with Article 30(10) and Article 31(9) of Directive (EU) 2015/849. owner concerned:	the following information referred to in Article 30(5), second subparagraph, and in Article 31(4), second subparagraph, of Directive (EU) 2015/849 which is on the beneficial owners of legal entities and of legal arrangements held in the interconnected central beneficial ownership registers set up in the Member States and is accessible through the system of interconnection of, and that such access is provided without alerting the entity, the arrangement or the beneficial ownership registers set up in accordance with Article 30(10) and Article 31(9) of Directive (EU) 2015/849. owner concerned: Text Origin: Council Mandate
Article 17(1a)				
210a			(a) the name of the beneficial owner;	(a) <u>the name of the beneficial owner;</u> Text Origin: Council Mandate
Article 17(1b)				
210b			(b) the month and year of birth of the beneficial owner;	(b) <u>the month and year of birth of the beneficial owner;</u> Text Origin: Council Mandate
Article 17(1c)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
210c			(c) the country of residence and nationality or nationalities of the beneficial owner;	<u>(c) the country of residence and nationality or nationalities of the beneficial owner;</u> <small>Text Origin: Council Mandate</small>
Article 17(1d)				
210d			(d) for beneficial owners of legal entities, the nature and extent of the beneficial interest held;	<u>(d) for beneficial owners of legal entities, the nature and extent of the beneficial interest held;</u> <small>Text Origin: Council Mandate</small>
Article 17(1e)				
210e			(e) for beneficial owners of express trusts or similar legal arrangements, the nature of their beneficial ownership.	<u>(e) for beneficial owners of express trusts or similar legal arrangements, the nature of their beneficial ownership.</u> <small>Text Origin: Council Mandate</small>
Article 17(2)				
211	2. Access to the information by the insolvency practitioners in accordance with paragraph 1 of this Article shall constitute a legitimate interest, whenever it is necessary for identifying and tracing assets belonging to the insolvency estate of the debtor in ongoing insolvency proceedings and is limited to the following information:	2. Access to the information by the insolvency practitioners in accordance with paragraph 1 of this Article shall constitute a legitimate interest, whenever it is necessary for identifying and tracing assets belonging to the insolvency estate of the debtor in ongoing insolvency proceedings and is limited to the following information:	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
<i>Article 17(2), point (a)</i>				
212	(a) the name, the month, the year of birth, the country of residence and the nationality of the legal owner;	(a) the name, the month, the year of birth, the country of residence and the nationality <u>or nationalities</u> of the legal <u>beneficial</u> owner;	<i>deleted</i>	<i>deleted</i> <i>linked to lines 210a-210e</i>
<i>Article 17(2), point (aa)</i>				
212a		<u>(aa) for beneficial owners of legal entities, the nature and extent of the beneficial interest held;</u>		<i>deleted</i> <i>linked to lines 210a-210e</i>
<i>Article 17(2), point (ab)</i>				
212b		<u>(ab) for beneficial owners of express trusts or similar legal arrangements, the nature of their beneficial ownership.</u>		<i>deleted</i> <i>linked to lines 210a-210e</i>
<i>Article 17(2), point (b)</i>				
213	(b) the nature and the extent of the beneficial interest held.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Chapter 3</i>				
214	Chapter 3 Access by insolvency practitioners to national asset registers	Chapter 3 Access by insolvency practitioners to national asset registers <u>and databases</u>	Chapter 3 Access by insolvency practitioners to national asset registers and databases	Chapter 3 Access by insolvency practitioners to national asset registers <u>and databases</u> <i>Text Origin: Council Mandate</i>
<i>Article 18</i>				

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
215	Article 18 Access by insolvency practitioners to national asset registers	Article 18 Access by insolvency practitioners to national asset registers <u>and databases</u>	Article 18 Access by insolvency practitioners to national asset registers and databases	Article 18 Access by insolvency practitioners to national asset registers <u>and databases</u> Text Origin: Council Mandate
Article 18(1)				
216	1. Member States shall ensure that insolvency practitioners, regardless of the Member State where they have been appointed, have direct and expeditious access to the national asset registers listed in the Annex located in their territory, where available.	1. Member States shall ensure that insolvency practitioners, <u>when identifying and tracing assets relevant for the insolvency proceedings for which they are appointed</u> , regardless of the Member State where they have been appointed, have direct and expeditious access to the national asset registers <u>and databases</u> listed in the Annex located in their territory, where available.	1. Member States shall ensure that insolvency practitioners, regardless of the Member State wherein in which they have been appointed, have direct and expeditious access to information necessary for the purposes of identifying and tracing assets belonging to the insolvency estate, as well as assets subject to avoidance actions, that are held in existing the national asset registers and databases listed in the Annex located in their territory, where available , in accordance with conditions provided for by national law.	1. Member States shall ensure that insolvency practitioners, regardless of the Member State wherein in which they have been appointed, have direct and expeditious access to information necessary for the purposes of identifying and tracing assets belonging to the insolvency estate, as well as assets subject to avoidance actions, that are held in existing the national asset registers and databases listed in the Annex located in their territory, where available , in accordance with conditions provided for by national law. Text Origin: Council Mandate
Article 18(2)				
217	2. With respect to access to the national asset registers listed in the Annex, every Member State shall ensure that the insolvency practitioners appointed in another	2. With respect to access to the national asset registers listed in the Annex, every Member State shall ensure that the insolvency practitioners appointed in another	2. With respect to access to the national asset registers and databases listed in the Annex, every a Member State shall ensure that the insolvency practitioners	2. With respect to access to the national asset registers <u>and databases</u> listed in the Annex, every a Member State shall ensure that the insolvency practitioners

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	Member State are not subject to access conditions that are de jure or de facto less favourable than the conditions granted to the insolvency practitioners appointed in that Member State.	Member State are not subject to access conditions that are de jure or de facto less favourable than the conditions granted to the insolvency practitioners appointed in that Member State.	appointed in another Member State are not subject to access conditions that are de jure or de facto less favourable than the conditions granted to those applicable to the insolvency practitioners appointed in that Member State.	appointed in another Member State are not subject to access <u>substantive</u> conditions that are de jure or de facto less favourable than the conditions granted <u>those applicable</u> to the insolvency practitioners appointed in that Member State.
Article 18(2a), first subparagraph				
217a			2a. Member States shall notify the Commission the lists of national registers and databases referred to paragraph 1 by...[42 months from the date of entry into force of this Directive], and shall notify any changes thereto.	EP considers political
Article 18(2a), second subparagraph				
217b			The Commission shall publish those lists on the e-Justice portal.	<u>The Commission shall publish those lists in Official Journal of the European Union and on the e-Justice portal.</u>
Article 18(2a)				
217c		<u>2a. Member States shall communicate the lists of the national registers and databases referred to in the Annex to the Commission by...[3 months from the date of entry into force of this Directive]. Member States shall immediately notify the</u>		

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
				<u>Commission of any changes thereto. The Commission shall publish those lists on the European e-Justice portal.</u>				
Chapter 4								
	217d					Chapter 4 Access to courts by insolvency practitioners		deleted covered by 217e
Chapter 3a								
	217e			<u>Chapter 3a</u> <u>Access to courts by insolvency practitioners of another Member State</u>				<u>Chapter 4</u> <u>Access to courts by insolvency practitioners of another Member State</u> Text Origin: EP Mandate
Article 18a								
	217f			<u>Article 18a</u> <u>Access to courts by insolvency practitioners of another Member State</u>		Article 18a Access to courts by insolvency practitioners		<u>Article 18a</u> <u>Access to courts by insolvency practitioners of another Member State</u> Text Origin: EP Mandate
Article 18a, paragraph 1								
	217g			<u>With respect to the right to initiate proceedings or appear before courts in order to claim assets on behalf of the insolvency estate, each Member State shall ensure that insolvency</u>		With respect to the right to initiate proceedings or appear before courts or authorities in order to claim assets on behalf of the insolvency estate, Member States shall ensure that		<u>With respect to the right to initiate proceedings or appear before courts or authorities in order to claim assets on behalf of the insolvency estate, Member States shall ensure that insolvency</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		<u><i>practitioners appointed in another Member State are not subject to conditions that are less favourable than those applicable to the insolvency practitioners appointed in that Member State.</i></u>	insolvency practitioners appointed in another Member State are not subject to conditions that are less favourable than those applicable to the insolvency practitioners appointed in that Member State.	<u><i>practitioners appointed in another Member State are not subject to conditions that are less favourable than those applicable to the insolvency practitioners appointed in that Member State.</i></u> Text Origin: Council Mandate
Title IV				
218	Title IV PRE-PACK PROCEEDINGS	Title IV PRE-PACK PROCEEDINGS	Title IV PRE-PACK PROCEEDINGSMECHANISM	
Chapter 1				
219	Chapter 1 General provisions	Chapter 1 General provisions	Chapter 1 General provisions	Chapter 1 General provisions
Article 19				
220	Article 19 Pre-pack proceedings	Article 19 Pre-pack proceedings	Article 19 Pre-pack proceedingsmechanism	political
Article 19(1)				
221	1. Member States shall ensure that pre-pack proceedings are composed of the following two consecutive phases	1. <u><i>Member States shall introduce pre-pack proceedings for situations in which the debtor is likely to become insolvent in accordance with national law.</i></u> Member States shall ensure that pre-pack proceedings are composed of the following two consecutive phases:	<i>deleted</i>	<i>Council proposal to merge lines 221, 221a, 245 and 247a</i> <i>"1. Member States shall ensure that pre-pack [proceedings][mechanism] are at least available for debtors, which are likely to become insolvent in accordance with national law. Member States may provide that the preparation phase cannot be initiated</i>

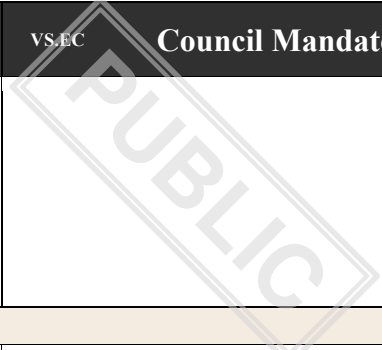
	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				<i>in cases where the debtor is generally unable to pay its debts as they fall due in accordance with national law."</i>
Article 19(1a)				
221a			1. Member States shall ensure that debtors have access to the pre-pack mechanism in accordance with this Title.	
Article 19(1b)				
221b			1a. Member States shall ensure that debtors who enter the pre-pack mechanism are authorised to undertake at least acts of ordinary management during the preparation phase.	<u><i>1a. Member States shall ensure that debtors who enter the pre-pack [mechanism] remain totally, or at least partially, in control of their assets and the day-to-day operation of their business during the preparation phase.</i></u>
Article 19(1), point (a)				
222	(a) the preparation phase, which aims at finding an appropriate buyer for the debtor's business or part thereof;	(a) the preparation phase, which aims at finding an appropriate buyer for the debtor's business or part thereof;	<i>deleted</i>	<i>deleted</i>
Article 19(1), point (b)				
223	(b) the liquidation phase, which aims at approving and executing the sale of the debtor's business or part thereof and at distributing the proceeds to the creditors.	(b) the liquidation phase, which aims at approving and executing the sale of the debtor's business or part thereof and at distributing the proceeds to the creditors.	<i>deleted</i>	<i>deleted</i>
Article 19(2)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
224	2. Pre-pack proceedings shall comply with the conditions set out in this Title. As regards all other matters, including the ranking of claims and the rules on distribution of proceeds, Member States shall apply national provisions on winding-up proceedings, provided that they are compatible with Union law, including the rules laid down in this Title.	2. Pre-pack proceedings shall comply with the conditions set out in this Title. As regards all other matters, including the ranking of claims and the rules on distribution of proceeds, Member States shall apply national provisions on winding-up proceedings, provided that they are compatible with Union law, including the rules laid down in this Title.	2. Pre-pack proceedings shall comply with the conditions set out in National law applies to matters not regulated by this Title. As regards all other matters, including the ranking of claims and the rules on, the distribution of proceeds, Member States shall apply national provisions on winding-up proceedings, provided that they are compatible with Union law, including the rules laid down in this Title the nature, scope and form of creditors participation, the responsibilities and liability of the debtor and the debtor's directors and the remuneration of the monitor and the insolvency practitioner.	2. Pre-pack proceedings shall comply with the conditions set out in National law applies to matters not regulated by this Title. As regards all other matters, including the ranking of claims and the rules on, the distribution of proceeds, Member States shall apply national provisions on winding-up proceedings, provided that they are compatible with Union law, including the rules laid down in this Title the nature, scope and form of creditors participation, the responsibilities and liability of the debtor and the debtor's directors and the remuneration of the insolvency practitioner. agreed in principle, needs adjustment at technical level
Article 19a				
224a		<u>Article 19a</u> <u>Rights of workers</u>		political
Article 19a(1)				
224b		<u>The pre-pack proceedings are without prejudice to Union and national law on the rights of workers in insolvency proceedings, including the</u>		linked to art. 3b and 68a

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
		<u><i>involvement of workers' representatives and appropriate measures to inform and consult workers' representatives.</i></u> <u><i>While applying this Title, Member States shall ensure that the impact on workers is taken into account as much as possible, with a view to preserving employment.</i></u>		
Article 20				
225	Article 20 Relationship with other Union legal acts	Article 20 Relationship with other Union legal acts	Article 20 Relationship with other Union legal acts	Article 20 Relationship with other Union legal acts
Article 20(1), first subparagraph				
226	1. The liquidation phase referred to in Article 19, paragraph 1, shall be considered to be an insolvency proceeding as defined in Article 2, point (4), of Regulation (EU) 2015/848.	1. The liquidation phase referred to in Article 19, paragraph 1, shall be considered to be an insolvency proceeding as defined in Article 2, point (4), of Regulation (EU) 2015/848.	1. The liquidation phase referred to in Article 19, paragraph 1, shall be considered to be carried out by means of insolvency proceeding as defined in Article 2, point (4), of proceedings other than preventive restructuring procedures. In Member States where Regulation (EU) 2015/848 applies, the liquidation phase shall be carried out by means of insolvency proceedings as set out in Annex A to Regulation (EU) 2015/848 other than preventive restructuring proceedings.	1. The liquidation phase referred to in Article 19, paragraph 1, shall be considered to be an <u>carried out by means of</u> insolvency proceeding as defined in Article 2, point (4), of proceedings other than preventive restructuring procedures. <u>In Member States where Regulation (EU) 2015/848 applies, the liquidation phase shall be carried out by means of insolvency proceedings as set out in Annex A to Regulation (EU) 2015/848 other than preventive restructuring proceedings.</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				Text Origin: Council Mandate
Article 20(1), second subparagraph				
227	Monitors referred to in Article 22 may be considered to be insolvency practitioners as defined in Article 2, point (5), of Regulation (EU) 2015/848.	Monitors referred to in Article 22 may be considered to be insolvency practitioners as defined in Article 2, point (5), of Regulation (EU) 2015/848.	<i>deleted</i>	<i>deleted</i>
Article 20(2)				
228	<p>2. For the purposes of Article 5(1) of Council Directive 2001/23/EC¹, the liquidation phase shall be considered to be bankruptcy or insolvency proceedings instituted with a view to the liquidation of the assets of the transferor under the supervision of a competent public authority.</p> <p>1. Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (OJ L 82, 22.3.2001, p. 16).</p>	<p>2. For the purposes of Article 5(1) of Council Directive 2001/23/EC¹, the liquidation phase shall be considered to be bankruptcy or insolvency proceedings instituted with a view to the liquidation of the assets of the transferor under the supervision of a competent public authority, <u><i>provided that the liquidation of the debtor's business as a going concern satisfies to the greatest extent possible the claims of the creditors.</i></u></p> <p>1. Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (OJ L 82, 22.3.2001, p. 16).</p>	<p>2. For the purposes of Article 5(1) of This Directive is without prejudice to Council Directive 2001/23/EC¹, the liquidation phase shall be considered to be bankruptcy or insolvency proceedings instituted with a view to the liquidation of the assets of the transferor under the supervision of a competent public authority. and national rules implementing it.</p> <p>1. Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (OJ L 82, 22.3.2001, p. 16).</p>	<p>2. For the purposes of Article 5(1) of This Directive is without prejudice to Council Directive 2001/23/EC¹, the liquidation phase shall be considered to be bankruptcy or insolvency proceedings instituted with a view to the liquidation of the assets of the transferor under the supervision of a competent public authority. and national rules implementing it.</p> <p>1. Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (OJ L 82, 22.3.2001, p. 16).</p> <p>EP ok if elements of EP position are included in line 114</p> <p>Text Origin: Council Mandate</p>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
Article 20(2), second subparagraph				
228a			<p>For the purposes of Article 5(1) of Council Directive 2001/23/EC¹, when it takes place in proceedings which can end in the liquidation of the debtor, the liquidation phase shall be considered to be bankruptcy proceedings or any analogous insolvency proceedings instituted with a view to the liquidation of the assets of the transferor under the supervision of a competent public authority.</p> <p>1. Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (OJ L 82, 22.3.2001, p. 16).</p>	<p><u>For the purposes of Article 5(1) of Council Directive 2001/23/EC¹, when it takes place in proceedings which can end in the liquidation of the debtor, the liquidation phase shall be considered to be bankruptcy proceedings or any analogous insolvency proceedings instituted with a view to the liquidation of the assets of the transferor under the supervision of a competent public authority.</u></p> <p><u>1. Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (OJ L 82, 22.3.2001, p. 16).</u></p> <p>Text Origin: Council Mandate</p>
Article 21				
229	Article 21 Jurisdiction in pre-pack proceedings	Article 21 Jurisdiction in pre-pack proceedings	<i>deleted</i>	<i>deleted</i>
Article 21, first paragraph				
230	The court having jurisdiction in pre-pack proceedings shall have exclusive jurisdiction in matters	The court having jurisdiction in pre-pack proceedings shall have exclusive jurisdiction in matters	<i>deleted</i>	<i>deleted</i>



	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	relating to the scope and effects of the sale of the debtor’s business or a part thereof in pre-pack proceedings on the debts and liabilities, as referred to in Article 28	relating to the scope and effects of the sale of the debtor’s business or a part thereof in pre-pack proceedings on the debts and liabilities, as referred to in Article 28		
Chapter 2				
231	Chapter 2 Preparation Phase	Chapter 2 Preparation Phase	Chapter 2 Preparation Phase	Chapter 2 Preparation Phase
Article 22				
232	Article 22 The monitor	Article 22 The monitor	Article 22 Appointment of the monitor	Article 22 <u>Appointment of</u> the monitor <small>Text Origin: Council Mandate</small>
Article 22(1), first subparagraph				
233	1. Member States shall provide that, upon request of the debtor, the court appoints a monitor.	1. Member States shall provide that, upon request of the debtor, the court appoints a monitor. <u>The monitor shall be independent of the debtor, the debtor’s shareholders, the creditors and any other party having a legal or economic interest in the debtor or the debtor’s business.</u>	1. Member States shall provide that, upon request of the debtor, the court appoints ensure that the preparation phase starts when a monitor is appointed. The procedure for the appointment of the monitor shall be set in accordance with national law.	1. Member States shall provide that, upon request ensure that at the initiative of the debtor, the court appoints the preparation phase starts when a monitor is appointed. The procedure for the appointment of the monitor shall be set by national law. EP counterproposal: Member States shall ensure that at the initiative of the debtor the preparation phase starts when a monitor is appointed. The procedure for the appointment of the monitor shall be set in accordance with national law.

