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COVER NOTE

From: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 17 May 2016

To: Mr Jeppe TRANHOLM-MIKKESEN, Secretary-General of the Council of
the European Union

No. Cion doc.: C(2016) 2637 final

Subject: CORRIGENDUM to COMMISSION DELEGATED REGULATION (EU)
…/… of 4.2.2016 specifying further the circumstances where exclusion
from the application of write-down or conversion powers is necessary
under Article 44(3) of Directive 2014/59/EU of the European Parliament
and of the Council establishing a framework for the recovery and resolution
of credit institutions and investment firms

Delegations will find attached document C(2016) 2637 final.

Encl.: C(2016) 2637 final
CORRIGENDUM

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{C(2016) 379 final}
CORRIGENDUM

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resolution of credit institutions and investment firms

On page 17, in Article 9:

for:

Article 9
Exclusion on grounds of avoidance of a decrease in value under article 44 (3)(d) of Directive
2014/59/EU

1. Resolution authorities may exclude a liability or class of liabilities from a bail-in
where such exclusion would avoid value destruction so that the holders of the non-
excluded liabilities would be better off than they would be if the former were bailed-
in.

Resolution authorities may exclude a liability from a bail-in pursuant to Article
44(3)(d) of Directive 2014/59/EU where the benefit of exclusion for other creditors
would outweigh their contribution to loss absorption and recapitalization did the
exclusion not take place

2. In order to assess whether the condition in paragraph 1 is met, resolution authorities
shall compare and evaluate the outcome for all creditors resulting from a potential
bail-in and non-bail-in, in accordance with Article 36 (16) and Article 49 (5) of
Directive 2014/59/EU.

read:

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