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				LL to check
Article 22(1), second subparagraph				
234	The appointment of the monitor shall start the preparation phase referred to in Article 19, paragraph 1.	The appointment of the monitor shall start the preparation phase referred to in Article 19, paragraph 1.	<i>deleted</i>	<i>deleted</i>
Article 22(1a)				
234a			1a. Member States shall ensure that the monitor is independent from the debtor and any party closely related to the debtor. Member States may provide for additional requirements regarding the monitor's independence from equity holders or creditors.	2. <u>Member States shall ensure that the monitor is independent from the debtor and any party closely related to the debtor. Member States may provide for additional requirements regarding the monitor's independence from equity holders or creditors.</u> <small>Text Origin: Council Mandate</small>
Article 22(1b)				
234b	3. Member States shall ensure that only those persons who fulfil both of the following conditions can be appointed as monitor: <small>Moved reference text</small>		3. Member States shall ensure that only those persons who fulfil both of the following conditions can be appointed as monitor: <small>Moved from row 241 [241 - 234b]</small>	3. Member States shall ensure that only those persons who fulfil both of the following conditions can be appointed as monitor: <small>Text Origin: Council Mandate</small>
Article 22(1b), point (a)				
234c	(a) they satisfy the eligibility		(a) they satisfy the eligibility	(a) they satisfy the eligibility

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>criteria applicable to insolvency practitioners in the Member State where the pre-pack proceedings are opened;</p> <p>Moved reference text</p>		<p>criteria applicable to insolvency practitioners in the Member State where the pre-pack proceedings are opened; mechanism is used can be appointed as monitor.</p> <p>Moved from row 242 [242 - 234c]</p>	<p>criteria applicable to insolvency practitioners in the Member State where the pre-pack proceedings are opened; <u>mechanism is used can be appointed as monitor.</u></p> <p>Text Origin: Council Mandate</p>
Article 22(1b), point (b)				
234d	<p>(b) they may be actually appointed as insolvency practitioners in the subsequent liquidation phase.</p> <p>Moved reference text</p>		<p><i>deleted</i></p> <p>Moved from row 243 [243 - 234d]</p>	
Article 22a				
234e			<p>Article 22a Principles of the preparation phase</p>	<p><u>Article 22a Principles of the preparation phase</u></p> <p>Moved from Line 250, 251.</p> <p>Text Origin: Council Mandate</p>
Article 22a(1), first subparagraph				
234f			<p>1. Member States shall ensure that the sale process is competitive, transparent, fair, and meets market standards.</p>	<p><u>1. Member States shall ensure that the sale process carried out during the preparation phase is competitive, transparent, fair and meets market standards.</u></p>
Article 22(2), first subparagraph				
235	2. Member States shall	2. Member States shall	2. Member States shall ensure	2. Member States shall ensure

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	ensure that the monitor:	ensure that the monitor:	that the monitor, if necessary with the assistance of the debtor:	that the monitor, <u>if necessary with the assistance of the debtor:</u> <small>Text Origin: Council Mandate</small>
Article 22(2), first subparagraph, point (a)				
236	(a) documents and reports each step of the sale process;	(a) documents and reports each step of the sale process;	<i>deleted</i>	<i>deleted</i>
Article 22(2), first subparagraph, point (aa)				
236a		<u>(aa) where appropriate, has recourse to an independent valuation in order to comply with requirements related to obtaining market value;</u>		<i>deleted</i>
Article 22(2), first subparagraph, point (b)				
237	(b) justifies why it considers that the sale process is competitive, transparent, fair and meets market standards;	(b) justifies why it considers <u>formally declares and demonstrates</u> that the sale process is competitive, transparent, fair and meets market standards;	(b) justifies why it considers that the sale process is competitive, transparent, fair and meets market standards requirement under paragraph 1 is fulfilled;	(b) justifies why it considers that the sale process is competitive, transparent, fair and meets market standards <u>requirement under paragraph 1 is fulfilled;</u> <small>Text Origin: Council Mandate</small>
Article 22(2), first subparagraph, point (c)				
238	(c) recommends the best bidder as the pre-pack acquirer, in accordance with Article 30;	(c) recommends the best bidder as the pre-pack acquirer, in accordance with Article 30;	(c) recommends the best bidder as the pre-pack acquirer, in accordance with Article 30;	(c) <u>(a)</u> recommends the best bidder as the pre-pack acquirer, in accordance with Article 30;
Article 22(2), first subparagraph, point (d)				
239	(d) states whether it considers that the best bid does not constitute	(d) states whether it considers <u>formally declares and</u>	(d) states whether it considers that state that, on the basis of its	(d) <u>(b)</u> states whether it considers that, <u>on the basis of its assessment,</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	a manifest breach of the best-interest-of-creditors test.	<u>demonstrates</u> that the best bid does not constitute a manifest breach of the best-interest-of-creditors test.	assessment , the best bid does not constitute a manifest breach of the best-interest-of-creditors test.	the best bid does not constitute a manifest breach of the best-interest-of-creditors test. Text Origin: Council Mandate
Article 22(2), second subparagraph				
240	Actions by the monitor listed in the first subparagraph shall be done in writing, be made available in digital format and in a timely manner to all parties involved in the preparation phase.	Actions by the monitor listed in the first subparagraph shall be done in writing and shall be made available in digital format and in a timely manner only to the to all parties involved in the preparation phase. <u>Beyond that, the monitor shall maintain the confidentiality of all information obtained in connection with the preparation phase.</u>	deleted	deleted merge with 240a
Article 22a(1), second subparagraph				
240a			The monitor shall document and report each step of the sale process.	<u>The monitor shall document and report each step of the sale process. The documents and reports of the monitor shall be done in writing, and shall be made available in digital format and in a timely manner. Member States shall ensure that, the monitor is subject to the same confidentiality requirements as an insolvency practitioner.</u>
Article 22a(1), third subparagraph				

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
240b			3. Member States may provide that a public auction be conducted prior to, or at the beginning of, the liquidation phase in order to ensure the realisation of a fair market price. Where such a public auction is conducted, Member States may provide that the obligations set out in paragraph 1 and paragraph 2, point (a), do not apply to the monitor.	<u>3. Member States may provide that a public auction be conducted in accordance with Article 26(2) in order to ensure the realization of a fair market price. Member States may provide that such public auction is conducted, in particular, in situations where one or more creditors demonstrate reasonable doubt that the best bid recommended by the monitor reflects the fair market price. Where such a public auction is conducted, Member States may provide that the obligations set out in paragraph 1 and paragraph 2, point (a), do not apply to the monitor.</u>
Article 22(3)				
241	3. Member States shall ensure that only those persons who fulfil both of the following conditions can be appointed as monitor:	3. Member States shall ensure that only those persons who fulfil both of the following conditions can be appointed as monitor:		<i>deleted</i>
Article 22(3), point (a)				
242	(a) they satisfy the eligibility criteria applicable to insolvency practitioners in the Member State where the pre-pack proceedings are opened;	(a) they satisfy the eligibility criteria applicable to insolvency practitioners in the Member State where the pre-pack proceedings are opened;		<i>deleted</i>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
Article 22(3), point (b)				
243	(b) they may be actually appointed as insolvency practitioners in the subsequent liquidation phase.	(b) they may be actually appointed as insolvency practitioners in the subsequent liquidation phase.		deleted
Article 22(4)				
244	4. Member States shall ensure that, in the course of the preparation phase, the debtor remains in control of its assets and the day-to-day operation of the business.	4. Member States shall ensure that, in the course of the preparation phase, the debtor remains in control of its assets and the day-to-day operation of the business.	4. Member States shall ensure may provide that, in the course of the preparation phase, the debtor remains in control of its assets and the day-to-day operation of the business where the recommendation referred to in paragraph 2, point (b), is approved by creditors in accordance with national law, paragraph 1 and paragraph 2, point (a), do not apply.	4. Member States shall ensure may provide that, in the course of the preparation phase, the debtor remains in control of its assets and the day-to-day operation of the business where the recommendation referred to in paragraph 2, point (b), is approved by creditors in accordance with national law, paragraph 1 and paragraph 2, point (a), do not apply. Text Origin: Council Mandate
Article 22(5)				
245	5. Member States shall ensure that the remuneration of the monitor is paid:	5. Member States shall ensure that the remuneration of the monitor is paid:	5. Member States shall ensure may provide that the remuneration of the monitor is paid preparation phase not be initiated in cases where the debtor is generally unable to pay its debts as they fall due in accordance with national law.	5. Member States shall ensure that the remuneration of the monitor is paid ; 4th column is agreed upon, Council position political concerning a separate issue
Article 22(5), point (a)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
246	(a) by the debtor where no subsequent liquidation phase ensues;	(a) by the debtor where no subsequent liquidation phase ensues;	<i>deleted</i>	(a) by the debtor whereif no subsequent liquidation phase ensues, <u>the remuneration of the monitor is paid by the debtor;</u>
Article 22(5), point (b)				
247	(b) by the insolvency estate as a preferential administrative expense where the liquidation phase ensues.	(b) by the insolvency estate as a preferential administrative expense where the liquidation phase ensues.	<i>deleted</i>	(b) by the insolvency estate as a preferential administrative expense whereif the liquidation phase ensues, <u>the remuneration is borne in the insolvency estate.</u>
Article 22a(6)				
247a			6. Member States may provide that the preparation phase can be initiated only when the debtor is in a state of likelihood of insolvency in accordance with national law.	linked to 221
Article 23				
248	Article 23 Stay of individual enforcement actions	Article 23 Stay of individual enforcement actions	Article 23 Stay of individual enforcement actions	Article 23 Stay of individual enforcement actions
Article 23, first paragraph -a				
248a		<u>Member States shall ensure that, in the course of the preparation phase, the debtor remains in control of its assets and the day-to-day operation of the business.</u>		<i>deleted</i> linked to EP counterproposal in line 221b
Article 23, first paragraph				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
249	<p>Member States shall ensure that during the preparation phase, where the debtor is in a situation of likelihood of insolvency or is insolvent in accordance with national law, the debtor can benefit from a stay of individual enforcement actions in accordance with Articles 6 and 7 of Directive (EU) 2019/1023, where it facilitates the seamless and effective roll-out of the pre-pack proceedings. The monitor shall be heard prior to the decision on the stay of individual enforcement actions.</p>	<p>Member States shall ensure that during the preparation phase, where the debtor is <i>in a situation of likelihood of insolvency likely to become insolvent</i> or is insolvent in accordance with national law, the debtor can benefit from a stay of individual enforcement actions in accordance with Articles 6 and 7 of Directive (EU) 2019/1023, where it <i>facilitates the seamless and effective</i> <u>is essential for the successful</u> roll-out of the pre-pack proceedings. The monitor <u>and the corresponding creditor</u> shall be heard <u>by the court</u> prior to the decision on the stay of individual enforcement actions.</p>	<p>Member States shall ensure that may provide that, during the preparation phase, where the debtor is in a situation of likelihood of insolvency or is insolvent in accordance with national law, the debtor can benefit from a stay of individual enforcement actions in accordance with Articles 6 and 7 of Directive (EU) 2019/1023, where it that stay facilitates the seamless and effective roll-out of the pre-pack proceedings mechanism. The monitor shall be heard prior to the decision on the stay of individual enforcement actions.</p>	<p>Member States shall ensure that, during the preparation phase, where the debtor is in a situation of likelihood of insolvency or is insolvent in accordance with national law, the debtor can benefit from a stay of individual enforcement actions in accordance with Articles 6 and 7 of Directive (EU) 2019/1023, where it facilitates the seamless and effective <u>that stay is essential for the successful</u> roll-out of the [pre-pack proceedings]. The monitor shall be heard prior to the decision on the <u>Member States may derogate from paragraph 1 where they provide that a debtor can benefit from a stay of individual enforcement actions by requesting insolvency proceedings during which the debtor remains totally, or at least partially, in control of their assets and the day-to-day operation of their business.</u></p> <p>COM proposal: Member States shall ensure that, during the preparation phase, where the debtor is in a situation of likelihood of insolvency or is insolvent in accordance with national law, the</p>



	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
				debtor can benefit from a stay of individual enforcement actions in accordance with Articles 6 and 7 of Directive (EU) 2019/1023, either in the preparation phase or in the context of another type of insolvency proceedings, in which the debtor remains totally, or at least partially, in control of its assets and day-to-day operation of its business and in which the sale of the business of the debtor, or part thereof, as a going concern can be continued and concluded.” EP to check Text Origin: Council Mandate
Article 23a				
249a			Article 23a Suspension of the opening of the liquidation phase	<u>Article 23a</u> <u>Suspension of the opening of the liquidation phase</u> Text Origin: Council Mandate
Article 23a, first paragraph				
249b			Member States may provide that when a creditor files for insolvency during the preparation phase, the opening of the liquidation phase can be suspended if, taking into account the circumstances of the case, that opening would not be in the	<u>Member States may provide that when a creditor files for insolvency during the preparation phase, the opening of the liquidation phase can be suspended if, taking into account the circumstances of the case, that opening would not be in the</u>

	CLEAN	Commission Proposal	VSE.C	EP Mandate	VSE.C	Council Mandate	VSE.C	Draft Agreement
						general interest of creditors.		<u>general interest of creditors.</u>
Article 23b								
						Article 23b Termination of the preparation phase		<u>Article 23b</u> <u>Termination of the preparation phase</u> <small>Text Origin: Council Mandate</small>
Article 23b, first paragraph								
						1. Member States may provide that the preparation phase is limited in time.		<u>1. Member States shall provide that the preparation phase is limited in time.</u> + Recital specifying that the time period can be shorter than the stay in the restructuring directive.
Article 23b, second paragraph								
						2. Member States may provide that the preparation phase can be terminated if:		<u>2. Member States may provide that the preparation phase can be terminated if:</u> <small>Text Origin: Council Mandate</small>
Article 23b, second paragraph, point (a)								
						(a) the debtor fails to provide the necessary assistance in accordance with Article 22a (2);		<u>(a) the debtor fails to provide the necessary assistance in accordance with Article 22a (2);</u> <small>Text Origin: Council Mandate</small>
Article 23b, second paragraph, point (b)								
						(b) the debtor fails to		<u>(b) the debtor fails to conduct</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			conduct the preparation phase with due diligence; or	<u>the preparation phase with due diligence; or</u> <small>Text Origin: Council Mandate</small>
Article 23b, second paragraph, point (c)				
249h			(c) the preparation phase does not have any reasonable prospects of success.	<u>(c) the preparation phase does not have any reasonable prospects of success.</u> <small>Text Origin: Council Mandate</small>
Article 24				
250	Article 24 Principles applicable to the sale process	Article 24 Principles applicable to the sale process	<i>deleted</i>	<i>deleted</i>
Article 24(1)				
251	1. Member States shall ensure that the sale process carried out during the preparation phase is competitive, transparent, fair and meets market standards.	1. Member States shall ensure that the sale process carried out during the preparation phase is competitive, transparent, fair and meets market standards.	<i>deleted</i>	<i>deleted</i> <i>in council position in 234f</i>
Article 24(2)				
252	2. Where the sale process only produces one binding offer, that offer shall be deemed to reflect the business market price.	2. <u>Without prejudice to Article 32(2)</u> , where the sale process only produces one binding offer, that offer shall be deemed to reflect the business market price, <u>unless it can be demonstrated otherwise.</u>	<i>deleted</i>	<i>deleted</i>
Article 24(3)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
253	3. Member States may depart from paragraph 1 only where the court runs a public auction in the liquidation phase in accordance with Article 26. In this case, Article 22(2), point (b) shall not apply.	3. Member States may depart from paragraph 1 only where the court runs a public auction in the liquidation phase in accordance with Article 26 <u>26(2)</u> . In this case, Article 22(2), point (b) shall not apply.	<i>deleted</i>	<i>deleted</i>
Article 24(3a)				
253a		<u>3a. Member States shall ensure that it is possible, in the course of the preparation phase, to obtain the services of an independent valuation practitioner as a means of gauging a fair market price.</u>		<i>deleted</i>
Chapter 3				
254	Chapter 3 Liquidation Phase	Chapter 3 Liquidation Phase	Chapter 3 Liquidation Phase	Chapter 3 Liquidation Phase
Article 25				
255	Article 25 Appointment of the insolvency practitioner	Article 25 Appointment of the insolvency practitioner	Article 25 Appointment of the insolvency practitioner Liquidation phase	Article 25 Appointment of the insolvency practitioner Liquidation phase <small>Text Origin: Council Mandate</small>
Article 25, first paragraph				
256	Member States shall ensure that, when the liquidation phase is opened, the court appoints the monitor referred to in Article 22 as	Member States shall ensure that, when the liquidation phase is opened, the court appoints the monitor referred to in Article 22 as	Member States shall ensure that, when The liquidation phase is opened, the court appoints the monitor starts when a decision on	Member States shall ensure that, when The liquidation phase is opened, the court appoints the monitor starts when a decision on

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	insolvency practitioner.	insolvency practitioner <u>unless the monitor resigns or is unable to perform the required functions, such as in cases of serious illness or death.</u>	the opening of the insolvency proceedings referred to in Article 22 as insolvency practitioner 20(1) is taken, in accordance with national law.	<u>the opening of the insolvency proceedings</u> referred to in Article 22 as insolvency practitioner 20(1) is taken, in accordance with <u>national law.</u>
Article 26				
257	Article 26 Authorisation of the sale of the debtor's business or part thereof	Article 26 Authorisation of the sale of the debtor's business or part thereof	Article 26 Authorisation of the sale of the debtor's business or part thereof Principles applicable to the liquidation phase	Article 26 Authorisation of the sale of the debtor's business or part thereof <u>Principles applicable to the liquidation phase</u> Text Origin: Council Mandate
Article 26(1), first subparagraph				
258	1. Member States shall ensure that, when the liquidation phase is opened, the court authorises the sale of the debtor's business or part thereof to the acquirer proposed by the monitor, provided that the latter has issued an opinion confirming that the sale process run during the preparation phase complied with the requirements laid down in Article 22(2) and (3), and Article 24(1) and (2).	1. Member States shall ensure that, when the liquidation phase is opened, the court authorises the sale of the debtor's business or part thereof to the acquirer proposed by the monitor, provided that the latter has issued an opinion confirming that the sale process run during the preparation phase complied with the requirements laid down in Article 22(2) and (3), and Article 24(1) and (2).	1. Member States shall ensure that, when the liquidation phase is opened, the court or competent authority authorises the sale of the debtor's business or part thereof to the acquirer proposed by the monitor, provided that the latter has issued an opinion confirming that the sale process run during the preparation phase complied with the requirements laid down in Article 22(2) and (3), and Article 24(1) and (2), at least in one of the following cases:	1. Member States shall ensure that, when the liquidation phase is opened, the court <u>or competent authority</u> authorises the sale of the debtor's business or part thereof to the acquirer proposed by the monitor, provided that the latter has issued an opinion confirming that the sale process run during the preparation phase complied with the requirements laid down in Article 22(2) and (3), and Article 24(1) and (2). <u>at least in one of the following cases:</u> Text Origin: Council Mandate
Article 26(1), first subparagraph, point (a)				

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
258a			(a) the acquirer is proposed by the monitor, provided that the monitor has issued an opinion confirming that the sale process that took place during the preparation phase complied with the requirements laid down in Article 22a (1)) and the court or competent authority is satisfied that the requirements under Article 22a (1) and(2) are complied with;	<u>(a) the acquirer is proposed by the monitor, provided that the monitor has issued an opinion confirming that the sale process that took place during the preparation phase complied with the requirements laid down in Article 22a (1)) and the court or competent authority is satisfied that the requirements under Article 22a (1) and(2) are complied with;</u> Text Origin: Council Mandate
Article 26(1), first subparagraph, point (b)				
258b			(b) the acquirer is selected in the public auction, where Member States provide for such an auction in the pre-pack mechanism in accordance with Article 22a (3); or	<u>(b) the acquirer is selected in the public auction, where Member States provide for such an auction in accordance with Article 26 (2); or</u>
Article 26(1), first subparagraph, point (c)				
258c			(c) the sale to the acquirer is approved by the creditors as referred to in Article 22a (4).	<u>(c) the sale to the acquirer is approved by the creditors as referred to in Article 22a (4).</u> Text Origin: Council Mandate
Article 26(1), second subparagraph				
259	The court shall not authorise the sale where the requirements laid down in Article 22(2) and (3) and	The court shall not authorise the sale where the requirements laid down in Article 22(2) and (3) and	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	Article 24(1) and (2) are not met. Member States shall ensure that, in the latter case, the court continues with the insolvency proceedings.	Article 24(1) and (2) are not met. Member States shall ensure that, in the latter case, the court continues with the insolvency proceedings.		
Article 26(1a)				
259a			1a. Member States may provide that the sale of the debtor's business or part thereof under paragraph 1 point c) is approved by the creditors without the authorisation of the court or competent authority where, under national law, the sale of the debtor's business or part thereof requires the consent of the creditors.	<u>1a. Member States may provide that the sale of the debtor's business or part thereof under paragraph 1 point c) is approved by the creditors without the authorisation of the court or competent authority where, under national law, the sale of the debtor's business or part thereof requires the consent of the creditors.</u> Text Origin: Council Mandate
Article 26(2)				
260	2. In case Member States apply Article 24(3), the public auction referred to in that provision shall last no longer than four weeks and shall be initiated within two weeks as of the opening of the liquidation phase. The offer selected by the monitor shall be used as the initial bid in the public auction. Member States shall ensure that the protections granted to the initial bidder in the	2. <u>In case</u> <u>By way of derogation from paragraph 1,</u> Member States apply Article 24(3), <u>they shall ensure that the court can run a public auction referred to in that provision shall last no longer than four weeks and shall be initiated within two weeks as of the opening of the liquidation phase where one or more creditors' groups demonstrate a credible suspicion of abuse.</u> The offer	2. In case Member States apply Article 24(3), The public auction referred to in that provision <u>Article 22a (3)</u> , shall last no longer than four weeks and shall be initiated within two weeks as of the opening of the liquidation phase <u>three months</u> . The offer selected by the monitor shall be used as the initial bid in the public auction. Member States shall ensure that the protections granted	2. <u>In case Member States apply Article 24(3),</u> The public auction referred to in that provision <u>Article 22a (3)</u> , shall last no longer than four weeks and shall be initiated within two weeks as of the opening of the liquidation phase <u>three months</u> . The offer selected by the monitor shall be used as the initial bid in the public auction. Member States shall ensure that the protections granted

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	preparation phase, such as expense reimbursement or break-up fees, are commensurate and proportionate, and do not deter potentially interested parties from bidding in the liquidation phase.	selected by the monitor shall be used as the initial bid in the public auction. Member States shall ensure that the protections granted to the initial bidder in the preparation phase, such as expense reimbursement or break-up fees, are commensurate and proportionate, and do not deter potentially interested parties from bidding in the liquidation phase.	to the initial bidder in the preparation phase, such as expense reimbursement or break-up fees, are commensurate and proportionate, and do not deter potentially interested parties from bidding in the liquidation phase.	to the initial bidder in the preparation phase, such as expense reimbursement or break-up fees, are commensurate and proportionate, and do not deter potentially interested parties from bidding in the liquidation phase.
Article 26(2a), first subparagraph				
G 260a			2a. Member States may provide that, upon decision of the court or the competent authority, on its own motion or where a creditor challenges the statement of the monitor referred to in Article 22a, paragraph 2, point (c), on the ground that the best bid does not meet the best-interests-of-creditor-test, a valuation of the business of the debtor as a going concern shall be carried out.	2a. <u>Member States shall provide that the court or the competent authority can decide that a valuation of the business of the debtor as a going concern is carried out on the ground that the best bid might not meet the best-interests-of-creditor-test.</u> For LL to check may/might
Article 26(2a), second subparagraph				
G 260b			Where, under national law, the sale of the debtor's business or part thereof requires the consent of the creditors, Member States may provide that	<u>Where, under national law, the sale of the debtor's business or part thereof requires the consent of the creditors, Member States may provide that</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			the decision referred to in the first subparagraph can be taken by the creditors without the involvement of the court or competent authority.	<u><i>the decision referred to in the first subparagraph can be taken by the creditors without the involvement of the court or competent authority.</i></u> <small>Text Origin: Council Mandate</small>
Article 27				
261	Article 27 Assignment or termination of executory contracts	Article 27 Assignment or termination of executory contracts	Article 27 Assignment or termination of executory contracts	Article 27 Assignment or termination of executory contracts
Article 27(1), first subparagraph				
262	1. Member States shall ensure that the acquirer of the debtor's business or part thereof is assigned the executory contracts which are necessary for the continuation of the debtor's business and the suspension of which would lead to a business standstill. The assignment shall not require the consent of the debtor's counterparty or counterparties.	1. Member States shall ensure that the acquirer of the debtor's business or part thereof is assigned the executory contracts which are necessary for the continuation of the debtor's business and the suspension of which would lead to a business standstill. The assignment shall not require the consent of the debtor's counterparty or counterparties.	1. Member States shall ensure that the acquirer of the debtor's business, or part thereof, is assigned the executory contracts which are necessary for the continuation of the debtor's business and the suspension of which would lead to a business standstill. The assignment shall not require the consent of the debtor's counterparty or counterparties.	1. Member States shall ensure that the acquirer of the debtor's business, or part thereof, is assigned the executory contracts which are necessary for the continuation of the debtor's <u>that</u> business and the suspension of which would lead to a business standstill. The assignment shall not require the consent of the debtor's counterparty or counterparties. <small>Text Origin: Council Mandate</small>
Article 27(1), first subparagraph a				
262a			1a. Member States may provide that the consent of the debtor's counterparty or counterparties is required depending on the type of	<u><i>1a. Member States may provide that the consent of the debtor's counterparty or counterparties is required depending on the type of contract,</i></u>

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
			contract, the quality of the parties, or the interests of the business. Member States may, in particular, provide that the consent of the counterparty or counterparties is required for netting arrangements, including close-out netting arrangements, on financial markets, energy markets and commodity markets if such arrangements are enforceable under national insolvency law.	<u>the quality of the parties, or the interests of the business.</u> agreement on substance, need to agree on the way to formulate the exception COM to come back with compromise proposal on 262a and 262b + definition of executory contracts Text Origin: Council Mandate
Article 27(1), first subparagraph a				
262b		<u>By way of derogation from the first subparagraph, Member States may provide that consent of the debtor's counterparty or counterparties is required in so far as is necessary, depending on the type of contract, the legal status of the parties or the interests of the business.</u>		deleted
Article 27(1), first subparagraph b				
262c			1b. Without prejudice to other termination rights under national law, Member States may provide that the counterparty or counterparties can terminate the assigned contract under paragraph 1	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			subject to a notice period no shorter than three months of the assignment.	
Article 27(1), second subparagraph				
263	The first subparagraph shall not apply if the acquirer of the debtor's business or part thereof is a competitor to the debtor's counterparty or counterparties.	The first subparagraph shall not apply if the acquirer of the debtor's business or part thereof is a competitor to the debtor's counterparty or counterparties.	deleted	linked to COM proposal on 262a and 262b Council to check
Article 27(2), first subparagraph				
264	2. Member States shall ensure that the court may decide to terminate the executory contracts referred to in paragraph 1, first subparagraph, provided that one of the following conditions applies:	2. Member States shall ensure that the court may decide to terminate the executory contracts referred to in paragraph 1, first subparagraph, <u>subject to a notice period of at least three months prior to the assignment</u> , provided that one of the following conditions applies:	deleted	
Article 27(2), first subparagraph, point (a)				
265	(a) the termination is in the interest of the debtor's business or part thereof;	(a) the termination is in the interest of the debtor's business or part thereof;	deleted	
Article 27(2), first subparagraph, point (b)				
266	(b) the executory contract contains public service obligations for which the counterparty is a public authority and the acquirer of the debtor's business or part	(b) the executory contract contains public service obligations for which the counterparty is a public authority and the acquirer of the debtor's business or part	deleted	

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	thereof does not meet the technical and legal obligations to carry out the services provided for in such contract.	thereof does not meet the technical and legal obligations to carry out the services provided for in such contract.		
<i>Article 27(2), second subparagraph</i>				
267	Point (a) of the first subparagraph shall not apply to executory contracts relating to licenses of intellectual and industrial property rights.	Point (a) of the first subparagraph shall not apply to executory contracts relating to licenses of intellectual and industrial property rights <u>or to credit or financial services contracts</u> .	2. Point (a) of the first subparagraph shall not apply to Member States may provide that executory contracts relating to licenses of intellectual and industrial property rights, of which the debtor is the licensor, are not terminated without the consent of the licensee.	EP counterproposal: Member States shall provide that executory contracts relating to licenses of intellectual and industrial property rights, of which the debtor is the licensor, are not terminated without the consent of the licensee.
<i>Article 27(3)</i>				
268	3. The law applicable to the assignment or to the termination of executory contracts shall be the law of the Member State where the liquidation phase has been opened.	3. The law applicable to the assignment or to the termination of executory contracts shall be the law of the Member State where the liquidation phase has been opened.	<i>deleted</i>	<i>deleted</i>
<i>Article 28</i>				
269	Article 28 Debts and liabilities of the business acquired via the pre-pack proceedings	Article 28 Debts and liabilities of the business acquired via the pre-pack proceedings	Article 28 Debts and liabilities of the business acquired via the pre-pack proceedings mechanism	
<i>Article 28, first paragraph</i>				
270	Member States shall ensure that the acquirer acquires the debtor's business or part thereof free of	Member States shall ensure that the acquirer acquires the debtor's business or part thereof free of	1. Without prejudice to Article 27 and Article 34 (3) and (4), as well as to the obligations	<u>1. Without prejudice to Article 27 and Article 34 (3) and (4), as well as to the obligations</u>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	debts and liabilities, unless the acquirer expressly consents to bear the debts and the liabilities of the business or part thereof.	debts and liabilities, unless the acquirer expressly consents to bear, <u>solely or jointly with the debtor,</u> the debts and the liabilities of the business or part thereof.	arising from employment relations, concerned by the sale of business or part thereof, Member States shall ensure that the acquirer acquires the debtor's business, or part thereof, free of debts and liabilities, unless the acquirer expressly consents to bear the debts and the liabilities of the business or part thereof.	<u>arising from employment relations, concerned by the sale of business or part thereof,</u> Member States shall ensure that the acquirer acquires the debtor's business, or part thereof, free of debts and liabilities, unless the acquirer expressly consents to bear the debts and the liabilities of the business or part thereof. Text Origin: Council Mandate
Article 28, first paragraph a				
270a			2. Paragraph 1 is without prejudice to national laws providing that the conduct of the debtor is taken into account in the assessment the acquirer's liability for damages, if that conduct is imputable to the acquirer under the applicable law.	<u>2. Paragraph 1 is without prejudice to national laws providing that the conduct of the debtor is taken into account in the assessment the acquirer's liability for damages, if that conduct is imputable to the acquirer under the applicable law.</u> Text Origin: Council Mandate
Article 29				
271	Article 29 Specific rules on the suspensive effects of appeals	Article 29 Specific rules on the suspensive effects of appeals	Article 29 Specific rules on the Suspensive effects of appeals	
Article 29(1)				
272	1. Member States shall ensure that appeals against decisions of the court relating to	1. Member States shall ensure that appeals against decisions of the court relating to	1. Member States shall ensure may provide that appeals against decisions of the court or	1. Member States shall ensure that, <u>if national law provides for</u> appeals against decisions of the

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	the authorisation or execution of the sale of the debtor’s business or part thereof may have suspensive effects only subject to the provision by the appellant of a security that is adequate to cover the potential damages caused by the stay of the realisation of the sale.	the authorisation or execution of the sale of the debtor’s business or part thereof may have suspensive effects only subject to the provision by the appellant of a security that is adequate to cover the potential damages caused by the stay of the realisation of the sale.	competent authority relating to the authorisation or execution of the sale of the debtor’s business or part thereof may have suspensive effects only subject to the provision by the appellant of a security that is adequate to cover the potential damages caused by the stay of the realisation of the sale, in accordance with national law.	court <u>or competent authority</u> relating to the authorisation or execution of the sale of the debtor’s business or part thereof, <u>such appeals</u> may have suspensive effects only subject to the provision by the appellant of a security that is adequate to cover the potential damages caused by the stay of the realisation of the sale. Council counterproposal: “Member States may provide that decisions of the court or the competent authority relating to the authorisation or execution of the sale of the debtor’s business or parts thereof cannot be appealed. Member States may provide that, if national law provides for appeals of such decisions, the appeals do not have suspensive effects unless adequate measures are taken to cover the potential damages caused by an unjustified stay of the realisation of the sale, such as the requirement of a security to be provided by the appellant or the liability of the appellant for such damages.”
Article 29(2)				
273	2. Member States shall	2. Member States shall		

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	ensure that the court hearing the appeal has discretion to exempt a natural person appellant, totally or partially, from the provision of a security if it considers such exemption appropriate in light of the circumstances of the given case.	ensure that the court hearing the appeal has discretion to exempt a natural person appellant, totally or partially, from the provision of a security if it considers such exemption appropriate in light of the circumstances of the given case.	<i>deleted</i>	<i>EP flexibility dependent on para 1</i>
<i>Chapter 4</i>				
274	Chapter 4 Provisions relevant to both phases of the pre-pack proceedings	Chapter 4 Provisions relevant to both phases of the pre-pack proceedings	Chapter 4 Common provisions relevant to both phases of the pre-pack proceedings	Chapter 4 Common provisions relevant to both phases of the pre-pack proceedings Text Origin: Council Mandate
Article 30				
275	Article 30 Criteria to select the best offer	Article 30 Criteria to select the best offer	Article 30 Criteria to select the best offer	Article 30 Criteria to select the best offer
Article 30, first paragraph				
276	Member States shall ensure that the criteria to select the best bid in the pre-pack proceedings are the same as the criteria used to select between competing offers in winding-up proceedings.	Member States shall ensure that the criteria to select the best bid in the pre-pack proceedings are the same as the criteria used to select between competing offers in winding-up proceedings.	Member States shall ensure that the criteria to select the best bid in the pre-pack proceedings mechanism are set out in national law and are the same as the criteria used to be applied to select between competing offers in winding-up insolvency proceedings.	Member States shall ensure that set the criteria to select for selecting the best bid in the pre-pack proceedings mechanism, and ensure that they are the same as the criteria used to select for selecting between competing offers in winding-up insolvency proceedings.
Article 31				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
277	Article 31 Civil liability of the monitor and of the insolvency practitioner	Article 31 Civil liability of the monitor and of the insolvency practitioner	Article 31 Civil liability of the monitor and of the insolvency practitioner	Article 31 Civil liability of the monitor and of the insolvency practitioner
Article 31, first paragraph				
278	Member States shall ensure that the monitor and the insolvency practitioner are liable for the damages that their failure to comply with their obligations under this Title causes to creditors and third parties affected by the pre-pack proceedings.	Member States shall ensure that the monitor and the insolvency practitioner are liable for the damages that their <i>intentional or negligent</i> failure to comply with their obligations under this Title causes to creditors and third parties affected by the pre-pack proceedings.	Member States shall ensure that the monitor and the insolvency practitioner are liable for the damages that caused to creditors by their intentional or negligent failure to comply with their obligations under this Title causes to creditors and third parties affected by the pre-pack proceedings.	Member States shall ensure that the monitor and the insolvency practitioner are liable for the damages that caused to creditors by their intentional or negligent failure to comply with their obligations under this Title causes to creditors and third parties affected by the pre-pack proceedings. <i>Text Origin: Council Mandate</i>
Article 32				
279	Article 32 Parties closely related to the debtor in the sale process	Article 32 Parties closely related to the debtor in the sale process	Article 32 Parties closely related to the debtor in the sale process	Article 32 Parties closely related to the debtor in the sale process <i>Text Origin: EP Mandate</i>
Article 32(1), first subparagraph				
280	1. Member States shall ensure that parties closely related to the debtor are eligible to acquire the debtor's business or part thereof, provided that all of the following conditions are met:	1. Member States shall ensure that parties closely related to the debtor are eligible to acquire the debtor's business or part thereof, provided that all of the following conditions are met:	1. Member States shall ensure that parties closely related to the debtor are eligible to acquire the debtor's business or part thereof, provided that all of the following conditions are met:	1. Member States shall ensure that parties closely related to the debtor are eligible to acquire the debtor's business or part thereof, provided that all of the following conditions are met:
Article 32(1), first subparagraph, point (a)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
281	(a) they disclose in a timely manner to the monitor and to the court their relation to the debtor;	(a) they disclose in a timely manner to the monitor and to the court their relation to the debtor;	(a) they the parties closely related to the debtor disclose in a timely manner the bid to the monitor and to the court their relation to the debtor;	(a) they <u>the parties closely related to the debtor</u> disclose in a timely manner <u>the bid</u> to the monitor and to the court their relation to the debtor; <small>Text Origin: Council Mandate</small>
Article 32(1), first subparagraph, point (b)				
282	(b) other parties to the sale process receive adequate information on the existence of parties closely related to the debtor and their relation to the latter;	(b) other parties to the sale process receive adequate information on the existence of parties closely related to the debtor and their relation to the latter;	(b) other parties to the sale process other than those referred in point (a) receive adequate information on the existence of parties closely related to the debtor and their relation to the latter;	(b) other parties to the sale process <u>other than those referred in point (a)</u> receive adequate information on the existence of parties closely related to the debtor and their relation to the latter; <small>Text Origin: Council Mandate</small>
Article 32(1), first subparagraph, point (ba)				
282a			(ba) in the case under article 26(1), point (a), a valuation of the business as a going concern is carried out for the purposes of the statement of the monitor referred to in Article 22a(2), point (c).	<u>(ba) in the case under article 26(1), point (a), a valuation of the business as a going concern is carried out for the purposes of the statement of the monitor referred to in Article 22a(2), point (c).</u> <small>Text Origin: Council Mandate</small>
Article 32(1), first subparagraph, point (c)				
283	(c) parties not closely related to the debtor are granted sufficient time to make an offer.	(c) parties not closely related to the debtor are granted sufficient time to make an offer.	(c) parties not closely related to the debtor are granted sufficient time to make an offer.	(c) parties not closely related to the debtor are granted sufficient time to make an offer.
Article 32(1), second subparagraph				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
284	Member States may provide that where it is proved that the disclosure duty referred to in the first subparagraph, point (a), was breached, the court revokes the benefits referred to in Article 28.	Member States may <u>shall</u> provide that where it is proved that the disclosure duty referred to in the first subparagraph, point (a), was breached, the court revokes the benefits referred to in Article 28.	Member States may provide that, where it is proved that the disclosure duty referred to in <u>improven that a party closely related to the debtor failed to comply with the conditions under</u> the first subparagraph, point (a), was breached , the court or <u>competent authority</u> revokes the benefits referred to in Article 28 <u>28(1)</u> .	Member States may <u>shall</u> provide that, where it is proved that the disclosure duty referred to <u>improven that a party closely related to the debtor failed to comply with the conditions under</u> the first subparagraph, point (a), was breached , the court revokes or <u>competent authority can revoke</u> the benefits referred to in Article 28 <u>28(1)</u> .
Article 32(2)				
285	2. Where the offer made by a party closely related to the debtor is the only existing offer, Member States shall introduce additional safeguards for the authorisation and execution of the sale of the debtor's business or part thereof. These safeguards shall at least include the duty for the monitor and the insolvency practitioner to reject the offer from the party closely related to the debtor if the offer does not satisfy the best-interest-of-creditors test.	2. Where the offer made by a party closely related to the debtor is the only existing offer, Member States shall introduce additional safeguards for the authorisation and execution of the sale of the debtor's business or part thereof. These safeguards shall at least include the <u>requirement to obtain a market valuation of the business</u> and the duty for the monitor and the insolvency practitioner to reject the offer from the party closely related to the debtor if the offer does not satisfy the best-interest-of-creditors test.	2. Where the offer made by a party closely related to the debtor is considered as the best <u>the only existing</u> offer, Member States shall <u>may</u> introduce additional safeguards for the authorisation and execution of the sale of the debtor's business or part thereof. These safeguards shall at least include the duty for the monitor and the insolvency practitioner to reject the offer from the party closely related to the debtor if the offer does not satisfy the best-interest-of-creditors test.	2. Where the offer made by a party closely related to the debtor is <u>considered as the best</u> the only existing offer, Member States shall <u>may</u> introduce additional safeguards for the authorisation and execution of the sale of the debtor's business or part thereof. These safeguards shall at least include the duty for the monitor and the insolvency practitioner to reject the offer from the party closely related to the debtor if the offer does not satisfy the best-interest-of-creditors test. <small>Text Origin: Council Mandate</small>
Article 33				
286	Article 33	Article 33	Article 33	Article 33

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	Measures to maximize the value of the debtor's business or part thereof	Measures to maximize the value of the debtor's business or part thereof	Measures to maximize the value of the debtor's business or part thereof Interim financing	Measures to maximize the value of the debtor's business or part thereof Interim financing <small>Text Origin: Council Mandate</small>
Article 33(1)				
287	1. Where interim financing is needed, Member States shall ensure that:	1. Where interim financing is needed, Member States shall ensure that:	1. Where interim financing is needed, Member States shall ensure that:	1. Where interim financing is needed, Member States shall ensure that:
Article 33(1), point (a)				
288	(a) the monitor or the insolvency practitioner takes the necessary steps to obtain interim financing at the lowest possible cost;	(a) the debtor, the monitor or the insolvency practitioner takes the necessary steps to obtain interim financing at the lowest possible cost;	<i>deleted</i>	<i>deleted</i>
Article 33(1), point (b)				
289	(b) grantors of interim financing are entitled to receive payment with priority in the context of subsequent insolvency procedures in relation to other creditors that would otherwise have superior or equal claims;	(b) grantors of interim financing are entitled to receive payment with priority in the context of subsequent insolvency procedures in relation to other creditors that would otherwise have superior or equal claims;	<i>deleted</i>	<i>deleted</i> moved to 291c
Article 33(1), point (c)				
290	(c) security interests over the sale proceeds may be granted to providers of interim financing in order to secure reimbursement;	(c) security interests over the sale proceeds may be granted to providers of interim financing in order to secure reimbursement;	<i>deleted</i>	<i>deleted</i>
Article 33(1), point (d)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
291	(d) interim financing is eligible to be set-off against the price to be disbursed under the adjudicated offer, when provided by interested bidders.	(d) interim financing is eligible to be set-off against the price to be disbursed under the adjudicated offer, when provided by interested bidders.	deleted	deleted
Article 33(1), point (d)				
291a			(a) interim financing is not declared void, voidable or unenforceable; and	<u>(a) interim financing is not declared void, voidable or unenforceable; and</u> <small>Text Origin: Council Mandate</small>
Article 33(1), point (e)				
291b			(b) the grantors of interim financing do not incur civil, administrative or criminal liability, on the ground that such financing is detrimental to the general body of creditors, unless national law provides for other grounds for such liability.	<u>(b) the grantors of interim financing do not incur civil, administrative or criminal liability, on the ground that such financing is detrimental to the general body of creditors, unless national law provides for other grounds for such liability.</u> <small>Text Origin: Council Mandate</small>
Article 33(1b)				
291c				<u>1b. Member States may provide that grantors of new or interim financing are entitled to receive payment with priority in the context of subsequent insolvency procedures in relation to other creditors that would otherwise have superior or equal</u>

	CLEAN	Commission Proposal	VSE.C	EP Mandate	VSE.C	Council Mandate	VSE.C	Draft Agreement
								claims.
Article 33(1b)								
G		291d				2. Subject to the ranking priorities of claims arising during insolvency proceedings, Member States may provide that:		<p><u>2. Subject to the ranking priorities of claims arising during insolvency proceedings, Member States may provide that:</u></p> <p>Text Origin: Council Mandate</p>
Article 33(1a), point (a)								
G		291e				(a) security interests over the sale proceeds can be granted to providers of interim financing in order to secure reimbursement; and		<p><u>(a) security interests over the sale proceeds can be granted to providers of interim financing in order to secure reimbursement; and</u></p> <p>Text Origin: Council Mandate</p>
Article 33(1a), point (b)								
G		291f				(b) interim financing is eligible to be set-off against the price to be disbursed under the adjudicated offer, when provided by interested bidders.		<p><u>(b) interim financing is eligible to be set-off against the price to be disbursed under the adjudicated offer, when provided by interested bidders.</u></p> <p>Text Origin: Council Mandate</p>
Article 33(1c)								
G		291g				3. Member States may provide that paragraph 1 and 1a only apply to interim financing which has been subject to ex ante control.		<p><u>3. Member States may provide that paragraph 1 and 1a only apply to interim financing which has been subject to ex ante control.</u></p>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				Text Origin: Council Mandate
Article 33a				
291h			Article 33a Pre-emption rights and credit bidding	<u><i>1e. Pre-emption rights and credit bidding</i></u> Text Origin: Council Mandate
Article 33(2)				
292	2. Member States shall ensure that no pre-emption rights are conceded to bidders.	2. Member States shall ensure that no pre-emption rights are conceded to bidders.	21. Member States shall ensure that no pre-emption rights are conceded granted to bidders. Member States may provide that pre-emption rights established under national law that are not affected by the insolvency of the debtor are maintained and are enforceable.	2. <u><i>Without prejudice to Article 34(3), Member States shall ensure that no pre-emption rights are concededgranted to bidders. Member States may provide that statutory pre-emption rights not affected by the insolvency of the debtor are maintained and are enforceable.</i></u>
Article 33(3)				
293	3. Member States shall ensure that, where security interests encumber the business subject to the pre-pack proceedings, creditors who are the beneficiaries of those security interests may offset their claims in their bid only provided that the value of those claims is significantly below market value of the business.	3. Member States shall ensure that, where security interests encumber the business subject to the pre-pack proceedings, creditors who are the beneficiaries of those security interests may offset their claims in their bid only provided that the value of those claims is significantly below market value of the business.	32. Member States shall ensure that, where security interests encumber the business subject to the pre-pack proceedings mechanism , creditors who are the beneficiaries of those security interests may offset their claims in their bid only provided that the value of those claims is significantly below against the purchase price only to an amount not exceeding the market value of the business.	32. Member States shall ensure that, where security interests encumber the business subject to the pre-pack proceedings mechanism , creditors who are the beneficiaries of those security interests may offset their claims in their bid only provided that the value of those claims is significantly below against the purchase price only to an amount not exceeding the market value of the business.

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				Text Origin: Council Mandate
Article 34				
294	Article 34 Protection of the interests of the creditors	Article 34 Protection of the interests of the creditors	Article 34 Protection of the interests of the creditors	Article 34 Protection of the interests of the creditors
Article 34(-1)				
294a		<u>-1. Member States shall ensure that, prior to the authorisation of the sale of the debtor's business or part thereof, the insolvency practitioner provides the court with a report on a favourable best-interest-of-creditors test.</u>		<i>deleted</i>
Article 34(1), first subparagraph				
295	I. Member States shall ensure that creditors as well as holders of equity of the debtor's business have the right to be heard by the court before the authorisation or the execution of the sale of the debtor's business or part thereof.	1. Member States shall ensure that creditors as well as holders of equity of the debtor's business have the right to be heard by the court before the authorisation or the execution of the sale of the debtor's business or part thereof.	<i>deleted</i>	<i>deleted</i>
Article 34(1), second subparagraph				
296	Member States shall lay down detailed rules in order to ensure the effectiveness of the right to be heard under the first subparagraph.	Member States shall lay down detailed rules in order to ensure the effectiveness of the right to be heard under the first subparagraph.	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
<i>Article 34(2)</i>				
297	2. By way of derogation from paragraph 1, Member States may by law not grant the right to be heard to:	2. By way of derogation from paragraph 1, Member States may by law not grant the right to be heard to:	<i>deleted</i>	<i>deleted</i>
<i>Article 34(2), point (a)</i>				
298	(a) the creditors or holders of equity who would not receive any payment or keep any interest according to the normal ranking of liquidation priorities under national law;	(a) the creditors or holders of equity who would not receive any payment or keep any interest according to the normal ranking of liquidation priorities under national law;	<i>deleted</i>	<i>deleted</i>
<i>Article 34(2), point (b)</i>				
299	(b) the creditors of executory contracts whose claims against the debtor arose before the authorisation of the sale of the debtor's business or part thereof and are supposed to be paid in full under the terms of the pre-pack offer.	(b) the creditors of executory contracts whose claims against the debtor arose before the authorisation of the sale of the debtor's business or part thereof and are supposed to be paid in full under the terms of the pre-pack offer.	<i>deleted</i>	<i>deleted</i>
<i>Article 34(3)</i>				
300	3. Member States shall ensure that security interests are released in pre-pack proceedings under the same requirements that would apply in winding-up proceedings.	3. Member States shall ensure that security interests are released in pre-pack proceedings under the same requirements that would apply in winding-up proceedings.	3. Member States shall ensure that security interests or other encumbrances are released in the course of the pre-pack mechanism pre-pack proceedings under the same requirements that would apply in winding-up the insolvency proceedings under	3. Member States shall ensure that security interests or other encumbrances are released in the course of the pre-pack mechanism pre-pack proceedings under the same requirements that would apply in winding-up the insolvency proceedings under

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			national law.	<u>national law.</u> Text Origin: Council Mandate
Article 34(4)				
301	4. Member States in which consent from holders of secured claims is required in winding-up proceedings for the release of security interests may depart from requiring such consent, provided that the security interests relate to assets that are necessary for the continuation of the day-to-day operations of the debtor's business or part thereof and one of the following conditions is fulfilled:	4. Member States in which consent from holders of secured claims is required in winding-up proceedings for the release of security interests may depart from requiring such consent, provided that the security interests relate to assets that are necessary for the continuation of the day-to-day operations of the debtor's business or part thereof and one of the following conditions is fulfilled:	4. Member States in which consent from holders of secured claims is required in winding-up proceedings for whose law makes the release of security interests conditional upon the consent of holders of secured claims to the insolvency proceedings may provide that may depart from requiring such consent, provided that the security interests relate to assets that are necessary for the continuation of the day-to-day operations of the debtor's business or part thereof and one of the following conditions is fulfilled: is not required.	4. Member States in which consent from holders of secured claims is required in winding-up proceedings for whose law makes the release of security interests conditional upon the consent of holders of secured claims to the insolvency proceedings may provide that may depart from requiring such consent, provided that the security interests relate to assets that are necessary for the continuation of the day-to-day operations of the debtor's business or part thereof and one of the following conditions is fulfilled: is not required. Text Origin: Council Mandate
Article 34(4), point (a)				
302	(a) creditors of secured claims fail to prove that the pre-pack offer does not satisfy the best-interest-of-creditors test;	(a) creditors of secured claims fail to prove that the pre-pack offer does not satisfy the best-interest-of-creditors test;	deleted	deleted
Article 34(4), point (b)				
303	(b) creditors of secured claims have not filed (directly or through a	(b) creditors of secured claims have not filed (directly or through a	deleted	deleted

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	third party) an alternative binding acquisition offer that allows the insolvency estate to obtain a better recovery than with the proposed pre-pack offer.	third party) an alternative binding acquisition offer that allows the insolvency estate to obtain a better recovery than with the proposed pre-pack offer.		
Article 35				
304	Article 35 Impact of competition law procedures on the timing or the successful outcome of the bid	Article 35 Impact of competition law procedures on the timing or the successful outcome of the bid	Article 35 Impact of competition law procedures on the timing or the successful outcome of the bid	Article 35 Impact of competition law procedures on the timing or the successful outcome of the bid
Article 35(1)				
305	1. Member States shall ensure that, where there is an appreciable risk of a delay ensuing from a procedure based on competition law or of a negative decision by a competition authority in relation to an offer made in the course of the preparation phase, the monitor shall facilitate the presentation of alternative bids.	1. Member States shall ensure that, where there is an appreciable risk of a delay ensuing from a procedure based on competition law or of a negative decision by a competition authority in relation to an offer made in the course of the preparation phase, the monitor shall facilitate the presentation of alternative bids.	1. Member States shall ensure that, where there is an appreciable risk of a delay ensuing from a procedure based on competition law or of a negative decision by a competition authority in relation to an offer made in the course of the preparation phase, the monitor shall facilitate the presentation of alternative bids. the debtor takes appropriate steps to present alternative bids.	1. Member States shall ensure that, where there is an appreciable risk of a delay ensuing from a procedure based on competition law or of a negative decision by a competition authority in relation to an offer made in the course of the preparation phase, the monitor shall facilitate the presentation of alternative bids. shall facilitate the presentation of for the debtor takes appropriate steps to present alternative bids. <small>Text Origin: Council Mandate</small>
Article 35(2)				
306	2. Member States shall ensure that the monitor may receive information on the applicable competition law procedures and their outcomes that	2. Member States shall ensure that the monitor may receive information on the applicable competition law procedures and their outcomes that	2. Member States shall ensure that the monitor may receive information on the applicable competition law procedures and their outcomes that may affect the	2. Member States shall ensure that the monitor may receive information on the applicable competition law procedures and their outcomes that may affect the

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	may affect the timing or the successful outcome of the bid, in particular through the disclosure of information by the bidders or the provision of a waiver to exchange information with competition authorities, where applicable. In that regard, the monitor shall be made subject to a duty of full confidentiality.	may affect the timing or the successful outcome of the bid, in particular through the disclosure of information by the bidders or the provision of a waiver to exchange information with competition authorities, where applicable. In that regard, the monitor shall be made subject to a duty of full confidentiality.	timing or the successful outcome of the bid, in particular through provided that the disclosure of information by the bidders or the provision of a waiver to exchange information with competition authorities, where applicable authority is not contrary to national rules on the protection of business secrets. In that regard, the monitor shall be made subject to a duty of full confidentiality in accordance with national law.	timing or the successful outcome of the bid, in particular through provided that the disclosure of information by the bidders or the provision of a waiver to exchange information with competition authorities, where applicable authority is not contrary to national rules on the protection of business secrets. In that regard, the monitor shall be made subject to a duty of full confidentiality in accordance with national law. <small>Text Origin: Council Mandate</small>
Article 35(3)				
307	3. Member States shall ensure that, where an offer entails an appreciable risk of a delay as referred to in paragraph 1, that offer may be disregarded, provided that both of the following conditions apply:	3. Member States shall ensure that, where an offer entails an appreciable risk of a delay as referred to in paragraph 1, that offer may be disregarded, provided that both of the following conditions apply:	3. Member States shall ensure that, where an offer entails an appreciable risk of a delay as referred to in paragraph 1, that offer may be disregarded, provided that both of the following conditions apply:	3. Member States shall ensure that, where an offer entails an appreciable risk of a delay as referred to in paragraph 1, that offer may be disregarded, provided that both of the following conditions apply:
Article 35(3), point (a)				
308	(a) such offer is not the only existing offer;	(a) such offer is not the only existing offer;	(a) such offer is not the only existing offer;	(a) such offer is not the only existing offer; <small>Text Origin: Council Mandate</small>
Article 35(3), point (b)				
309	(b) the delay in the conclusion of the pre-pack business sale with	(b) the delay in the conclusion of the pre-pack business sale with	(b) the delay in the conclusion of the pre-pack business sale with	(b) the delay in the conclusion of the pre-pack business sale with

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	the bidder concerned would result in a damage for the debtor's business or part thereof.	the bidder concerned would result in a damage for the debtor's business or part thereof.	sale to the bidder concerned would result in a damage for to the debtor's business or part thereof.	<u>sale to</u> the bidder concerned would result in a damage for <u>to</u> the debtor's business or part thereof. <small>Text Origin: Council Mandate</small>
Title V				
310	Title V DIRECTORS' DUTY TO REQUEST THE OPENING OF INSOLVENCY PROCEEDINGS AND CIVIL LIABILITY	Title V DIRECTORS' DUTY TO REQUEST THE OPENING OF INSOLVENCY PROCEEDINGS AND CIVIL LIABILITY	Title V DIRECTORS' DUTY TO REQUEST THE OPENING OF INSOLVENCY PROCEEDINGS AND CIVIL LIABILITY	Title V DIRECTORS' DUTY TO REQUEST THE OPENING OF INSOLVENCY PROCEEDINGS AND CIVIL LIABILITY
Article 36				
311	Article 36 Duty to request the opening of insolvency proceedings	Article 36 Duty to request the opening of insolvency proceedings	Article 36 Duty to request the opening of insolvency proceedings Duties of directors	Article 36 Duty to request the opening of insolvency proceedings <u>Duties of directors</u> <small>Text Origin: Council Mandate</small>
Article 36, first paragraph				
312	Member States shall ensure that, where a legal entity becomes insolvent, its directors are obliged to submit a request for the opening of insolvency proceedings with the court no later than 3 months after the directors became aware or can reasonably be expected to have been aware that the legal entity is insolvent.	Member States shall ensure that, where a legal entity becomes insolvent, its directors are obliged <u>have the duty</u> to submit a request for the opening of insolvency proceedings with the court no later than 3 months after the directors became aware or can reasonably be expected to have been <u>become</u> aware that the legal entity is insolvent <u>in accordance with national law. Preventive</u>	1. Member States shall ensure that, where a legal entity company becomes insolvent in accordance with national law , its directors are obliged <u>have the duty to submit a request for the opening of insolvency proceedings, with the exception of preventive restructuring proceedings. In Member States where Regulation (EU) 2015/848 applies, the duty</u> to submit a request for the opening	<u>1.</u> Member States shall ensure that, where a legal entity <u>company</u> becomes insolvent <u>in accordance with national law</u> , its directors are obliged <u>have the duty to submit a request for the opening of insolvency proceedings, with the exception of preventive restructuring proceedings. In Member States where Regulation (EU) 2015/848 applies, the duty</u> to submit a request for the opening of

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		<u>restructuring proceedings are be excluded from that obligation.</u>	of insolvency proceedings refers to proceedings set out in Annex A to that Regulation, with the court no later than 3 months after the directors became aware or can reasonably be expected to have been aware that the legal entity is insolvent exception of preventive restructuring proceedings.	insolvency proceedings <u>refers to proceedings set out in Annex A to that Regulation,</u> with the court no later than 3 months after the directors became aware or can reasonably be expected to have been aware that the legal entity is insolvent <u>exception of preventive restructuring proceedings.</u>
Article 36, first paragraph a				
312a			2. The request as referred to in paragraph 1 shall be submitted to the court or the authority competent for the insolvency proceedings within 3 months of the directors having become aware or being reasonably expected to have become aware that the company is insolvent in accordance with national law.	<u>2. The request as referred to in paragraph 1 shall be submitted to the court or the authority competent for the insolvency proceedings within 3 months of the directors having become aware or being reasonably expected to have become aware that the company is insolvent in accordance with national law.</u> <small>Text Origin: Council Mandate</small>
Article 36, first paragraph a				
312b		<u>By way of derogation from paragraph 1, Member States may provide that the duty referred to therein does not apply to directors who are natural persons and are personally liable for all of the company's debts where:</u>		deleted
Article 36, first paragraph a, point (a)				

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
312c				<u>(a) the directors inform the public of the company's insolvency through a notification in a public register, at the latest within the deadline referred to in paragraph 1, in order to ensure that the creditors are able to request the opening of insolvency proceedings; or</u>				
Article 36, first paragraph a, point (b)								
312d				<u>(b) the directors take measures that are designed to avoid damage to the creditors of the insolvent company, provided that such measures were reasonably likely to avoid such damage or secure a better outcome for creditors.</u>				
Article 36a								
312e						Article 36a Non-application or suspension of the duty to submit a request for the opening of insolvency proceedings		<u>Article 36a</u> <u>Non-application or suspension of the duty to submit a request for the opening of insolvency proceedings</u> <small>Text Origin: Council Mandate</small>
Article 36a, first paragraph								
312f						1. Member States may provide that the duty referred to in Article 36(1) does not apply to		<u>1. Member States may provide that the duty referred to in Article 36(1) does not apply to</u>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			directors who are natural persons and are personally liable for all of the company's debt.	<u>directors who are natural persons and are personally liable for all of the company's debt.</u> Text Origin: Council Mandate
Article 36a, second paragraph				
312g			2. Member States may provide that the duty referred to in Article 36(1) can be discharged by way of informing the public of the company's insolvency through a notification in a public register, at the latest within the deadline referred to in Article 36 (2), in order to ensure that the creditors are able to request the opening of insolvency proceedings.	<u>2. Member States may provide that the duty referred to in Article 36(1) can be discharged by way of informing the public of the company's insolvency through a notification in a public register, at the latest within the deadline referred to in Article 36 (2), in order to ensure that the creditors are able to request the opening of insolvency proceedings.</u> Text Origin: Council Mandate
Article 36a, third paragraph				
312h			3. Member States may provide that the duty referred to in Article 36(1) is suspended if the directors take measures that are designed to avoid damage for the creditors of the insolvent company and ensure a level of protection of the general body of creditors that is equivalent to the protection provided by the duty referred to in Article 36(1).	<u>3. Member States may provide that the duty referred to in Article 36(1) is suspended if the directors take measures that are designed to avoid damage for the creditors of the insolvent company and ensure a level of protection of the general body of creditors that is equivalent to the protection provided by the duty referred to in Article 36(1).</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				Text Origin: Council Mandate
Article 37				
313	Article 37 Directors' civil liability	Article 37 Directors' civil liability	Article 37 Directors' Civil liability of directors	Article 37 Directors' Civil liability <u>of</u> <u>directors</u> Text Origin: Council Mandate
Article 37(1)				
314	1. Member States shall ensure that the insolvent legal entity's directors are liable for damages incurred by creditors as a result of their failure to comply with the obligation laid down in Article 36.	1. Member States shall ensure that the insolvent legal entity's directors are liable for damages incurred by creditors as a result of their failure to comply with the obligation <u>duty</u> laid down in Article 36.	1. Member States shall ensure that the directors of an insolvent legal entity's directors company are liable, in accordance with national law, for damage caused to for damages incurred by creditors as a result of their failure to comply with the obligation laid down duty referred to in Article 36.	1. Member States shall ensure that the <u>directors of an</u> insolvent legal entity's directors <u>company</u> are liable, <u>in accordance with national law, for damage caused to</u> for damages incurred by creditors as a result of their failure to comply with the obligation laid down <u>duty referred to</u> in Article 36.
Article 37(2)				
315	2. Paragraph 1 shall be without prejudice to national rules on civil liability for the breach of the duty of directors to submit a request for the opening of insolvency proceedings as set out in Article 36 that are stricter towards directors.	2. Paragraph 1 shall be without prejudice to national rules on civil liability for the breach of the duty of directors to submit a request for the opening of insolvency proceedings as set out in Article 36 that are stricter towards directors.	<i>deleted</i>	<i>deleted</i>
Article 37(2), first subparagraph				
315a			2. If Member States have exercised the option in Article	<i>deleted</i>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
			36a(3), they shall ensure that the directors who take measures referred to in Article 36a(3) are liable, in accordance with national law, for any damage caused to creditors that would not otherwise have been caused had the opening of insolvency proceedings been requested in accordance with Article 36.	
<i>Article 37(2), second subparagraph</i>				
315b			Member States may provide that such liability is excluded where and to the extent that the directors can demonstrate, on the basis of objective circumstances, that the measures taken could reasonably be expected to avoid damage to creditors, ensuring a level of protection of the general body of creditors which is equivalent to the protection provided by the duty referred to in Article 36(1).	<i>deleted</i> <i>Taken in 315d.</i>
<i>Article 37(2a)</i>				
315c		<u>2a. If Member States have exercised the option provided for in Article 36(1a), they shall ensure that directors who take measures as referred to therein are liable, in accordance with national law, for</u>		<u>2a. If Member States have exercised the option provided for in Article 36(1a), they shall ensure that directors who take measures as referred to therein are liable, in accordance with national law, for</u>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
		<u>damage caused to creditors that would not otherwise have been caused had the opening of insolvency proceedings been requested in accordance with Article 36(1).</u>	PUBLIC	<u>damage caused to creditors that would not otherwise have been caused had the opening of insolvency proceedings been requested in accordance with Article 36(1).</u> LL to check the reference. Text Origin: EP Mandate
Article 37(2b)				
315d		<u>2b. Member States may provide that such liability is excluded where and to the extent that the directors can demonstrate, on the basis of objective circumstances, that the measures taken could reasonably be expected to avoid damage to creditors, provided that such measures were reasonably likely to avoid such damage or secure a better outcome for creditors.</u>		<u>2b. Member States may provide that such liability is excluded where and to the extent that the directors can demonstrate, on the basis of objective circumstances, that the measures taken were reasonably likely to secure an equivalent or better outcome for creditors than that provided by the duty referred to in Article 36(1).</u>
Article 37a				
315e			Article 37a Relation to other instruments	<u>Article 37a Relation to other instruments</u> Text Origin: Council Mandate
Article 37a, first paragraph				
315f			The provisions of this Title shall not affect national	<u>1. This Title shall not affect Article 7 of Directive (EU)</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			laws transposing Article 7 of Directive (EU) 2019/1023.	2019/1023.
Title VI				
316	Title VI WINDING-UP OF INSOLVENT MICROENTERPRISES	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Chapter 1				
317	Chapter 1 General rules	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 38				
318	Article 38 Rules on winding-up of microenterprises	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 38(1)				
319	1. Member States shall ensure that microenterprises, when insolvent, have access to simplified winding-up proceedings that comply with the provisions laid down in this Title.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 38(2)				
320	2. A microenterprise shall be deemed insolvent for the purposes of simplified winding-up proceedings when it is generally unable to pay its debts as they mature. Member States shall set	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>



	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	out the conditions under which a microenterprise is deemed to be generally unable to pay its debts as they mature and ensure that these conditions are clear, simple and easily ascertainable by the microenterprise concerned.			
<i>Article 38(3)</i>				
321	3. The opening and conduct of simplified winding-up proceedings may not be denied on the ground that the debtor has no assets or its assets are not sufficient to cover the costs of the simplified winding-up proceedings.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 38(4)</i>				
322	4. Member States shall ensure that the costs of the simplified winding-up proceedings are covered in the situations set out in paragraph 3.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 39</i>				
323	Article 39 Insolvency practitioner	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 39, first paragraph</i>				
324	Member States shall ensure that in simplified winding-up proceedings an insolvency practitioner may	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	only be appointed if both of the following conditions are met:			
<i>Article 39, first paragraph, point (a)</i>				
325	(a) the debtor, a creditor or a group of creditors requests such an appointment;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 39, first paragraph, point (b)</i>				
326	(b) the costs of the intervention of the insolvency practitioner can be funded by the insolvency estate or by the party that requested the appointment.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 40</i>				
327	Article 40 Means of communication	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 40, first paragraph</i>				
328	Member States shall ensure that in simplified winding-up proceedings all communications between the competent authority and, where relevant, the insolvency practitioner, on the one hand, and the parties to such proceedings, on the other hand, can be performed by electronic means, in accordance with Article 28 of Directive (EU) 2019/1023.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Chapter 2</i>				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
329	Chapter 2 Opening of simplified winding-up proceedings	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41</i>				
330	Article 41 Request for the opening of simplified winding-up proceedings	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41(1)</i>				
331	1. Member States shall ensure that insolvent microenterprises can submit a request for the opening of simplified winding-up proceedings to a competent authority.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41(2)</i>				
332	2. Member States shall ensure that any creditor of an insolvent microenterprise can submit a request for the opening of simplified winding-up proceedings against the microenterprise to a competent authority. The microenterprise concerned shall be given the opportunity to respond to the request, by contesting or consenting to it.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41(3)</i>				
333	3. Member States shall ensure that microenterprises can	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

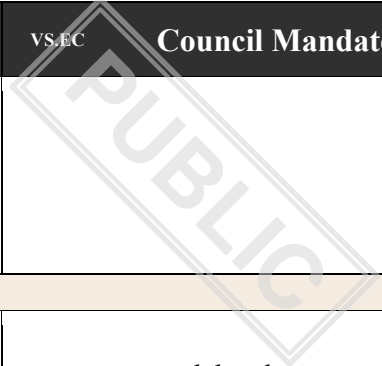
	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	submit a request for the opening of simplified winding-up proceedings using a standard form.			
<i>Article 41(4)</i>				
334	4. The standard form referred to in paragraph 3 shall allow for the inclusion, among others, of the following information:	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41(4), point (a)</i>				
335	(a) if the microenterprise is a legal person, the debtor's name, registration number, registered office or, if different, postal address;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41(4), point (b)</i>				
336	(b) if the microenterprise is an entrepreneur, the debtor's name, registration number, if any, and postal address or, where the address is protected, the debtor's place and date of birth;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41(4), point (c)</i>				
337	(c) a list of the assets of the microenterprise;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41(4), point (d)</i>				
338	(d) name, address or other contact details of creditors of the	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	microenterprise, as known to the microenterprise at the time of the submission of the request,			
<i>Article 41(4), point (e)</i>				
339	(e) the list of the claims against the microenterprise and, for each claim, its amount specifying the principal and, where applicable, interest and the date on which it arose and the date on which it became due, if different;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41(4), point (f)</i>				
340	(f) if security in rem or a reservation of title is alleged in respect of a certain claim and, if so, what assets are covered by the security interest.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41(5)</i>				
341	5. The Commission shall establish the standard form referred to in paragraph 3 by way of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 69(2)	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 41(6)</i>				
342	6. Member States shall ensure that when the request for	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	opening simplified winding-up proceedings is submitted by a creditor, and the microenterprise expressed its consent to the opening of the proceedings, the microenterprise is required to submit the information listed in paragraph 4 together with the response referred to in paragraph 2 of this Article, where available.			
Article 41(7)				
343	7. Member States shall ensure that when the request for opening simplified winding-up proceedings is submitted by a creditor and the competent authority opens such proceedings despite the microenterprise contesting or not responding to the request the microenterprise is required to submit the information listed in paragraph 4 of this Article no later than two weeks following the receipt of the notice of opening.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 42				
344	Article 42 Decision on the request for the opening of simplified winding-up proceedings	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 42(1)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
345	1. Member States shall ensure that the competent authority takes a decision on the request for the opening of simplified winding-up proceedings no later than two weeks after receiving the request.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 42(2)				
346	2. The opening of simplified winding-up proceedings may be refused only if one or more of the following conditions is fulfilled:	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 42(2), point (a)				
347	(a) the debtor is not a microenterprise;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 42(2), point (b)				
348	(b) the debtor is not insolvent pursuant to Article 38(2) of this Directive;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 42(2), point (c)				
349	(c) the competent authority where the request was submitted has no jurisdiction over the case;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 42(2), point (d)				
350	(d) the Member State where the request was submitted has no international jurisdiction over the case.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
<i>Article 42(3)</i>				
351	3. Member States shall ensure that the microenterprise or any creditor of the microenterprise may challenge before a court the decision on the request for the opening of simplified winding-up proceedings. The challenge has no suspensive effect on the opening of simplified winding-up proceedings and shall be dealt with promptly by the court.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 43</i>				
352	Article 43 Debtor in possession	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 43(1)</i>				
353	1. Member States shall ensure that, subject to the conditions laid down in paragraphs 2, 3 and 4, debtors accessing simplified winding-up proceedings remain in control of their assets and the day-to-day operation of the business.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 43(2)</i>				
354	2. Member States shall ensure that, where an insolvency practitioner is appointed, the competent authority specifies in the	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>



	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	decision on the appointment whether the rights and duties to manage and dispose of the debtor's assets are transferred to the insolvency practitioner.			
Article 43(3)				
355	3. Member States shall specify the circumstances in which the competent authority may, exceptionally, decide to remove the debtor's right to manage and dispose of its assets. Such a decision must be based on a case-by-case assessment in view of all relevant elements of law and facts.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 43(4)				
356	4. Member States shall ensure that, where the debtor no longer holds the right to manage and dispose of its assets and no insolvency practitioner is appointed, one of the following applies:	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 43(4), point (a)				
357	(a) any decision of the debtor to that effect becomes subject to the approval of the competent authority, or	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 43(4), point (b)				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
358	(b) the competent authority entrusts the right to manage and dispose of the assets of the debtor to a creditor.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 44				
359	Article 44 Stay of individual enforcement actions	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 44(1)				
360	1. Member States shall ensure that debtors benefit from a stay of individual enforcement actions upon the decision of the competent authority to open simplified winding-up proceedings and until the closure of that proceedings.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 44(2)				
361	2. Member States may provide that the competent authority excludes, upon request by the debtor or a creditor, a claim from the scope of the stay of individual enforcement actions where both of the following conditions are fulfilled:	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 44(2), point (a)				
362	(a) the enforcement is not likely to jeopardise the legitimate	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	expectations of the general body of creditors and;			
<i>Article 44(2), point (b)</i>				
363	(b) the stay would unfairly prejudice the creditor of that claim.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 45</i>				
364	Article 45 Publicity of the opening of simplified winding-up proceedings	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 45(1)</i>				
365	1. Member States shall ensure that the information on the opening of simplified winding-up proceedings is published in the insolvency register referred to in Article 24 of Regulation (EU) 2015/848, as soon as possible after the opening.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 45(2), first subparagraph</i>				
366	2. Member States shall ensure that the competent authority immediately informs the debtor and all known creditors, by individual notices, of the opening of simplified winding-up proceedings.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 45(2), second subparagraph</i>				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
367	The notice shall include, in particular:	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 45(2), second subparagraph, point (a)</i>				
368	(a) the list of claims against the debtor as indicated by the debtor;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 45(2), second subparagraph, point (b)</i>				
369	(b) an invitation to the creditor to lodge any claims not included in the list referred to in point (a) or to rectify any incorrect statement on those claims no later than 30 days upon the receipt of the notice;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 45(2), second subparagraph, point (c)</i>				
370	(c) a statement to the effect that, without further action by the creditor, the claims included in the list referred to in point (a) will be considered as lodged by the creditor concerned.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Chapter 3</i>				
371	Chapter 3 List of claims and establishment of the insolvency estate	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 46</i>				
372	Article 46 Lodgement and admission of	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	claims			
<i>Article 46(1)</i>				
373	1. Member States shall ensure that the claims against the debtor are considered as lodged without any further action from the creditors concerned, where those claims are indicated by the debtor in one of the following submissions:	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 46(1), point (a)</i>				
374	(a) in its request for the opening of simplified winding-up proceedings;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 46(1), point (b)</i>				
375	(b) in its response to the request for the opening of such proceedings submitted by a creditor;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 46(1), point (c)</i>				
376	(c) in its submission pursuant to Article 41(7).	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 46(2)</i>				
377	2. Member States shall ensure that any creditor may lodge claims not contained in the submissions referred to in	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	paragraph 1 or make statements of objection or raise concern on claims included in one of that submissions, within 30 days from the publication of the date of the opening of simplified winding-up proceedings in the insolvency register or, in case of a known creditor, of the receipt of the individual notice referred to in Article 45 whichever is the latest.			
<i>Article 46(3)</i>				
378	3. Member States shall ensure that, in the absence of any objection or concern communicated by a creditor within the time period indicated in paragraph 2, a claim included in the submissions referred to in paragraph 1 is deemed to be undisputed and shall be definitively admitted as stated therein.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 46(4)</i>				
379	4. Member States shall ensure that the competent authority or, where appointed, the insolvency practitioner may admit or deny admission of claims lodged by a creditor, in addition to the claims referred to in paragraph 1, in accordance with paragraph 2 and	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	the appropriate criteria defined by national law.			
<i>Article 46(5)</i>				
380	5. Member States shall ensure that the disputed claims are dealt with promptly either by the competent authority or by a court. The competent authority may decide to continue the simplified winding-up proceedings with respect to undisputed claims.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 47</i>				
381	Article 47 Avoidance actions	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 47, first paragraph</i>				
382	Member States shall ensure that the rules on avoidance actions apply as follows in simplified winding-up proceedings:	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 47, first paragraph, point (a)</i>				
383	(a) the pursuit and enforcement of avoidance actions shall not be mandatory, but shall be left to the discretion of creditors or, when applicable, of the insolvency practitioner;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 47, first paragraph, point (b)</i>				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
384	(b) any decision by creditors not to commence avoidance actions shall not affect the liability of the debtor under civil or criminal law, where it is later discovered that the information communicated by the debtor about assets or liabilities was concealed or forged;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 47, first paragraph, point (c)</i>				
385	(c) the competent authority may convert simplified winding-up proceedings into standard insolvency proceedings, where the conduct of avoidance proceedings under simplified winding-up proceedings would not be possible due to the significance of the claims subject to avoidance proceedings in relation to the value of the insolvency estate, and due to the anticipated length of avoidance proceedings.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 48</i>				
386	Article 48 Establishment of the insolvency estate	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 48(1)</i>				
387	1. Member States shall ensure that the competent authority or, where appointed, the insolvency	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>



	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	practitioner, determines the final list of assets that constitute the insolvency estate, on the basis of the list of assets submitted by the debtor as referred to Article 41(4), point (c) and of the relevant additional information received thereafter.			
<i>Article 48(2)</i>				
388	2. The assets of the insolvency estate shall include assets in the possession of the debtor at the time of the opening of simplified winding-up proceedings, assets acquired after the submission of the request for opening of such proceedings and assets recovered through avoidance actions or other actions.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 48(3)</i>				
389	3. Member States shall ensure that, where the debtor is an entrepreneur, the competent authority or, if appointed, the insolvency practitioner specifies which assets are excluded from the insolvency estate and can therefore be retained by the debtor.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Chapter 4</i>				
390	Chapter 4			

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
	Realisation of the assets and distribution of the proceeds	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 49</i>				
391	Article 49 Decision on the procedure to be used	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 49(1)</i>				
392	1. Member States shall ensure that in simplified winding-up proceedings once the insolvency estate has been established and the list of claims against the debtor has been determined, the competent authority:	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 49(1), point (a)</i>				
393	(a) proceeds with the realisation of the assets and the distribution of the proceeds; or	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 49(1), point (b)</i>				
394	(b) takes a decision on the closure of the simplified winding-up proceedings without any realisation of the assets, in accordance with paragraph 2.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 49(2)</i>				
395	2. Member States shall ensure that the competent authority can take a decision on the	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	immediate closure of the simplified winding-up proceedings without any realisation of the assets, only if any of the following conditions is fulfilled:			
<i>Article 49(2), point (a)</i>				
G	396 (a) there are no assets in the insolvency estate;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 49(2), point (b)</i>				
G	397 (b) the assets of the insolvency estate are of such a low value that it would not justify the costs or time of their sale and of the distribution of proceeds;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 49(2), point (c)</i>				
G	398 (c) the apparent value of encumbered assets is lower than the amount owed to the secured creditor(s) and the competent authority considers it justified to allow those secured creditor(s) to take over the asset(s).	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 49(3)</i>				
G	399 3. Member States shall ensure that, where the competent authority proceeds with the realisation of the debtor's assets as referred to in paragraph 1, point	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	(a), the competent authority also specifies the means of realisation of the assets. Other means than the sale of the debtor's assets through an electronic public auction may only be selected, if their use is deemed more appropriate in light of the nature of the assets or the circumstances of the proceedings.			
<i>Article 50</i>				
400	Article 50 Electronic auction systems for the sale of the assets of the debtor	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 50(1), first subparagraph</i>				
401	1. Member States shall ensure that one or several electronic auction platforms are established and maintained in their territory for the purpose of the sale of the assets of the insolvency estate in simplified winding-up proceedings.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 50(1), second subparagraph</i>				
402	Member States may set out that for the purpose of the sale of the debtor's assets users may also place bids for the purchase of the debtor's business as a going concern.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 50(2)</i>				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
403	2. Member States shall ensure that the electronic auction platforms, as referred to in paragraph 1, are used whenever the debtor's business or assets subject to simplified winding-up proceedings are realised through auction.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 50(3)</i>				
404	3. Member States may extend the use of the electronic auction systems, as referred to in paragraph 1, to the sale of the debtor's business or assets that are subject to other types of insolvency proceedings opened in their territory.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 50(4)</i>				
405	4. Member States shall ensure that the electronic auction platforms, as referred to in paragraph 1, are accessible by all natural and legal persons with domicile or place of registration in their territory or in the territory of another Member State. Access to the auction system may be subject to electronic identification of the user, in which case persons with domicile or place of registration in another Member State shall be able	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	<p>to use their national electronic identification schemes, in accordance with Regulation (EU) No 910/2014¹</p> <p>1. Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC (OJ L 257, 28.8.2014, p. 73).</p>			
<i>Article 51</i>				
406	<p>Article 51 Interconnection of the electronic auction systems</p>	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 51(1)</i>				
407	<p>1. The Commission shall establish a system for the interconnection of the national electronic auction systems as referred to in Article 50 by means of implementing acts. The system shall be composed of national electronic auction systems interconnected via the European e-Justice Portal, which shall serve as a central electronic access point in the system. The system shall contain in all the official languages of the Union information on all auction processes announced in</p>	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>



	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	national electronic auction platforms, enable the search among these auction processes and provide hyperlinks leading to the pages of the national systems where offers may be directly submitted.			
<i>Article 51(2), first subparagraph</i>				
408	2. The Commission shall lay down by means of implementing acts technical specifications and procedures necessary to provide for the interconnection of Member States' national electronic auction systems, setting out:	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 51(2), first subparagraph, point (a)</i>				
409	(a) the technical specification or specifications defining the methods of communication and information exchange by electronic means on the basis of the established interface specification for the system of interconnection of the electronic auction systems;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 51(2), first subparagraph, point (b)</i>				
410	(b) the technical measures ensuring the minimum information technology security standards for communication and distribution of information within the system of	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
	interconnection of electronic auction systems;			
<i>Article 51(2), first subparagraph, point (c)</i>				
411	(c) the minimum set of information that shall be made accessible through the central platform;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 51(2), first subparagraph, point (d)</i>				
412	(d) the minimum criteria for the presentation of announced auction processes via the European e-Justice Portal;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 51(2), first subparagraph, point (e)</i>				
413	(e) the minimum criteria for the search of announced auction processes via the European e-Justice Portal;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 51(2), first subparagraph, point (f)</i>				
414	(f) minimum criteria for guiding the users to the platform of the national auction system of the Member State where they may submit their offers directly in the announced auction processes;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 51(2), first subparagraph, point (g)</i>				
415	(g) the means and the technical conditions of availability of services provided by the system	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	of interconnection;			
<i>Article 51(2), first subparagraph, point (h)</i>				
416	(h) the use of the European unique identifier referred to in Article 16(1) of Directive (EU) 2017/1132 ¹ , 1. Article 16(1) of Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 51(2), first subparagraph, point (i)</i>				
417	(i) specification of which personal data can be accessed;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 51(2), first subparagraph, point (j)</i>				
418	(j) data protection safeguards.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 51(2), second subparagraph</i>				
419	Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 69(2), by [one year after the transposition deadline].	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 52</i>				
420	Article 52 Costs of establishing and interconnecting electronic auction	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
	systems			
<i>Article 52(1)</i>				
421	1. The establishment, maintenance and future development of the system of interconnection of electronic auction systems as referred to in Article 50 shall be financed from the general budget of the Union.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 52(2)</i>				
422	2. Each Member State shall bear the costs of establishing and adjusting its national electronic auction systems to make them interoperable with the European e-Justice Portal, as well as the costs of administering, operating and maintaining those systems. This shall be without prejudice to the possibility to apply for grants to support such activities under the Union's financial programmes.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 53</i>				
423	Article 53 Responsibilities of the Commission in connection with the processing of personal data in the system of interconnection of electronic auction platforms	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 53(1)</i>				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
424	1. The Commission shall exercise the responsibilities of controller pursuant to Article 3(8) of Regulation (EU) 2018/1725 in accordance with its respective responsibilities defined in this Article.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 53(2)				
425	2. The Commission shall define the necessary policies and apply the necessary technical solutions to fulfil its responsibilities within the scope of the function of controller.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 53(3)				
426	3. The Commission shall implement the technical measures required to ensure the security of personal data while in transit, in particular the confidentiality and integrity of any transmission to and from the European e-Justice Portal.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
Article 53(4)				
427	4. With regard to the information from the interconnected national auction systems, no personal data relating to data subjects shall be stored in the European e-Justice Portal. All such data shall be stored in the	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	national auction systems operated by the Member States or other bodies.			
<i>Article 54</i>				
428	Article 54 Sale of the assets by electronic auction	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 54(1)</i>				
429	1. Member States shall ensure that the electronic auction of assets of the insolvency estate in simplified winding-up proceedings is announced in due time in advance on the electronic auction platform referred to in Article 50.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 54(2)</i>				
430	2. Member States shall ensure that the competent authority or, where relevant, the insolvency practitioner, informs through individual notices all known creditors on the object, time and date of the electronic auction, as well as on the requirements to participate therein.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 54(3)</i>				
431	3. Member States shall ensure that any interested person, including the existing shareholders	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	or directors of the debtor, are allowed to participate in the electronic auction and bid.			
<i>Article 54(4)</i>				
432	4. If there are bids both on the acquisition of the debtor's business as a going concern and on the individual assets of the insolvency estate, creditors shall decide which of the alternatives they prefer.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 55</i>				
433	Article 55 Decision on the closure of the simplified winding-up proceedings	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 55(1)</i>				
434	1. Member States shall ensure that after the distribution of proceeds of the sale of the debtor's business or assets, the competent authority takes a decision on the closure of the simplified winding-up proceedings no later than two weeks after the distribution of proceeds has been completed.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 55(2)</i>				
435	2. Member States shall ensure that the decision on the closure of the simplified winding-	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	up proceedings includes a specification of the time period leading to the discharge of the entrepreneur debtor or of those founders, owners or members of an unlimited liability microenterprise debtor who are personally liable for the debts of the debtor.			
<i>Chapter 5</i>				
6	436 Chapter 5 Discharge of entrepreneurs in simplified winding-up proceedings	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 56</i>				
6	437 Article 56 Access to discharge	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 56, first paragraph</i>				
6	438 Member States shall ensure that in simplified winding-up proceedings entrepreneur debtors, as well as those founders, owners or members of an unlimited liability microenterprise debtor who are personally liable for the debts of the microenterprise are fully discharged from their debts in accordance with Title III of Directive (EU) 2019/1023.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 57</i>				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
439	Article 57 Treatment of personal guarantees provided for business-related debts	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 57, first paragraph</i>				
440	Member States shall ensure that where insolvency proceedings or individual enforcement proceedings have been brought over the personal guarantee provided for the business needs of a microenterprise that is debtor in simplified winding-up proceedings against a guarantor who, in case the microenterprise concerned is a legal person, is a founder, owner or member of that legal person, or, in case the microenterprise concerned is an entrepreneur, a family member of that entrepreneur, the proceedings on the personal guarantee are either coordinated or consolidated with the simplified winding-up proceedings.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Title VII</i>				
441	Title VII CREDITORS' COMMITTEE	Title VII CREDITORS' COMMITTEE	Title VII CREDITORS' COMMITTEE	Title VII CREDITORS' COMMITTEE <small>Text Origin: Council Mandate</small>
<i>Chapter 1</i>				
442	Chapter 1	Chapter 1	Chapter 1	Chapter 1

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	Establishment and members of the creditors' committee	Establishment and members of the creditors' committee	Establishment and members of the creditors' committee	Establishment and members of the creditors' committee
Article 58				
443	Article 58 Establishment of the creditors' committee	Article 58 Establishment of the creditors' committee	Article 58 Establishment of the creditors' committee	Article 58 Establishment of the creditors' committee Text Origin: Council Mandate
Article 58(1)				
444	1. Member States shall ensure that a creditors' committee is established only if the general meeting of creditors so decides.	1. Member States shall ensure that a creditors' committee is established only if the general meeting of creditors so decides.	1. Member States shall ensure that a creditors' committee is established only after the opening of insolvency proceedings at least if the general meeting of creditors so decides or requests or, where national law does not provide for a general meeting of creditors, if creditors so request in accordance with national law.	1. Member States shall ensure that a creditors' committee is established only after the opening of insolvency proceedings if the general meeting of creditors so decides or requests or, where national law does not provide for a general meeting of creditors, if creditors so request in accordance with national law. Council OK with text but recitals should mention: "national law can provide that the creditors' committee is established without the request from the creditors." Text Origin: Council Mandate
Article 58(2), first subparagraph				
445	2. By way of derogation from paragraph (1) Member States may provide that, before the opening of	2. By way of derogation from paragraph (1) Member States may provide that, before the opening of	2. By way of derogation from paragraph (1) Member States may provide that, before the opening of	2. By way of derogation from paragraph (1) Member States may provide that, before the opening of

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	insolvency proceedings, the creditors' committee can be established as of the submission of a request for the opening of insolvency proceedings where one or more creditors submit a request to the court for the establishment of such committee.	insolvency proceedings, the creditors' committee can be established as of the submission of a request for the opening of insolvency proceedings where one or more creditors submit a request to the court for the establishment of such committee.	insolvency proceedings, the creditors' committee can be established as of the submission of a request for before the opening of insolvency proceedings where one or more creditors submit a request to the court for the establishment of such committee in accordance with national law.	insolvency proceedings, the creditors' committee can be established as of the submission of a request for before the opening of insolvency proceedings where one or more creditors submit a request to the court for the establishment of such committee in accordance with national law. Text Origin: Council Mandate
Article 58(2), second subparagraph				
446	Member States shall ensure that the first general meeting of creditors decides on the continuation and the composition of the creditors' committee established in accordance with subparagraph 1.	Member States shall ensure that the first general meeting of creditors decides on the continuation and the composition of the creditors' committee established in accordance with subparagraph 1.	2a. Member States shall ensure that the first general meeting of creditors decides on the continuation and the composition number of members of the creditors' committee established in accordance with subparagraph 1 does not exceed 7.	Member States shall ensure that when the first general meeting of creditors decides on the continuation and committee is established, the composition of the creditors' committee established in accordance with subparagraph 1 shall be decided upon.
Article 58(2), second subparagraph a				
446a			Member States may provide for a higher number of members of the creditors' committee in particularly complex insolvency proceedings.	<i>deleted</i>
Article 58(3)				
447	3. Member States may exclude in national law the possibility to establish a creditors'	3. Member States may exclude in national law the possibility to establish a creditors'	3. Member States may exclude in national law the possibility to establish provide	3. Member States may exclude in national law the possibility to establish provide that

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	committee in insolvency proceedings, when the overall costs of the involvement of such a committee are not justified in view of the low economic relevance of the insolvency estate, of the low number of creditors or the circumstance that the debtor is a microenterprise.	committee in insolvency proceedings, when, <u>due to the nature and scope of the debtor's business</u> , the overall costs of the involvement of such a committee are not justified in view of the low economic relevance of the insolvency estate, of the low number of creditors or the circumstance that the debtor is a microenterprise.	that a creditors' committee in insolvency proceedings, when the overall costs is not established where, due to circumstances related to the nature and scope of the involvement of such a debtor's business, it determines that the establishment of the creditors' committee are not justified in view of the low economic relevance of the insolvency estate, of the low number of creditors or the circumstance that the debtor is a microenterprise would outweigh the benefits.	a creditors' committee in insolvency proceedings, when the overall costs is not established where, due to circumstances related to the nature and scope of the involvement of such a committee are not justified in view of debtor's business, it determines that the burdens of its establishment would outweigh the benefits. <u>Member States shall ensure that these circumstances, which may include the low economic relevance of the insolvency estate, of the low number of creditors or the circumstance that, the small size of the debtor is a microenterprise or the negative effect on the financial situation of the debtor caused by possible delays in the establishment of a creditors' committee, are clearly defined in national law.</u>
Article 58(3), second subparagraph				
447a			Member States shall ensure that these circumstances are clearly defined in national law.	deleted covered by the COM proposal above
Article 59				
448	Article 59	Article 59	Article 59	Article 59

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	Appointment of the members of the creditors' committee	Appointment of the members of the creditors' committee	Appointment of the members Composition of the creditors' committee	Appointment of the members and composition of the creditors' committee Text Origin: Commission Proposal
Article 59(1)				
449	1. Member States shall ensure that the members of the creditors' committee are appointed either at the general meeting of creditors or by decision of the court, within 30 days from the date of the opening of the proceedings as referred to in Article 24(2), point (a) of Regulation (EU) 2015/848.	1. <u>Where a creditors' committee is established pursuant to Article 58</u> , Member States shall ensure that the members of the creditors' committee are appointed either at the general meeting of creditors or by decision of the court, within 30 days from the date of the opening of the <u>insolvency</u> proceedings as referred to in Article 24(2), point (a) of Regulation (EU) 2015/848 .	<i>deleted</i>	1. <u>Where a creditors' committee is established pursuant to Article 58</u> , Member States shall ensure that the members of the creditors' committee are appointed <u>without undue delay</u> either at the general meeting of creditors or by decision of the court, within 30 days from the date of the opening of the proceedings as referred to in Article 24(2), point (a) of Regulation (EU) 2015/848 .
Article 59(2)				
450	2. Where the members of the creditors' committee are appointed at the general meeting of creditors, Member States shall ensure that the court certifies the appointment within 5 days from the date of the communication of the appointment to the court.	2. Where the members of the creditors' committee are appointed at the general meeting of creditors, Member States shall ensure that the court certifies the appointment within 5 <u>working</u> days from the date of the communication of the appointment to the court.	<i>deleted</i>	<i>deleted</i>
Article 59(3)				
451	3. Member States shall	3. Member States shall	3. Member States shall ensure	COM to provide compromise proposal

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	ensure that the appointed members of the creditors' committee fairly reflect the different interests of creditors or groups thereof.	ensure that the appointed members of the creditors' committee fairly reflect the different interests of creditors or groups thereof.	that the appointed members composition of the creditors' committee fairly reflects reflects, as far as possible, the different interests of creditors or groups thereof. Member States may provide that persons and entities other than creditors, in accordance with national law, are eligible for the appointment to the creditors' committee.	<p>based on the latest EP proposal compromise proposal</p> <p>EP proposal:</p> <p>Member States shall ensure that the composition of the creditors' committee fairly reflects, as far as possible, the different interests of creditors.</p> <p>When workers are among the creditors, Member States shall ensure that those workers or their representatives are eligible for appointment to the creditors' committee.</p> <p>Member States may provide that further persons and entities other than creditors are eligible for appointment to the creditors' committee only if they represent the interests of a group of creditors.</p>
Article 59(3a)				
451a		<u>3a. When workers are among the creditors, Member States shall ensure that the creditors' committee can include members who are workers or their representatives. Individuals who are not themselves creditors may also be appointed as members of</u>		To be covered by a COM proposal in 451.

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		<u>the creditors' committee only if they represent the interests of a group of creditors.</u>		
Article 59(4)				
452	4. Member States shall ensure that creditors whose claims have only been provisionally admitted and cross-border creditors are also eligible for the appointment to the creditors' committee.	4. Member States shall ensure that creditors whose claims have only been provisionally admitted and cross-border creditors are also eligible for the appointment to the creditors' committee.	4. Member States shall ensure that creditors whose claims have only been provisionally admitted and cross-border creditors are also eligible for the appointment to the creditors' committee.	4. Member States shall ensure that creditors whose claims have only been provisionally admitted and cross-border creditors are also eligible for the appointment to the creditors' committee. Text Origin: Council Mandate
Article 59(5)				
453	5. Member States shall ensure that any interested party may challenge before the court the appointment of one or more members of the creditors' committee on the ground that the appointment was not done in accordance with applicable law.	5. Member States shall ensure that any interested party may challenge before the court the appointment of one or more members of the creditors' committee on the ground that the appointment was not done in accordance with applicable law.	<i>deleted</i>	5. Member States shall ensure that, <u>where national law provides for appeals,</u> any interested party <u>defined in accordance national law</u> may challenge before the court the appointment of one or more members of the creditors' committee on the ground that the appointment was not done in accordance with applicable law.
Article 60				
454	Article 60 Duty of creditors as members of the creditors' committee	Article 60 Duty of creditors as members of the creditors' committee	<i>deleted</i>	<i>deleted</i>
Article 60(1), first subparagraph				
455	I. Member States shall	1. Member States shall		

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	ensure that members of the creditors' committee represent solely the interests of the whole body of creditors and act independently of the insolvency practitioner.	ensure that members of the creditors' committee represent solely the interests of the whole body of creditors, <u>in a fair and unbiased way</u> and act independently of the insolvency practitioner.	<i>deleted</i>	<i>deleted</i> Linked to COM proposal in lines 484a Council and 457a EP
<i>Article 60(1), second subparagraph</i>				
456	By way of derogation from the previous subparagraph, Member States may maintain national provisions that allow to set up more than one creditors' committee representing different groups of creditors in the same insolvency proceedings. In this case, the members of the creditors' committee represent solely the interests of the creditors who appointed them.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 60(2)</i>				
457	2. The creditors' committee owes the duties to all creditors it represents.	2. The creditors' committee owes the duties to all creditors it represents.	<i>deleted</i>	<i>deleted</i>
<i>Article 60(2a)</i>				
457a		<u>2a. Member States shall ensure that the members of the creditors' committee act in good faith when carrying out the functions of the committee.</u>		<i>deleted</i> linked to COM proposal in 484a

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
<i>Article 61</i>				
458	Article 61 Number of members	Article 61 <i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 61, first paragraph</i>				
459	Member States shall ensure that the number of members composing the creditors' committee is at least 3 and does not exceed 7.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>Article 62</i>				
460	Article 62 Removal of a member and replacement	Article 62 Removal of a member and replacement	Article 62 Removal of a member and replacement	Article 62 Removal of a member and replacement
<i>Article 62(1)</i>				
461	1. Member States shall lay down rules specifying both the grounds for removal and replacement of members of the creditors' committee and the related procedures. Those rules shall also cater for the situation where members of the creditors' committee resign or are unable to perform the required functions, such as in cases of serious illness or death.	1. Member States shall lay down rules specifying both the grounds for removal and replacement of members of the creditors' committee and the related procedures. Those rules shall also cater for the situation where members of the creditors' committee resign or are unable to perform the required functions, such as in cases of serious illness or death.	1. Member States shall lay down rules specifying both the grounds and procedures for the removal and replacement of members of the creditors' committee and the related procedures . Those rules shall also cater provide for the situation where members of the creditors' committee resign or are unable to perform the required functions, such as in cases of serious illness or death their duties .	1. Member States shall lay down rules specifying both the grounds and procedures for the removal and replacement of members of the creditors' committee and the related procedures . Those rules shall also cater provide for the situation where members of the creditors' committee resign or are unable to perform the required functions, such as in cases of serious illness or death their duties . Text Origin: Council Mandate

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
Article 62(2)				
462	2. Grounds for removal shall at least include fraudulent or grossly negligent conduct, wilful misconduct, or breach of fiduciary duties with respect to the creditors' interests.	2. Grounds for removal shall at least include fraudulent or grossly negligent conduct, <u>conflicts of interest</u> , wilful misconduct, or breach of fiduciary duties with respect to the creditors' interests.	2. Grounds for removal referred to in paragraph 1 shall at least include fraudulent intentional or grossly negligent conduct, wilful misconduct, or breach of fiduciary violation of serious gravity of duties with respect to the creditors' interests.	2. Grounds for removal <u>as referred to in paragraph 1</u> shall at least include fraudulent <u>an intentional</u> or grossly negligent conduct, wilful misconduct, or breach of fiduciary <u>duties of a serious nature</u> with respect to the <u>interests of the general body of creditors</u> ² , <u>such as situations of conflict of</u> interests.
Chapter 2				
463	Chapter 2 Working methods and function of the creditors' committee	Chapter 2 Working methods and function of the creditors' committee	Chapter 2 Working methods and function of the creditors' committee	Chapter 2 Working methods and function of the creditors' committee
Article 63				
464	Article 63 Working method of the creditors' committee	Article 63 Working method of the creditors' committee	Article 63 Working method of the creditors' committee	Article 63 Working method of the creditors' committee Text Origin: Council Mandate
Article 63(1)				
465	1. Member States shall ensure that a creditors' committee lays down a protocol of working methods within 15 working days following the appointment of the members. If the creditors' committee fails to comply with this obligation, the court shall be	1. Member States shall ensure that a creditors' committee lays down a protocol of working methods within 15 working days following the appointment of the members. If the creditors' committee fails to comply with this obligation, the court shall be	1. Member States shall ensure that a creditors' committee lays down a protocol of working methods within 15 working days following the appointment of the members. If the creditors' committee fails to comply with this obligation, the court shall be	1. Member States shall ensure that a creditors' committee lays down a protocol of working methods within 15 working days following the appointment of the members. If the creditors' committee fails to comply with this obligation, the court shall be ensure that a creditors' committee lays down a protocol of working methods within 15 working days following the appointment of the members. If the creditors' committee fails to comply with this obligation, the court shall be

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
	empowered to lay down the protocol on behalf of the creditors' committee within 15 working days following the expiry of the first 15 working day period. In the first meeting of the creditors' committee, its members shall approve the working methods by simple majority of the present members.	empowered to lay down the protocol on behalf of the creditors' committee within 15 working days following the expiry of the first 15 working day period. In the first meeting of the creditors' committee, its members shall approve the working methods by simple majority of the present members.	empowered to lay down the protocol on behalf of the creditors' committee within 15 working days following the expiry of the first 15 working day period. In the first meeting of the creditors' committee, its members shall approve the working methods by simple majority of the present members. rules specifying:	empowered to lay down the protocol on behalf of the creditors' committee within 15 working days following the expiry of the first 15 working day period. In the first meeting of the creditors' committee, its members shall approve the working methods by simple majority of the present members. rules specifying: Linked to the proposal in 471 Text Origin: Council Mandate
Article 63(1), point (a)				
465a	(b) eligibility to vote and the necessary quorum; Moved reference text		(b) (a) eligibility to vote the voting procedure and the necessary quorum; Moved from row 468 [468 - 465a]	(b) (a) the voting procedure, including eligibility to vote and the necessary quorum;
Article 63(1), point (b)				
465b	(c) conflict of interests; Moved reference text		(c) (b) conflict of interests; Moved from row 469 [469 - 465b]	(c) (b) conflict of interests; Text Origin: Council Mandate
Article 63(1), point (c)				
465c	(d) confidentiality of information. Moved reference text		(d) (c) confidentiality of information. Moved from row 470 [470 - 465c]	(d) (c) confidentiality of information. Text Origin: Council Mandate
Article 63(1), point (d)				

	CLEAN Commission Proposal	VSE.C EP Mandate	VSE.C Council Mandate	VSE.C Draft Agreement
465d			(d) record keeping of the decisions taken by the creditors' committee.	<u>(d) record keeping of the decisions taken by the creditors' committee.</u> Text Origin: Council Mandate
Article 63(2)				
466	2. That protocol referred to in paragraph (1) shall at least address the following matters:	2. That protocol referred to in paragraph (1) shall at least address the following matters:	deleted	deleted Linked to the proposal in 471
Article 63(2), point (-a)				
466a		<u>(-a) the scope of the creditors' committee's duties;</u>		deleted EP: to be moved to Article 63(1) as letter (e) Text Origin: EP Mandate
Article 63(2), point (a)				
467	(a) eligibility to attend and participate in the creditors' committee's meetings;;	(a) eligibility to attend and participate in the creditors' committee's meetings;;	deleted	deleted
Article 63(2), point (b)				
468	(b) eligibility to vote and the necessary quorum;	(b) eligibility to vote and the necessary quorum;	deleted Moved to row 465a [468 - 465a]	deleted
Article 63(2), point (c)				
469	(c) conflict of interests;	(c) conflict of interests;		

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
			<i>deleted</i>	<i>deleted</i>
<i>Article 63(2), point (d)</i>				
470	(d) confidentiality of information.	(d) confidentiality of information.	<i>deleted</i>	<i>deleted</i>
<i>Article 63(3)</i>				
471	3. Member States shall ensure that the protocol referred to in paragraph (1) is available to all creditors, the court and the insolvency practitioner.	3. Member States shall ensure that the protocol referred to in paragraph (1) is available to all creditors, the court and the insolvency practitioner.	<i>deleted</i>	3. Member States shall ensure <u>the possibility</u> that the protocol referred to <u>working methods may be further specified by means of protocols, provided that such protocols comply with the rules laid down</u> in paragraph (1) <u>is 1.</u> <u>Such protocol shall be made</u> available <u>at least</u> to all creditors, the court and the insolvency practitioner.
<i>Article 63(4)</i>				
472	4. Member States shall ensure that the members of the creditors' committee are given the possibility to participate and vote either in person or via electronic means.	4. Member States shall ensure that the members of the creditors' committee are given the possibility to participate and vote either in person or via electronic means.	4. Member States shall ensure <u>provide that the members of the creditors' committee may participate and vote either in person or via electronic means.</u> Member States may provide that the members of the creditors' committee are given the possibility to participate and vote either in person or via electronic means vote <u>in writing.</u>	4. Member States shall ensure <u>provide that the members of the creditors' committee may participate and vote either in person or via electronic means.</u> <u>Member States may provide</u> that the members of the creditors' committee are given the possibility to participate and vote either in person or via electronic means <u>vote in writing.</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				Text Origin: Council Mandate
Article 63(5)				
473	5. Member States shall ensure that members of the creditors' committee may be represented by a party supplied with a power of attorney.	5. Member States shall ensure that members of the creditors' committee may be represented by a party supplied with a power of attorney.	5. Member States shall ensure that members of the creditors' committee may can be represented by a party supplied with a power of attorney duly authorised person.	5. Member States shall ensure that members of the creditors' committee may can be represented by a party supplied with a power of attorney duly authorised person. Text Origin: Council Mandate
Article 63(6)				
474	6. The Commission shall establish a standard protocol by way of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 69(2).	6. The Commission shall establish a standard protocol by way of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 69(2).	<i>deleted</i>	<i>deleted</i>
Article 64				
475	Article 64 Function, rights, duties and powers of the creditors' committee	Article 64 Function, rights, duties and powers of the creditors' committee	Article 64 Function, rights, and duties and powers of the creditors' committee	Article 64 Function, rights, and and duties and and powers of the creditors' committee Text Origin: Council Mandate
Article 64(1), first subparagraph				
476	1. Member States shall ensure that the creditors' committee's function is to ensure that in the conduct of the insolvency proceedings the	1. Member States shall ensure that the creditors' committee's function is to ensure that in the conduct of the insolvency proceedings the	<i>deleted</i>	<i>Covered by 484a</i> <i>Considered deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	creditors' interests are protected and individual creditors are involved.	creditors' interests are protected and individual of the whole body of creditors are involved <u>protected</u> .		
Article 64(1), second subparagraph				
477	To that end, Member States shall ensure that the creditors' committee has at least the following rights, duties and powers:	To that end, Member States shall ensure that the creditors' committee has at least the following rights, duties and powers:	1. To that end, Member States shall ensure that the creditors' committee has at least the following rights, duties and powers that safeguard its involvement in the insolvency proceedings and enable it to examine the activities of the insolvency practitioners or, where the debtor remains in possession, of the debtor, including:	1. To that end, Member States shall ensure that the creditors' committee has at least the following rights, duties and powers that safeguard its involvement in the insolvency proceedings and enable it to examine the activities of the insolvency practitioners or, where the debtor remains in possession, of the debtor, including: Text Origin: Council Mandate
Article 64(1), second subparagraph, point (a)				
478	(a) the right to hear the insolvency practitioner at any time;	(a) the right to hear the insolvency practitioner at any time;	(a) the right to hear be heard by the insolvency practitioner at any time on matters of interest to the general body of creditors, including major decisions, such as the sale of assets outside the ordinary course of business;	(a) the right to hear <u>and be heard by</u> the insolvency practitioner at any time on matters of interest to the general body of creditors, including major decisions, such as the sale of assets outside the ordinary course of business;
Article 64(1), second subparagraph, point (b)				
479	(b) the right to appear and to be heard in insolvency proceedings;	(b) the right to appear and to be heard in insolvency proceedings;	(b) the right to appear and to be heard in insolvency proceedings;	(b) the right to appear and to be heard in insolvency proceedings;

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				Text Origin: Council Mandate
Article 64(1), second subparagraph, point (c)				
480	(c) the duty to supervise the insolvency practitioner, including by consulting with the insolvency practitioner and informing the insolvency practitioner of the wishes of creditors;	(c) the duty to supervise the insolvency practitioner, including by consulting with the insolvency practitioner and informing the insolvency practitioner of the wishes of creditors;	<i>deleted</i>	<i>deleted</i> Linked to 478 and 483
Article 64(1), second subparagraph, point (d)				
481	(d) the power to request relevant and necessary information from the debtor, the court or the insolvency practitioner at any time during insolvency proceedings;	(d) the power to request relevant and necessary information from the debtor, the court or the insolvency practitioner at any time during insolvency proceedings;	(d) the power right to request and receive relevant and necessary information from the debtor, the court or the insolvency practitioner at any time during insolvency proceedings or, where the debtor remains in possession, from the debtor;	(d) the power right to request and receive relevant and necessary information from the debtor, the court or the insolvency practitioner at any time during insolvency proceedings or, where the debtor remains in possession, from the debtor;
Article 64(1), second subparagraph, point (e)				
482	(e) the duty to provide information to the creditors represented by the creditors' committee and the right to receive information from those creditors;	(e) the duty to provide power to share relevant and necessary information to the creditors represented by the creditors' committee and the right and to receive information from those creditors them ;	<i>deleted</i>	<i>deleted</i>
Article 64(1), second subparagraph, point (f)				
483	(f) the right to receive notice	(f) the right to receive notice		

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	of and be consulted on matters in which the creditors represented by the creditors' committee have an interest, including the sale of assets outside the ordinary course of business;	of and be consulted on matters in which the creditors represented by the creditors' committee have an interest, including the sale of assets outside the ordinary course of business;	<i>deleted</i>	<i>deleted</i>
<i>Article 64(1), second subparagraph, point (fa)</i>				
483a		<u>(fa) the power to appoint a secretary;</u>		<i>deleted</i> <i>linked to 484</i>
<i>Article 64(1), second subparagraph, point (g)</i>				
484	(g) the power to request external advice on matters in which the creditors represented by the creditors' committee have an interest.	(g) the power to request external advice on matters in which the creditors represented by the creditors' committee have an interest.	<i>deleted</i>	<i>deleted</i> <i>COM compromise proposal</i> <i>EP counterproposal: (g) the right to appoint a secretary and the right to request external advice on matters in which the creditors represented by the creditors' committee have an interest.</i> <i>A "may" proposal expected from the Council</i>
<i>Article 64(1), second subparagraph a</i>				
484a				<u>1a. Member States may provide, that the creditors' committee has the right to appoint a secretary and the right to</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				<u>request external advice on matters in which the creditors represented by the creditors' committee have an interest."</u>
Article 64(1a)				
484b			1a. Member States shall ensure that the creditors' committee in its activities represents the interests of the general body of creditors and acts independently of the insolvency practitioner.	<u>1b. Member States shall ensure that the creditors' committee in its activities represents the interests of the general body of creditors and acts independently of the insolvency practitioner. Member States shall ensure that the members of the creditors' committee represent the interests of the whole body of creditors and act in good faith when carrying out the functions of the committee.</u>
Article 64(2)				
485	2. Where Member States entrust the creditors' committee with the power to approve certain decisions or legal acts, they shall clearly specify the matters on which such approval is required.	2. Where Member States entrust the creditors' committee with the power to approve certain decisions or legal acts, they shall clearly specify the matters on which such approval is required.	<i>deleted</i>	2. Where Member States <u>may</u> entrust the creditors' committee with the power to approve certain decisions or legal acts. <u>In such case</u> , they shall clearly specify the matters on which such approval is required <u>which may include all decisions of special importance to the proceedings.</u>
Article 64(2a)				

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
485a		<u>2a. Member States shall ensure that creditors, members of the creditors' committee and any professionals employed by the creditors' committee maintain the confidentiality of all information obtained in connection with the committee's activities.</u>		<u>2a. Member States shall ensure that creditors, members of the creditors' committee and any professionals assisting the creditors' committee maintain the confidentiality of confidential information obtained in connection with the committee's activities.</u>
Article 65				
486	Article 65 Expenses and remuneration	Article 65 Expenses and remuneration	Article 65 Expenses and remuneration	Article 65 Expenses and remuneration
Article 65(1)				
487	1. Member States shall specify who bears the expenses incurred by the creditors' committee in exercising its function referred to in Article 64.	1. Member States shall specify who bears the expenses incurred by the creditors' committee in exercising its function referred to in Article 64.	1. Member States shall specify who bears the expenses incurred by the creditors' committee or its individual members in exercising the function referred to in Article 64.	1. Member States shall specify who bears the expenses incurred by the creditors' committee <u>or its individual members</u> in exercising the function referred to in Article 64. LL to check "individual"/"individually" Text Origin: Council Mandate
Article 65(2)				
488	2. Where the expenses referred to in paragraph 1 are borne by the insolvency estate, Member States shall ensure that the creditors' committee keeps record of such expenses and the court has	2. Where the expenses referred to in paragraph 1 are borne by the insolvency estate, Member States shall ensure that the creditors' committee keeps record of such expenses and the court has	2. Where the expenses referred to in paragraph 1 are borne by the insolvency estate, Member States shall ensure that the creditors' committee keeps or its individual members keep record	2. Where the expenses referred to in paragraph 1 are borne by the insolvency estate, Member States shall ensure that the creditors' committee keeps or its individual members keep record of

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	the authority to limit unjustified and disproportionate expenses.	the authority to limit unjustified and disproportionate expenses.	of such expenses and the court, insolvency practitioners or competent authority has the authority to limit unjustified and disproportionate expenses.	such expenses and the court, <u>insolvency practitioners or competent authority</u> has the authority to limit unjustified and disproportionate expenses. Text Origin: Council Mandate
Article 65(3)				
489	3. Where Member States allow members of the creditors' committee to be remunerated and such remuneration is borne by the insolvency estate, they shall ensure that the remuneration is proportionate to the function performed by the members and that the creditors' committee keeps record of it.	3. Where Member States allow members of the creditors' committee to be remunerated and such remuneration is borne by the insolvency estate, they shall ensure that the remuneration is proportionate to the function performed by the members and that the creditors' committee keeps record of it.	3. Where Member States allow members of the creditors' committee to be remunerated and such remuneration is borne by the insolvency estate, they shall ensure that the remuneration is proportionate to the function performed by the members and that the creditors' committee keeps record of it.	3. Where Member States allow members of the creditors' committee to be remunerated and such remuneration is borne by the insolvency estate, they shall ensure that the remuneration is proportionate to the function performed by the members and that the creditors' committee keeps record of it. Text Origin: Council Mandate
Article 66				
490	Article 66 Liability	Article 66 Liability	Article 66 Liability	Article 66 Liability
Article 66, first paragraph -a				
490a			1. Member States shall ensure that at least one of the following rules apply:	<u>1. Member States shall ensure that at least one of the following rules apply:</u> Text Origin: Council Mandate
Article 66, first paragraph				

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
491	Members of a creditors' committee are exempt from individual liability for their actions in their capacity as members of the committee unless they have committed grossly negligent or fraudulent conduct, wilful misconduct, or have breached a fiduciary duty to the creditors they represent.	Members of a creditors' committee are exempt from individual liability for their actions in their capacity as members of the committee unless they have committed <u>an intentional or</u> grossly negligent or fraudulent conduct, wilful misconduct, or have breached a fiduciary duty <u>violation of duties with respect</u> to the creditors they represent <u>'interests</u> .	(a) members of at the creditors' committee are exempt from individual <u>personal</u> liability for their actions in their capacity as members of the committee unless they have committed <u>been found to have violated their duties with respect to the creditors' interests intentionally or in a</u> grossly negligent or fraudulent conduct, wilful misconduct, or have breached a fiduciary duty to the creditors they represent. <u>manner;</u>	<u>(a)</u> members of a <u>the</u> creditors' committee are exempt from individual <u>personal</u> liability for their actions in their capacity as members of the committee unless they have committed <u>been found to have violated their duties with respect to the creditors' interests intentionally or in a</u> grossly negligent or fraudulent conduct, wilful misconduct, or have breached a fiduciary duty to the creditors they represent <u>manner;</u> Text Origin: Council Mandate
Article 66, first paragraph a				
491a			(b) the personal liability of the members of the creditors' committee for their actions in their capacity as members of the committee is covered by insurance which is borne by the insolvency estate in accordance with Article 65(2).	<u>(b) the personal liability of the members of the creditors' committee for their actions in their capacity as members of the committee is covered by insurance which is borne by the insolvency estate in accordance with Article 65(2).</u> Text Origin: Council Mandate
Article 66, first paragraph a				
491b		<u>Expenses for liability insurance covering the liability of members of the creditors' committee shall be borne by the insolvency estate in accordance with Article 65(2).</u>		delete

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
Article 66, second paragraph				
491c			2. Where Member States entrust the creditors' committee with the power to approve certain decisions or transactions, Member States may provide that the members of the creditors' committee are held liable in the same manner as an insolvency practitioner.	2. <u>Where Member States entrust the creditors' committee with the power to approve certain decisions or transactions, Member States may provide that the members of the creditors' committee are held liable in the same manner as an insolvency practitioner.</u> Text Origin: Council Mandate
Article 67				
492	Appeal Article 67	Appeal Article 67	<i>deleted</i>	
Article 67(1)				
493	1. Where Member States entrust the creditors' committee with the power to approve certain decisions or transactions, they shall also provide for a right to appeal against such an approval.	1. Where Member States entrust the creditors' committee with the power to approve certain decisions or transactions, they shall also provide for a right to appeal against such an approval.	<i>deleted</i>	
Article 67(2)				
494	2. Member States shall ensure that the appeal procedure is efficient and expeditious.	2. Member States shall ensure that the appeal procedure is efficient and expeditious.	<i>deleted</i>	
Title VIII				
495	Title VIII	Title VIII	Title VIII	Title VIII

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	MEASURES ENHANCING TRANSPARENCY OF NATIONAL INSOLVENCY LAWS	MEASURES ENHANCING TRANSPARENCY OF NATIONAL INSOLVENCY LAWS	MEASURES ENHANCING TRANSPARENCY OF NATIONAL INSOLVENCY LAWS	MEASURES ENHANCING TRANSPARENCY OF NATIONAL INSOLVENCY LAWS
Article 68				
496	Article 68 Key information factsheet	Article 68 Key information factsheet	Article 68 Key information factsheet	Article 68 Key information factsheet
Article 68(1)				
497	1. Member States shall provide, within the framework of the European e-Justice Portal, a key information factsheet on certain elements of national law on insolvency proceedings.	1. Member States shall provide, within the framework of the European e-Justice Portal, a key information factsheet on ertain essential elements of national law on insolvency proceedings.	1. Without prejudice to paragraph 10 , Member States shall provide, within the framework of the Commission, through the European e-Justice Portal, a key information factsheet on certain elements of national law on insolvency proceedings (the “key information factsheet”).	1. <u>Without prejudice to paragraph 10</u> , Member States shall provide, within the framework of the Commission, through the European e-Justice Portal, a key information factsheet on ertain essential elements of national law on insolvency proceedings (<u>the “key information factsheet”</u>).
Article 68(2)				
498	2. The content of the key information factsheet referred to in paragraph (1) shall be accurate, clear and not misleading and set out the facts in a balanced and fair manner. It shall be consistent with other information on insolvency or bankruptcy law provided within the framework of the European e-Justice Portal in accordance with Article 86 of Regulation (EU)	2. The content of the key information factsheet referred to in paragraph (1) shall be accurate, clear and not misleading and set out the facts in a balanced and fair manner. It shall be consistent with other information on insolvency or bankruptcy law provided within the framework of the European e-Justice Portal in accordance with Article 86 of Regulation (EU)	2. The content of the key information factsheet referred to in paragraph (1) shall be concise , accurate, clear and not misleading and non-technical and shall set out the facts in a balanced and fair manner. It shall be consistent with other information on insolvency or bankruptcy law provided within the framework of the European e-Justice Portal in accordance with	2. The content of the key information factsheet referred to in paragraph (1) shall be concise , accurate, clear and not misleading and non-technical and shall set out the facts in a balanced and fair manner. It shall be consistent with other information on insolvency or bankruptcy law provided within the framework of the European e-Justice Portal in accordance with

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	2015/848.	2015/848.	Article 86 of Regulation (EU) 2015/848 in a factual manner.	Article 86 of Regulation (EU) 2015/848 in a factual manner. Text Origin: Council Mandate
Article 68(3)				
G	499 3. The key information factsheet shall:	3. The key information factsheet shall:	3. The key information factsheet shall:	3. The key information factsheet shall: Text Origin: Council Mandate
Article 68(3), point (a)				
Y	500 (a) be drawn up and submitted to the Commission in an official language of the Union by [6 months after the deadline for transposition of this Directive];	(a) be drawn up and submitted to the Commission in an official language of the Union by [6 months after the deadline for transposition of this Directive];	(a) be drawn up and submitted to the Commission in an official language of the institutions of the Union by [6 months after the deadline for transposition of this Directive...] [42 months from the entry into force of this Directive] ;	(a) be drawn up and submitted to the Commission in an official language of the institutions of the Union by [6 months after the deadline for transposition of this Directive...] [x months from the entry into force of this Directive] ; Council and EP agree in principle that it is 6 months after the transposition. Text Origin: Council Mandate
Article 68(3), point (b)				
G	501 (b) have a maximum length of five sides of A4-sized paper when printed, using characters of readable size;	(b) have a maximum length of five sides of A4-sized paper when printed, using characters of readable size;	<i>deleted</i>	<i>deleted</i>
Article 68(3), point (c)				
G	502 (c) be written in a clear, non-technical and comprehensible	(c) be written in a clear, non-technical and comprehensible	<i>deleted</i>	<i>deleted</i>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	language.	language.		
Article 68(4)				
503	4. The key information factsheet shall contain the following sections in the following order:	4. The key information factsheet shall contain the following sections in the following order:	4. The key information factsheet shall contain include the following sections in the following order:	4. The key information factsheet shall contain include the following sections in the following order: Text Origin: Council Mandate
Article 68(4), point (a)				
504	(a) the conditions for the opening of insolvency proceedings;	(a) the conditions for the opening of insolvency proceedings;	(a) the conditions for the opening of insolvency proceedings;	(a) the conditions for the opening of insolvency proceedings;
Article 68(4), point (b)				
505	(b) the rules governing the lodging, verification and admission of claims;	(b) the rules governing the lodging, verification and admission of claims;	(b) the rules governing the lodging, verification and admission of claims;	(b) the rules governing the lodging, verification and admission of claims;
Article 68(4), point (c)				
506	(c) the rules governing the ranking of creditors' claims and the distribution of proceeds from the realisation of assets ensuing from the insolvency proceedings;	(c) the rules governing the ranking of creditors' claims and the distribution of proceeds from the realisation of assets ensuing from the insolvency proceedings;	(c) the rules governing the ranking of creditors' claims and the distribution of proceeds from the realisation of assets ensuing from the insolvency proceedings;	(c) the rules governing the ranking of creditors' claims and the distribution of proceeds from the realisation of assets ensuing from the insolvency proceedings;
Article 68(4), point (d)				
507	(d) the average reported length of insolvency proceedings, as referred to in Article 29(1), point (b) of Directive (EU) 2019/1023 ¹ . 1. DIRECTIVE (EU) 2019/1023 OF THE EUROPEAN PARLIAMENT AND OF	(d) the average reported length of insolvency proceedings, as referred to in Article 29(1), point (b) of Directive (EU) 2019/1023 ¹ . 1. DIRECTIVE (EU) 2019/1023 OF THE EUROPEAN PARLIAMENT AND OF	(d) the average reported length of insolvency proceedings, as referred to in Article 29(1), point (b) of Directive (EU) 2019/1023 ¹ . 1. DIRECTIVE (EU) 2019/1023 OF THE EUROPEAN PARLIAMENT AND OF	(d) the average reported length of insolvency proceedings, as referred to in Article 29(1), point (b) of Directive (EU) 2019/1023 ¹ . 1. DIRECTIVE (EU) 2019/1023 OF THE EUROPEAN PARLIAMENT AND OF

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	THE COUNCIL of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132	THE COUNCIL of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132	THE COUNCIL of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132	THE COUNCIL of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132
Article 68(5)				
508	5. The section referred to in paragraph (4), point (a) shall contain:	5. The section referred to in paragraph (4), point (a) shall contain:	5. The section referred to in paragraph (4)4, point (a), shall contain include :	5. The section referred to in paragraph (4)4, point (a), shall contain include : Text Origin: Council Mandate
Article 68(5), point (a)				
509	(a) the list of persons that can request the opening of insolvency proceedings;	(a) the list of persons that can request the opening of insolvency proceedings;	(a) the list of persons that can request the opening of insolvency proceedings;	(a) the list of persons that can request the opening of insolvency proceedings;
Article 68(5), point (b)				
510	(b) the list of conditions that trigger the opening of insolvency proceedings;	(b) the list of conditions that trigger the opening of insolvency proceedings;	(b) the list of conditions that trigger the opening of insolvency proceedings;	(b) the list of conditions that trigger the opening of insolvency proceedings;
Article 68(5), point (c)				
511	(c) where and how the request for the opening of insolvency proceedings can be submitted;	(c) where and how the request for the opening of insolvency proceedings can be submitted;	(c) how and where and how the to submit a request for the opening of insolvency proceedings can be submitted;	(c) how and where and how the to submit a request for the opening of insolvency proceedings can be submitted ; Text Origin: Council Mandate
Article 68(5), point (d)				
512	(d) how and when the debtor	(d) how and when the debtor	(d) how and when the debtor is	(d) how and when the debtor is

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	is notified of the opening of insolvency proceedings.	is notified of the opening of insolvency proceedings.	notified of the opening of decision whether to open insolvency proceedings.	notified of the opening of decision <u>on whether to open</u> insolvency proceedings. for LL to check Text Origin: Council Mandate
Article 68(6)				
513	6. The section referred to in paragraph (4), point (b) shall contain:	6. The section referred to in paragraph (4), point (b) shall contain:	6. The section referred to in paragraph (4) 4 , point (b), shall contain include :	6. The section referred to in paragraph (4) 4 , point (b), shall contain include : Text Origin: Council Mandate
Article 68(6), point (a)				
514	(a) the list of persons that can lodge a claim;	(a) the list of persons that can lodge a claim;	(a) the list of persons that can lodge a claim;	(a) the list of persons that can lodge a claim;
Article 68(6), point (b)				
515	(b) the list of conditions to lodge a claim;	(b) the list of conditions to lodge a claim;	(b) the list of conditions to lodge for lodging a claim;	(b) the list of conditions to lodge for lodging a claim; Text Origin: Council Mandate
Article 68(6), point (c)				
516	(c) the time limit to lodge a claim;	(c) the time limit to lodge a claim;	(c) the time limit to lodge for lodging a claim;	(c) the time limit to lodge for lodging a claim; Text Origin: Council Mandate
Article 68(6), point (d)				
517	(d) where to find the form to lodge a claim, when applicable;	(d) where to find the form to lodge a claim, when applicable;	(d) where to find how to obtain the form to lodge for lodging a claim, when if applicable;	(d) where to find how to obtain the form to lodge for lodging a claim, when if applicable;

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
				Text Origin: Council Mandate
Article 68(6), point (e)				
518	(e) how and where to lodge a claim;	(e) how and where to lodge a claim;	(e) how and where to lodge a claim;	(e) how and where to lodge a claim;
Article 68(6), point (f)				
519	(f) how the claim is verified and validated.	(f) how the claim is verified and validated.	(f) how the claim is verified and validated.	(f) how the claim is verified and validated.
Article 68(7)				
520	7. The section referred to in paragraph (4), point (c) shall contain:	7. The section referred to in paragraph (4), point (c) shall contain:	<i>deleted</i>	<i>deleted</i>
Article 68(7), point (a)				
521	(a) a brief description of how rights and claims of creditors are ranked;	(a) a brief description of how rights and claims of creditors are ranked;	<i>deleted</i>	<i>deleted</i>
Article 68(7), point (b)				
522	(b) a brief description of how proceeds are distributed.	(b) a brief description of how proceeds are distributed.	<i>deleted</i>	<i>deleted</i>
Article 68(8), first subparagraph				
523	8. Member States shall update the information referred to in paragraph 4 within a month after the entry into force of the relevant amendments to national law. The key information factsheet shall contain the following statement:	8. Member States shall update the information referred to in paragraph 4 within a month after the entry into force of the relevant amendments to national law. The key information factsheet shall contain the following statement:	8. Member States shall update the information referred to in paragraph 4 within a 1 month after of the entry into force of the any relevant amendments to national law. The key information factsheet shall contain the	8. Member States shall update the information referred to in paragraph 4 within a 1 month after of the entry into force of the any relevant amendments to national law. The key information factsheet shall contain the

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	‘This key information factsheet is accurate as at [the date of submission of the information to the Commission or the date of the update]’.	‘This key information factsheet is accurate as at [the date of submission of the information to the Commission or the date of the update]’.	following statement: ‘This key information factsheet is accurate as at ... [the date of submission of the information to the Commission or the date of the update]’.	following statement: ‘This key information factsheet is accurate as at ... [the date of submission of the information to the Commission or the date of the update]’. Text Origin: Council Mandate
Article 68(8), second subparagraph				
524	The Commission shall arrange for that key information factsheet to be translated into English, French and German or, if the key information factsheet is drawn up in one of those languages, into the other two of them, and make it accessible to the public on the European e-Justice Portal under the insolvency/bankruptcy section for each Member State.	The Commission shall arrange for that key information factsheet to be translated into English, French and German or, if the key information factsheet is drawn up in one of those languages, into the other two of them, and make it accessible to the public on the European e-Justice Portal under the insolvency/bankruptcy section for each Member State.	8a. The Commission shall arrange for that key information factsheet to be translated into English, French and German or, if ensure that the key information factsheet is drawn up in one of those languages, into the other two of them, and make it accessible available to the public in English, French and German and the original language, if different , on the European e-Justice Portal under the insolvency/bankruptcy section for each Member State.	8a. The Commission shall arrange for that key information factsheet to be translated into English, French and German or, if ensure that the key information factsheet is drawn up in one of those languages, into the other two of them, and make it accessible available to the public in English, French and German and the original language, if different , on the European e-Justice Portal under the insolvency/bankruptcy section for each Member State. Text Origin: Council Mandate
Article 68(9)				
525	9. The Commission shall be empowered to modify the format of the key information factsheet or to extend or reduce the scope of the technical information provided therein by way of implementing	9. The Commission shall be empowered to modify the format of the key information factsheet or to extend or reduce the scope of the technical information provided therein by way of implementing	9. The Commission shall be empowered to modify the format of the key information factsheet or to extend or reduce the scope of the technical information provided therein by way of implementing	9. The Commission shall be empowered to modify the format of the key information factsheet or to extend or reduce the scope of the technical information provided therein by way of implementing

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 69(2)	acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 69(2)	acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 69(2).	acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 69(2). Text Origin: Council Mandate
Article 68(9a)				
525a			<p>10. Member States where Regulation (EU) 2015/848 is applicable shall provide the key information factsheet referred to in paragraph 1 of this Article through the European Judicial Network in civil and commercial matters established by Council Decision 2001/470/EC¹ in a manner consistent with Article 86 of that Regulation.</p> <p>¹ Council Decision 2001/470/EC of 28 May 2001 establishing a European Judicial Network in civil and commercial matters (OJ L 174, 27.6.2001, p. 25).</p>	<p><u><i>10. Member States where Regulation (EU) 2015/848 is applicable shall provide the key information factsheet referred to in paragraph 1 of this Article through the European Judicial Network in civil and commercial matters established by Council Decision 2001/470/EC¹ in a manner consistent with Article 86 of that Regulation.</i></u></p> <p><u><i>1. Council Decision 2001/470/EC of 28 May 2001 establishing a European Judicial Network in civil and commercial matters (OJ L 174, 27.6.2001, p. 25).</i></u></p> <p>Text Origin: Council Mandate</p>
Title IX				
526	Title IX FINAL PROVISIONS	Title IX FINAL PROVISIONS	Title IX FINAL PROVISIONS	Title IX FINAL PROVISIONS
Article 68a				
526a			Article 68a Emergency measures	political

	CLEAN	Commission Proposal	V.S.E.C	EP Mandate	V.S.E.C	Council Mandate	V.S.E.C	Draft Agreement
Article 68a(1)								
526b						<p>1. Member States may derogate from applying national provisions transposing Title II, V and VII in the event of extraordinary situations which seriously disrupt economic activities at the level of the Member States or their regions, where, and to the extent that, the application of the national provisions transposing those Titles would entail a risk of widespread insolvencies, including for companies that are viable under ordinary circumstances.</p>		
Article 68a(2)								
526c						<p>2. The derogation referred to in paragraph 1 and its duration shall be proportionate and limited to what is essential for containing, mitigating, resolving or preventing the serious disruption referred to in that paragraph.</p>		
Article 68a(3), first subparagraph								
526d						<p>3. The derogation referred to in paragraph 1 shall be notified to the Commission within a month from its entry</p>		

	CLEAN	Commission Proposal	VSE.C	EP Mandate	VSE.C	Council Mandate	VSE.C	Draft Agreement
						into force.		
Article 68a(3), second subparagraph								
526e						<p>When notifying the Commission in accordance with the first subparagraph, the Member States shall list the provisions of this Directive from which the measures derogate, the nature and extent of the exceptional circumstances on which the derogation is based, the duration of the derogation, and the reasons for which the derogation is considered essential for containing, resolving or preventing serious disruption to economic activities as referred to in paragraph 1. The Commission shall inform the other Member States thereof without undue delay.</p>		
Article 68a(4), first subparagraph								
526f						<p>4. The derogation referred to in paragraph 1 may have a maximum duration of one year.</p>		
Article 68a(4), second subparagraph								
526g						<p>Where and to the extent that the extraordinary situation which seriously disrupts economic activities persists, the derogation</p>		

	CLEAN	Commission Proposal	VSE.C	EP Mandate	VSE.C	Council Mandate	VSE.C	Draft Agreement
						may be extended by periods of up to 6 months provided that the Member State notifies the Commission to that effect no later than 3 months before the expiration of the previous derogation period. That extension shall take effect unless the Commission objects, at the latest one month before the expiration of that previous derogation period, on the basis that the extension does not comply with the requirements referred to in paragraph 1 and 2.		
Article 68b								
	526h					Article 68b Collective workers' rights		
Article 68b(1)								
	526i					Member States shall ensure that collective workers' rights under Union and national labour law are not affected by Titles IV and VII of this Directive.		linked to the COM proposal on 224b
Article 69								
	527	Article 69 Committee		Article 69 Committee		Article 69 Committee		Article 69 Committee
Article 69(1)								

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
528	1. The Commission shall be assisted by the Committee on Restructuring and Insolvency (the ‘Committee’) as referred to in Article 30 of Directive (EU) 2019/1023 of the European Parliament and of the Council. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.	1. The Commission shall be assisted by the Committee on Restructuring and Insolvency (the ‘Committee’) as referred to in Article 30 of Directive (EU) 2019/1023 of the European Parliament and of the Council. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.	1. The Commission shall be assisted by the Committee on Restructuring and Insolvency (the ‘Committee’) as referred to in Article 30 of Directive (EU) 2019/1023 of the European Parliament and of the Council. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.	1. The Commission shall be assisted by the Committee on Restructuring and Insolvency (the ‘Committee’) as referred to in Article 30 of Directive (EU) 2019/1023 of the European Parliament and of the Council. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
Article 69(2)				
529	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply
Article 69a				
529a		<u>Article 69a</u> <u>Supporting measures</u>		
Article 69a(1)				
529b		<u>To address the difficulties of SMEs and microenterprises in particular, and their need for additional supporting measures in the event of insolvency and financial distress, the Commission shall support the exchange of best practices between Member States and provide guidance on that basis and on the basis of exchanges with SME</u>		

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
		representatives.		
Article 70				
530	Article 70 Review		Article 70 Review	Article 70 Review
Article 70, first paragraph				
531	By [5 years after the deadline for transposition of this Directive], the Commission shall present to the European Parliament, the Council and the European Economic and Social Committee a report on the application and impact of this Directive.	By [5 3 years after the deadline for transposition of this Directive] <u>and every 5 years thereafter</u> , the Commission shall present to the European Parliament, the Council and the European Economic and Social Committee a report on the application and , impact <u>and its effectiveness in reaching the objectives</u> of this Directive. <u>The report may be accompanied, if appropriate, by a legislative proposal.</u>	By [5 years after the deadline for transposition of this Directive 5 years <u>after the deadline for transposition of this Directive</u>], the Commission shall present to the European Parliament, the Council and the European Economic and Social Committee a report on the application and impact of this Directive.	By 5No later than (XXXXXX) and every five years after the deadline for transposition of this Directive thereafter , the Commission shall present to the European Parliament, the Council and the European Economic and Social Committee a report on the application and impact of this Directive. <u>On the basis of that assessment, the Commission shall submit, if appropriate, a legislative proposal.</u>
Article 71				
532	Article 71 Transposition	Article 71 Transposition	Article 71 Transposition	Article 71 Transposition
Article 71(1), first subparagraph				
533	1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by [2 years from entry into force] at the latest. They shall forthwith communicate to the Commission	1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by f2 <u>years... [12 months]</u> from entry into force] at the latest. They shall forthwith communicate to the	1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by ... [2 years from entry into force] at the latest <u>3 years from the entry into force of this Directive</u> . They	<u>political</u>

	CLEAN Commission Proposal	VS.EC EP Mandate	VS.EC Council Mandate	VS.EC Draft Agreement
	the text of those provisions.	Commission the text of those provisions.	shall forthwith communicate to the Commission the text of those provisions.	
Article 71(1), first subparagraph a				
533a			Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Article 14, 15 and 16 of this Directive, to the extent they relate to the future EU bank account registers interconnection system (BARIS) referred to in Article 16(6) of Directive (EU) 2024/1640 of the European Parliament and of the Council by the date mentioned in the first subparagraph or by 10 July 2029, whichever is later in time.	<u><i>Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Article 14, 15 and 16 of this Directive, to the extent they relate to the future EU bank account registers interconnection system (BARIS) referred to in Article 16(6) of Directive (EU) 2024/1640 of the European Parliament and of the Council by the date mentioned in the first subparagraph or by 10 July 2029, whichever is later in time.</i></u> Text Origin: Council Mandate
Article 71(1), second subparagraph				
534	When Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.	When Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.	When Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.	When Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.
Article 71(1), second subparagraph a				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
534a			1a. Member States that encounter particular difficulties in implementing this Directive may bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by ... [4 years from the entry into force of this Directive].	political
Article 71(1), second subparagraph b				
534b			When a Member State makes use of the option set out in the first subparagraph, it shall notify the Commission thereof by ... [30 months from the entry into force of this Directive].	political
Article 71(1), second subparagraph c				
534c			1b. Member States shall ensure that Title II applies only to legal acts perfected after the date of the entry into force of the laws, regulations and administrative provisions necessary to comply with this Directive referred to in the first subparagraph of paragraph 1.	<u>1b. Title II applies only to legal acts perfected after the date of the entry into force of the laws, regulations and administrative provisions necessary to comply with this Directive referred to in the first subparagraph of paragraph 1.</u>
Article 71(2)				
535	2. Member States shall communicate to the Commission the text of the main provisions of	2. Member States shall communicate to the Commission the text of the main provisions of	2. Member States shall communicate to the Commission the text of the main provisions of	2. Member States shall communicate to the Commission the text of the main provisions of

	<small>CLEAN</small> Commission Proposal	<small>V.S.E.C</small> EP Mandate	<small>V.S.E.C</small> Council Mandate	<small>V.S.E.C</small> Draft Agreement
	national law which they adopt in the field covered by this Directive.	national law which they adopt in the field covered by this Directive.	national law which they adopt in the field covered by this Directive.	national law which they adopt in the field covered by this Directive.
Article 72				
<small>G</small> 536	Article 72 Entry into force	Article 72 Entry into force	Article 72 Entry into force	Article 72 Entry into force
Article 72, first paragraph				
<small>G</small> 537	This Directive shall enter into force on the [...] day following that of its publication in the Official Journal of the European Union.	This Directive shall enter into force on the [...] day following that of its publication in the Official Journal of the European Union.	This Directive shall enter into force on the [...] day following that of its publication in the Official Journal of the European Union.	This Directive shall enter into force on the [...] day following that of its publication in the Official Journal of the European Union.
Article 73				
<small>G</small> 538	Article 73 Addressees	Article 73 Addressees	Article 73 Addressees	Article 73 Addressees
Article 73, first paragraph				
<small>G</small> 539	This Directive is addressed to the Member States.	This Directive is addressed to the Member States.	This Directive is addressed to the Member States.	This Directive is addressed to the Member States.
Formula				
<small>G</small> 540	Done at Brussels,	Done at Brussels,	Done at Brussels,	Done at Brussels,
Formula				
<small>G</small> 541	For the European Parliament	For the European Parliament	For the European Parliament	For the European Parliament
Formula				
<small>G</small> 542	The President (...)	The President (...)	The President (...)	The President (...)
Formula				
<small>G</small> 543	For the Council	For the Council	For the Council	For the Council
Formula				

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
g	544	The President (...)	The President (...)	The President (...)
ANNEX ...				
g	545	ANNEX [...]	ANNEX [...]	ANNEX [...]
ANNEX ..., first paragraph				
g	546	National asset registers referred to in Article 18	National asset registers <u>and databases</u> referred to in Article 18	National asset registers <u>and databases</u> referred to in Article 18 <small>Text Origin: Council Mandate</small>
ANNEX ..., point 1.				
g	547	1. Cadastral registers;	1. Cadastral registers;	1. Cadastral registers;
ANNEX ..., point 2.				
g	548	2. Land registers;	2. Land registers;	2. Land registers;
ANNEX ..., point 3.				
g	549	3. Movable property registers including registers of vehicles, ships and aircrafts and registers of weapons;	3. Movable property registers including registers of vehicles, ships and aircrafts, <u>where property rights are registered in such-and</u> registers of weapons ;	3. Movable property registers including registers of vehicles, ships and aircrafts, <u>where property rights are registered in such-and</u> registers of weapons ; <small>Text Origin: Council Mandate</small>
ANNEX ..., point 4.				
g	550	4. Register of donations;	4. Register of donations;	4. Register of donations;
ANNEX ..., point 5.				
g	551	5. Mortgage registers;	5. Mortgage registers;	5. Mortgage registers;
ANNEX ..., point 6.				
g	552	6. Other security registers,	6. Other security -Registers <u>or</u>	6. Other security -Registers <u>or</u>

	CLEAN Commission Proposal	V.S.E.C EP Mandate	V.S.E.C Council Mandate	V.S.E.C Draft Agreement
	including securities depository registers and book-entry registers;	<u>databases containing information on the ownership of securities, such as central, including securities depository registers and book-entry registers depositories, as defined in Article 2 of Regulation (EU) No 909/2014;</u>	databases containing information on the ownership of securities, such as central, including securities depository registers and book-entry registers depositories, as defined in Article 2 of Regulation (EU) No 909/2014;	<u>databases containing information on the ownership of securities, such as central, including securities depository registers and book-entry registers depositories, as defined in Article 2 of Regulation (EU) No 909/2014;</u> Text Origin: Council Mandate
ANNEX ..., point 7.				
G	553 7. Registers of pledges including lease agreements and sale-purchase agreements with retention of title;	7. Registers of pledges including lease agreements and sale-purchase agreements with retention of title;	7. Registers of pledges including lease agreements and sale-purchase agreements with retention of title;	7. Registers of pledges including lease agreements and sale-purchase agreements with retention of title;
ANNEX ..., point 8.				
G	554 8. Registers containing property seizure acts;	8. Registers containing property seizure acts;	8. Registers containing property seizure acts;	8. Registers containing property seizure acts;
ANNEX ..., point 9.				
G	555 9. Probate registers;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
ANNEX ..., point 10.				
G	556 10. Registers of intellectual property rights, including patent and trademark registers;	10. Registers of intellectual property rights, including patent and trademark registers;	10. Registers of intellectual property rights, including patent and trademark registers;	10. Registers of intellectual property rights, including patent and trademark registers; Text Origin: Council Mandate
ANNEX ..., point 11.				
G	557 11. Registers of internet			

	<small>CLEAN</small> Commission Proposal	<small>V.S.E.C</small> EP Mandate	<small>V.S.E.C</small> Council Mandate	<small>V.S.E.C</small> Draft Agreement
	domains;	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>
<i>ANNEX ..., point 12.</i>				
<small>G</small> 558	12. Register of General Terms and Conditions.	<i>deleted</i>	<i>deleted</i>	<i>deleted</i>